MAWSON RESOURCES LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE NINE MONTHS ENDED FEBRUARY 29, 2008

Background

This discussion and analysis of financial position and results of operation is prepared as at April 10, 2008, and should be read in conjunction with the interim consolidated financial statements and the accompanying notes for the nine months ended February 29, 2008, of Mawson Resources Limited ("Mawson" or the "Company"). Those consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP"). Except as otherwise disclosed, all dollar figures included therein and in the following management discussion and analysis ("MD&A") are quoted in Canadian dollars. Additional information relevant to the Company's activities, can be found on SEDAR at www.sedar.com .

Company Overview

During the period Mawson's common shares were approved for listing on the Toronto Stock Exchange (the "TSX"), the senior equity trading market in Canada. Trading commenced on February 12, 2008, under the symbol "MAW". Concurrently with the listing on the TSX, Mawson's common shares ceased to trade on the TSX Venture Exchange ("TSXV"). The Company also trades on the Frankfurt Stock Exchange under the trading symbol "MRY".

The Company holds or is acquiring significant uranium resources in the nuclear energy reliant countries of Spain, Sweden and Finland. As the European Union reduces its reliance on carbon-based energy sources, the Company is well placed as it develops its exploration portfolio towards the sustainable production of uranium in the shortest possible time frame.

The Company is exploring an extensive uranium portfolio of 21 projects in three European countries, including four 100% owned advanced projects.

The Company is firmly focused on the exploration and development of its advanced European uranium assets. The Company will continue to expand on its current uranium resource base through drilling, new acquisitions and potential corporate growth opportunities.

During the period the Company closed on the purchase, from its joint venture partner, North Atlantic Natural Resources AB ("NAN" - a subsidiary of Lundin Mining AB), of the remaining equity interests in the Company's gold projects for $250,000. The Company is now close to closing the sale of these gold projects plus additional base metal projects to Hansa Resource Limited ("Hansa"), a publicly traded company listed on the TSXV ("HRL"). In consideration, the Company will receive 6,000,000 common shares and $250,000 cash. The equity holding represents approximately 14% of Hansa's share capital. In addition, the Company retains a 2% NSR on all properties not included in the agreement with NAN. The Company and Hansa have now signed a formal agreement and are awaiting final regulatory approval for closing.

Corporate Update

Effective December 17, 2007, Mr. Gil Leathley was been appointed as a director of the Company. Mr. Leathley brings over 50 years of senior experience encompassing all aspects of international mining operations. Between the periods of 1975 to 2000, Mr. Leathley was the driving force in overseeing the development of six major operating mines on behalf of Noranda Mining, Corona Resources and Homestake Mining. Strategic development included the Golden Giant, Jolu, Eskay Creek, Santa Fe, Ruby Hill and Nickel Plate mines. During his tenure, he held various senior management and operating positions, ranging from Mine Superintendent and General Manager to Senior Vice President, and Chief Operating Officer. His responsibilities included overseeing mine development and operations with work forces of up to 2,500 employees. As a noted specialist in operational economics and company finances, he also played a key leadership role in the evaluation of acquisitions and the integration of acquisitions with the various parent companies.

Effective December 19, 2007 Mr. Nick DeMare, a director of the Company since its incorporation, was appointed Chief Financial Officer.

Project Update

Sweden

Update on Sweden and the Nuclear Cycle

Scandinavia as a region and Sweden in particular are well endowed with uranium. The bedrock is highly enriched with uranium bearing granites and organic rich shales underlying a large proportion of the country. Uranium prospectivity is identified across a 2 billion year time window and includes many good examples of a range of uranium deposit styles, with similar geological ages and settings to major uranium provinces in Australia, Canada and Southern Africa.

The Swedish State began uranium exploration in the early 1960's through to the early 1980's. Approximately US $45 million in dollars of the day was spent exploring for uranium with a view to self-sufficiency, ranking Sweden 20th in terms of global uranium exploration expenditure. The exploration effort was highly successful in identifying high merit uranium prospects and included the mining of 215 tonnes of U_3O_8 from Ranstad over 4 years in the late 1960's. This legacy of state run exploration and the excellent capture of historic data in Sweden gave Mawson a strong head start when embarking on uranium exploration four years ago.

On a per capita basis, Sweden is the second highest uranium consuming country through its utilization of nuclear power. The first reactor was commissioned in 1964 and today approximately 50% of the country's power comes from ten nuclear reactors, the remainder being contributed by hydro power, wind power and biofuel combustion.

Currently Sweden is one of the most actively explored countries for uranium worldwide, with over 15 companies registering uranium exploration claims. The Swedish Mining Act provides a clear investment environment and allows for uranium exploration. Despite a controversial history, there is no ban on uranium mining in Sweden today and the current pro-nuclear government has stated it will review all uranium mining projects in light of the relevant legislation and environmental standards. The municipal government, where the specific project is located, retains a right of veto for uranium mining projects.

Mawson regards Scandinavia as fulfilling the prospectivity and political requirements of a risk-aware exploration company. Exploration is being undertaken in the backyard of the world's highest nuclear power consumers, with poor energy security and a long term commitment to nuclear power. Bedrock is prospective for a range of deposit types, and both Sweden and Finland have a long history of uranium exploration and mining. Through a strong and committed community presence, Mawson has gained a seat at the table to be a part of Sweden's progressing energy debate.

Project Update

The Company currently has three principal properties located in Sweden, the Hotagen (including the Kläppibäcken Stensjödalen, Stensjödalen South, Långvattnet and Tresjöarna uranium projects), Duobblon and Tåsjö Properties (the "Principal Properties"). In addition the Company has a number of non-principal properties in Sweden including the Flistjårn, Åsnebogruvan, Nörr Döttern, Harrejokk and Sjaule uranium projects and the Storbodsund nickel, copper cobalt project. The Company holds the uranium rights to 36 exploration permits for 39,410 hectares in Sweden.

During the period drilling activities continued at full pace in Sweden with up to five drill rigs at four projects active during the winter field season. Currently two drill rigs remain operating at two project areas. These programs will continue until the spring thaw in mid to late April.

At Kläppibäcken, up to three drill rigs have been at the site over the period. In total, 21 holes for 4,836 metres were completed during the winter field season. Analytical results for only 5 drill holes have been received and reported. Further analyses will be reported as they become available.

The results from the first five holes at the Kläppibäcken uranium gave broad high-grade uranium mineralization that was intersected down dip and along strike from previously drilled mineralization, including one of the most strongly uranium mineralized intervals drilled in Sweden.

New results were released from five diamond drill holes (KLADD0804-07 and KLADD0809). Best results, calculated with a lower cut-off of 0.01% uranium, are shown below.

- **KLÄDD0807:** 38.9m at 0.16% U_3O_8 from 236.1m;
  including 12.1m for 0.44% U_3O_8 from 261.9m
- **KLÄDD0705:** 27.6 metres at 0.10% U_3O_8 from 144.9m
  including 2.6m for 0.45% U_3O_8 from 161.3m
  including 2.0m for 0.19% U_3O_8 from 167.9m
  and 17.8m at 0.04% U_3O_8 from 181.0m;
- **KLÄDD0809:** 19.2m at 0.04% U_3O_8 from 189.2m;
  including 3.2m for 0.08% U_3O_8 from 194.2m

These new intersections extend mineralization between 50-100 metres in both down dip and along strike orientations. Mineralization is now known from surface down to a vertical depth of 210 metres below surface and remains open. Drill hole KLÄDD0807 (38.9m at 0.16% U_3O_8 from 236.1m) lies on the far northern limit of the previously known extent of the deposit and is located 50 metres down dip on section from the nearest drill hole. A longitudinal section showing the relationship between these results and previous results from the Kläppibäcken uranium project may be found at http://www.mawsonresources.com/index.php?page=ProjectsKlapLong.

Kläppibäcken is an intrusive-related uranium deposit, hosted by brecciated and cataclastic granite which is strongly enriched in fluorite or hematite. Uranium mineralization is present within a structural zone, generally greater than thirty metres in width, and locally exceeding fifty metres wide.

Basic metallurgical testing was carried out in late 1983 by the Luleå Technological University in Sweden on samples from Kläppibäcken. Two samples from Kläppibäcken showed excellent grindability and leachability. Kläppibäcken samples were reduced in a rod mill within 15 minutes to 175 micron size. A recovery of 97% uranium with low oxygen consumption by acid leach was achieved which is considered very promising.

The new drill results continue to demonstrate the potential and quality of the Kläppibäcken prospect. The drill result of 12.1 metres for 0.44% U_3O_8 represents one of the thickest high grade drill intercepts in a uranium deposit in Sweden. Significantly, the deposit shows no signs of weakening and remains open along strike and down dip.

Drilling will recommence at Kläppibäcken in the summer when ground access allows.

At Tåsjö, one drill rig is testing the uranium mineralized sedimentary horizon at the Bodkullarna and Onbäcken prospects, located 6 kilometres to the north east and 8 kilometres south west of the Kronotorpet prospect respectively, where a 53 drill hole program was completed in 2007. Thirty holes for 1271.3 metres have been drilled to date, with a further 500 metres planed. The uranium mineralized horizon has been intersected in most drill holes, however analytical results have not yet been received.

Drilling is ongoing with one drill rig at the Norr Döttern uranium project in Northern Sweden, where Mawson's joint venture partner Hodges Resources Ltd is earning a 51% interest by spending AUD$1 million over 4 years. Six holes for 590 metres have been planned. High surface radioactivity targets at the Östra Järntjärnbäcken prospect are the subject of the current program, where uranium mineralized boulders and outcrop were discovered in 2007. No previous bedrock drilling has been completed at the prospect.

Drilling by Mawson joint venture partner, Independence Group NL, at the Storbodsund nickel project has been completed. A total of 206 metres were completed in 2 drill holes. Both holes intersected sulphide bearing rock consistent with the EM geophysical features that were the target of drilling. Analytical results are awaited.

Spain

The Company's Spanish team has been active during the period, securing additional uranium permits and continuing the compilation of the historic database from the Don Benito project. The Company holds 11 exploration permit applications for 82,056 hectares in Spain. Further information will be released as it is compiled.

During the period, the Spanish Mining Authorities ("Junta de Extremadura") confirmed the Definitive Admission ("Admisión Definitiva") of the uranium Investigation Permits that cover the Don Benito uranium project. The project includes an historic open pit uranium mine and existing resources, which are overlain by a 3,865 hectare Mineral State Reserve to which Mawson presently has no entitlement.

Finland

The Company holds 6 claim applications for 477 hectares in Finland.

Saramäki Uranium Project

The Company staked three claims applications within its initial claim reservations at the Saramäki prospect in October 2007. The Saramäki 1-3 uranium claim applications in the Nilsiä district of eastern central Finland. These claim applications cover 200 hectares.

Saramäki was discovered by private prospectors in 1963, when radioactive outcrops and boulders were located within a five kilometre long northeast-southwest trending magnetic anomaly. Follow up work by Outokumpu Oy included various geophysical and geochemical methods, including 1,425 rock chip samples which averaged 0.009% U_3O_8 from 131 pits within a 4000 metre x 200 metre area.

The radioactive outcrops were drill tested with eight diamond drill holes by both the Outokumpu Oy and the Geological Survey of Finland between 1965 and 1977. The uranium mineralized horizon was intersected in each drill hole. Mawson has access to all publicly available exploration data and drill core from the Geological Survey of Finland and Outokumpu. Historic drill intersections included:

M19/52/3333/77/R304:		21.9m @ 0.04% U_3O_8 from 82m,
		including 3.9m @ 0.05% U_3O_8
	and	4.4m @ 0.08% U_3O_8;
Mv/Te-1:		5.6m @ 0.07% U_3O_8 from 62m,
		including 2.8m @ 0.10% U_3O_8

Uranium at Saramäki is hosted within a breccia along a 4,000 metre long and up to 200 metre wide apatite bearing gneiss and is similar in style to uranium mineralization at Mawson's 100%-owned claim application Nuottijärvi 1, located 150 kilometres away. During summer 2007 field programs, Mawson conducted ground scintillometer traverses which confirmed the scale and size of the uranium mineralized magnetic trend.

Nuottijärvi Uranium Project

In February 2007, the Company staked the Nuottijärvi uranium project in central Finland, one of that nation's largest known uranium deposits.

The Company's 100%-owned claim application "Nuottijärvi 1" is approximately 100 hectares in size and has been confirmed to hold priority by the Finnish state mining authority, the Ministry of Trade & Industry (MTI).

Nuottijärvi was identified in 1959 from the discovery of a radioactive outcrop, and was followed up with various geochemical and geophysical methodologies, with drill testing by Outokumpu Oy between 1965 and 1969. The Company gained has access to all previous publicly available exploration data and drill core from the Geological Survey of Finland and Outokumpu Oy. Better drill intersections included:

PLT-NU-017:	40.7m for 0.08% U_3O_8 from 59.9m;
PLT-NU-011:	33.4m for 0.06% U_3O_8 from 17.8m,
	including 3.8m @ 0.13% U_3O_8;
PLT-NJ-033:	40.3m for 0.05% U_3O_8 from 23.0m;
PLT-NU-004:	179.8m for 0.04% U_3O_8 from 18.1m

Uranium at Nuottijärvi is present as uraninite associated with fluorapatite, within a 40-metre wide mineralized breccia, hosted by a carbonate-apatite horizon at the contact between quartzite and graphite-bearing phyllite.

In 1969, Outokumpu Oy reported a historical resource at Nuottijärvi of 2.9 million tonnes at 0.044% U_3O_8 (2.9 million pounds of U_3O_8) based on 43 diamond drill holes for 6,679 metres, drilled on a 50-metre-by-50-metre drill pattern. The mineralized body is approximately 40 metres in thickness, extends from surface to a vertical depth of 80 metres, trends over a strike length of more than 400 metres, and remains open along strike and at depth.

The historical resource estimates quoted above are based on a report titled "Paltamo Nuoti Resource Calculation" by Aarto Huhma in 1969 of Outokumpu Oy. The resource was calculated using a polygonal method and is roughly analogous to CIM definitions "Indicated" and "Inferred". Data is historical in nature and was compiled prior to the implementation of NI 43-101 reporting standards. Mawson has not completed sufficient exploration to verify the estimates. Mawson is not treating them as National Instrument defined resources or reserves verified by a Qualified Person, and the historical estimate should not be relied upon. The Company does not have, and is not aware of, any more recent resource estimates that conform to the standards set out in National Instrument 43-101.

Mustamaa Uranium Project

The Mustamaa uranium claim application is located in the Tervola district of Northern Finland. The Mustamaa 1 claim application is approximately 100 hectares in size.

Uranium mineralization was first discovered at Mustamaa in 1978 by Rautaruukki Oy, during the ground follow up of a regional airborne radiometric survey. Rautaruukki Oy completed detailed outcrop and boulder mapping, applied various geophysical methodologies and assayed 26 radiometric boulders ranging from 0.01% uranium oxide ("U_3O_8") to 0.26% U_3O_8 and 0.7% phosphate ("P2O5) and 22.6% P2O5 and averaging 0.065 % U_3O_8 and 7.0% P2O5.

In 1979, Rautaruukki Oy identified a uranium mineralized horizon, which was drill tested with 13 diamond drill holes. Holes were spaced along a 500 metre strike and intersected a uranium horizon which remains open both along strike and at depth. Mawson has access to all previous publically available exploration data and drill core from the Geological Survey of Finland and Outokumpu Oy. Better drill intersections included:

- R13: 55.4m @ 0.03% U_3O_8 from 104m,
  including 4.1m @ 0.08% U_3O_8 from 120m
- R10: 18.1m @ 0.03% U_3O_8 from 65m,
  including 8.4m @ 0.04% U_3O_8 from 73m

Uranium at Mustamaa is locally hosted by a breccia unit. The breccia is contained within +500 metre long and up to 40 metre wide apatite bearing dolomite horizon. Mineralization is developed both within dolomite, and intercalated chlorite schist. The style of uranium mineralization is similar to Mawson's 100% owned Nuottijärvi 1 claim application, located 260 kilometres to the south east.

Other Uranium Projects

The Company also staked the Paukkanjanvaara 1 claim in February 2007.

Future Developments

Four projects have been drill tested in Sweden during the winter period. To date only five drill hole analyses have been reported. Further results will be released as they become available.

Due to the tenure of drill results received during the current drill program, the Company plans to recommence drilling at the Kläppibäcken during summer when ground access allows.

Forward Looking Statements

Certain information included in this discussion may constitute forward-looking statements. Forward-looking statements are based on current expectations and entail various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different than those expressed or implied. The Company disclaims any obligation or intention to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

The qualified person for Mawson's projects, Mark Saxon, Mawson's VP-Exploration, Director and a member of the Australasian Institute of Mining and Metallurgy, has reviewed and verified the contents of this document.

Selected Financial Data

The following selected financial information is derived from the unaudited interim consolidated financial statements of the Company.

	Fiscal 2008			Fiscal 2007				Fiscal 2006
	Feb 29 2008 $	Nov 30 2007 $	Aug 31 2007 $	May 31 2007 $	Feb 28 2007 $	Nov 30 2006 $	Aug 31 2006 $	May 31 2006 $
Operations:								
Revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Expenses	(437,061)	(562,795)	(339,659)	(2,083,764)	(530,336)	(224,603)	(591,131)	(277,400)
Other items	146,664	193,652	162,832	147,679	61,284	116,822	44,308	41,320
Net income (loss)	(290,397)	(369,143)	(176,827)	(1,936,085)	(469,052)	(107,781)	(546,823)	(236,080)
Basic and diluted loss per share	(0.01)	(0.01)	(0.00)	(0.06)	(0.02)	(0.00)	(0.02)	(0.01)
Dividends per share	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Balance Sheet:								
Working capital	13,979,845	14,870,000	15,694,641	16,342,362	17,210,627	7,915,700	8,488,907	8,925,959
Total assets	20,078,388	20,305,960	20,544,237	20,667,308	20,763,728	11,031,635	11,015,708	10,991,315
Total long-term liabilities	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Results of Operations

During the nine months ended February 29, 2008 (the "2008 period"), the Company reported a net loss of $836,367 ($0.02 per share), a decrease of $287,289 from the net loss of $1,123,656 ($0.04 per share) for the nine months ended February 28, 2007 (the "2007 period"). The decrease in loss is mainly attributed to the $661,050 reduction in the recognition of stock based compensation of $827,250 in the 2007 period versus $166,200 in the 2008 period and partially offset by an increase of $260,699 in interest income from cash deposits held and an increase of $654,495 in expenses.

Total expenses decreased by $6,555 from $1,346,070 during the 2007 period to $1,339,515 during the 2008 period. Specific expenses of note during the 2008 and 2007 periods are as follows:

- incurred $22,200 in the 2008 period (2007 - $20,300) for accounting and administration services charged by Chase Management Ltd. ("Chase"), a private corporation controlled by Mr. Nick DeMare, a director of the Company;
- incurred general exploration expenditures of $365,226 in the 2008 period (2007 - $110,422) relating to ongoing costs of the Company's exploration offices in Sweden. Fluctuations in general exploration is affected by allocations to direct property costs;
- incurred corporate development costs of $22,350 in the 2008 period (2007 - $23,963) for promotional materials, coverage of the Company in industry publications and newsletters and participation in investment conferences;
- incurred $113,073 for travel expenses in the 2008 period (2007 - $101,265), primarily for increased travel between Canada/Europe/Australia by the Company's President and Vice-President of Exploration to oversee the Company's expanded property acquisitions and exploration programs.
- incurred legal fees of $56,354 (2007 - $3,348), primarily for services in preparing and reviewing property agreements and the Company's application to upgrade its common share listing to the TSX Exchange;
- incurred shareholder costs of $27,563 (2007 - $6,822) due to increased news dissemination activities in Canada, USA and Europe;
- the Company has retained Mr. Nick Nicolaas to provide market awareness and investor relation activities. Mr. Nicolaas is paid a monthly fee of $5,000 through his company, Mining Interactive Corp. During the 2008 period, the Company paid $47,000 (2007 - $27,000) to Mr. Nicolaas. During the 2007 period, the Company had retained Pascal Geraths Gesellschaft Für Presse ("Pascal Geraths") to provide market awareness and investor relation activities in Europe for a fee of €7,500 per month. During the 2007 period, the Company paid Pascal Geraths $25,887;
- incurred due diligence costs of $199,579 relating to a potential property acquisition in Africa. The Company has determined not to pursue this opportunity;

- incurred audit fees of $28,752 (2007 - $9,260) for the audit of the Company's year-end financial statements. The increase in fees is attributed to the timing of the billings;
- paid $113,578 in the 2008 period (2007 - $105,248) to consultants for professional services and general financing services. The Company also reimbursed $9,000 (2007 - $9,000) to Tumi Resources Limited, a public company with common directors, for shared administration and other costs;
- during the 2008 period, the Company incurred in total $192,000 (2007 - $144,000) for management and professional fees charged through Sierra Peru Pty ("Sierra") for remuneration of Mr. Michael Hudson, the Company's President and CEO, and Mr. Mark Saxon, the Company's Vice-President of Exploration. The Company has capitalized $93,032 (2007 - $101,394) to unproven mineral interests and expensed $98,968 (2007 - $42,606) as management fees; and
- during the 2008 period, the Company granted 165,000 (2007 - 1,060,000) stock options and recorded non-cash stock-based compensation expense of $85,000 (2007 - $649,400). During the 2008 period, the Company recorded $81,200 (2007 - $177,850) compensation expense relating to the vesting of stock options which had been granted in prior periods.

As the Company is in the exploration stage of investigating and evaluating its unproven mineral interests, it has no revenue. Interest income is generated from cash held with the Company's financial institution. During the 2008 period, the Company reported interest income of $490,029 as compared to $229,330 during the 2007 period. The increase is attributed to higher levels of cash held during the 2008 period as a result of financings conducted.

During the 2008 period, the Company incurred a total of $1,753,579 (2007 - $1,371,423) on acquisition costs and exploration activities on its unproven mineral interests. In total, the Company spent $1,431,174 on its Uranium Projects and $322,405 on its other projects. Details of the exploration activities conducted in the 2008 period are described in "Exploration Projects" in this MD&A.

Financial Condition / Capital Resources

As at February 29, 2008, the Company had working capital of $13,979,845. The Company believes that it currently has sufficient financial resources to conduct anticipated exploration programs and meet anticipated corporate administration costs for the upcoming twelve month period. However, exploration activities may change due to ongoing results and recommendations, or the Company may acquire additional properties, which may entail significant funding or exploration commitments. In the event that the occasion arises, the Company may be required to obtain additional financing. The Company has relied solely on equity financing to raise the requisite financial resources. While it has been successful in the past, there can be no assurance that the Company will be successful in raising future financing should the need arise.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Proposed Transactions

The Company has no proposed transactions.

Critical Accounting Estimates

A detailed summary of all the Company's significant accounting policies is included in Note 2 to the May 31, 2007 audited consolidated financial statements.

Changes in Accounting Policies

Recent Accounting Pronouncements

Effective June 1, 2007, the Company has adopted two new accounting standards related to financial instruments that were issued by the Canadian Institute of Chartered Accountants. These accounting policy changes were adopted on a prospective basis with no restatement of prior period financial statements. The new standards and accounting policy changes are as follows:

Financial Instruments - Recognition and Measurement (Section 3855)

In accordance with this new standard, the Company now classifies all financial instruments as either held-to-maturity, available-for-sale, held-for-trading, loans and receivables, or other financial liabilities. Financial assets held-to-maturity, loans and receivables and financial liabilities other than those held-for-trading are measured at amortized cost. Available-for-sale instruments are measured at fair value with unrealized gains and losses recognized in other comprehensive income. Instruments classified as held-for-trading are measured at fair value with unrealized gains and losses recognized on the statement of loss.

Upon adoption of this new standard, the Company has designated its cash and cash equivalents as held-for-trading, which are measured at fair value. Exploration advances and other receivables are classified as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost. As at February 29, 2008, the Company did not have any financial assets classified as available-for-sale and therefore the adoption of the standards noted above had no effect on the presentation of the Company's financial statements.

Comprehensive Income (Section 1530)

Comprehensive income is the change in shareholders' equity during a period from transactions and other events and circumstances from non-owner sources. In accordance with this new standard, the Company now reports a statement of comprehensive income and a new category, accumulated other comprehensive income, in the shareholders' equity section of the balance sheet. The components of this new category will include unrealized gains and losses on financial assets classified as available-for-sale.

Transactions with Related Parties

During the nine months ended February 29, 2008, the Company:

(i) incurred a total of $162,168 (2007 - $50,300) for accounting, administration and professional fees provided by certain directors of the Company;
(ii) incurred $192,000 (2007 - $144,000) for management and professional fees provided by Sierra Peru, of which $93,032 (2007 - $101,394) was capitalized to unproven mineral interests and $98,968 (2007 - $42,606) charged to management fees; and
(iii) incurred $9,000 (2007 - $9,000) for shared administration and other costs with Tumi Resources Limited, a public company with common directors and officers.

As at February 29, 2008, $18,500 (2007 - $20,069) was outstanding to the related parties and was included in accounts payable and accrued liabilities.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Risks and Uncertainties

The Company competes with other mining companies, some of which have greater financial resources and technical facilities, for the acquisition of mineral concessions, claims and other interests, as well as for the recruitment and retention of qualified employees.

The Company is in compliance in all material regulations applicable to its exploration activities. Existing and possible future environmental legislation, regulations and actions could cause additional expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted. Before production can commence on any properties, the Company must obtain regulatory and environmental approvals. There is no assurance that such approvals can be obtained on a timely basis or at all. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations.

The Company's material mineral properties are located in Sweden and Spain and consequently the Company is subject to certain risks, including currency fluctuations which may result in the impairment or loss of mining title or other

mineral rights, and mineral exploration and mining activities may be affected in varying degrees by governmental regulations relating to the mining industry.

Investor Relations Activities

The Company provides information packages to investors; the package consists of materials filed with regulatory authorities. The Company updates its website (www.mawsonresources.com) on a continuous basis. Effective November 1, 2004, the Company retained Mr. Nick Nicolaas to provide market awareness and investor relations activities. Mr. Nicolaas' services are provided through his company, Mining Interactive Corp. The Company pays $5,000 per month for such services and during the 2008 period, the Company paid a total of $47,000 (2007 - $27,000). The arrangement may be cancelled by either party on 15 days notice.

Outstanding Share Data

The Company's authorized share capital is unlimited common shares without par value. As at April 10, 2008, there were 36,500,555 issued and outstanding common shares. In addition, there were 3,613,250 stock options outstanding, at exercise prices ranging from $0.40 to $2.10 per share, and 5,523,192 warrants outstanding, at exercise prices ranging from $1.50 to $2.75 per share.

Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that material information is gathered and reported to senior management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to permit timely decisions regarding public disclosure.

Management, including the Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures. Based on this evaluation, the Chief Executive Officer and Chief Financial Officer has concluded that the Company's disclosure controls and procedures, as defined in Multilateral Instrument 52-109 - Certification of Disclosure in Issuer's Annual and Interim Filings ("52-109"), are effective to ensure that the information required to be disclosed in reports that are filed or submitted under Canadian Securities legislation are recorded, processed, summarized and reported within the time period specified in those rules. In conducting the evaluation it has become apparent that management relies upon certain informal procedures and communication, and upon "hands-on" knowledge of senior management. Management intends to formalize certain of its procedures. Due to the small staff, however, the Company will continue to rely on an active Board and management with open lines of communication to maintain the effectiveness of the Company's disclosure controls and procedures. Lapses in the disclosure controls and procedures could occur and/or mistakes could happen. Should such occur, the Company will take whatever steps necessary to minimize the consequences thereof.

Internal Controls and Procedures over Financial Reporting

Management is also responsible for the design of the Company's internal control over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian generally accepted accounting principles. During the process of management's review and evaluation of the design of the Company's internal control over financial reporting, it was determined that certain weaknesses existed in internal controls over financial reporting. As is indicative of many small companies, the lack of segregation of duties and effective risk assessment were identified as areas where weaknesses existed. The existence of these weaknesses is to be compensated for by senior management monitoring which exists. The Company is taking steps to augment and improve the design of procedure and controls impacting these areas of weakness over internal control over financial reporting. It should be noted that a control system, no matter how well conceived or operated, can only provide reasonable assurance, not absolute assurance, that the objectives of the control system are met.