Melkior Resources Inc.

Management's Discussion and Analysis

For the three-month period ended November 30, 2008

The attached Management's Discussion and Analysis have been prepared by Management of Melkior Resources Inc. and have not been reviewed by an auditor.

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The following Management's Discussion and Analysis (the "MD&A") of the financial condition and results of the operations of Melkior Resources Inc. ("Melkior" or "the Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the three-month period ended November 30, 2008. This MD&A should be read in conjunction with the Company's financial statements and related notes for the three-month period ended November 30, 2008 with the Company's MD&A included in the 2008 Annual Report.

Further information regarding the Company and its operations are filed electronically on the System for Electronic Document Analysis and Retrieval (SEDAR) in Canada and can be obtained from www.sedar.com.

Nature of activities
Melkior is a development stage company engaged in the acquisition and exploration of mining properties located in Quebec and Ontario.

Overall performance
Melkior has a $3,561,899 working capital as of November 30, 2008 ($4,448,898 as of August 31, 2008) which will allow the Company to execute its exploration program for at least the next two years.

On October 20, 2008, the Company signed an agreement whereby it has the option to earn a 50% interest in some Troilus properties in Quebec from Beaufield Resources Inc. ("Beaufield") by spending $500,000 on exploration over a three year period. Of the above amount, $250,000 must be spent before June 30, 2009. Beaufield will be the operator. The President of the Company is also the President of Beaufield. The Boards of Directors of both companies have approved this transaction.

Exploration for the three-month period ended November 30, 2008 ("Q1-2009") totalled $430,366 versus $546,930 for the three-month period ended November 30, 2007 ("Q1-2008"). The main exploration expenditures in Q1-2009 were on Rim Nickel McFaulds, Timmins West and Troilus. Mining properties at a total cost of $55,790 were acquired in Q1-2009 versus $91,206 in Q1-2008.

Results of operations
Total expenses went from $69,233 in Q1-2008 to $661,840 in Q1-2009 due to:

- A $512,500 fair value variation was recorded in Q1-2009 on the 4,100,000 shares received from Otish Energy Inc. following the sale of the properties in the Mont Otish (nil in Q1-2008).
- A $12,000 stock-based compensation expense was recorded in Q1-2009 following the grant of 300,000 options (nil in Q1-2008).
- Professional and consulting fees are detailed as follow:

	Q1-2009	Q1-2008
	$	$
Legal	750	1,628
Accounting	28,954	20,837
Management	9,460	10,500
Professional and consulting fees	39,164	32,965

- General and administrative increased from $20,161 in Q1-2008 to $57,438 in Q1-2009 due to:
  - A $21,805 part XII.6 tax recorded on flow-through exploration work done the year following the renunciation (nil in Q1-2008).
  - Melkior paid $8,000 in director fees in Q1-2009 (nil in Q1-2008).
  - Melkior shares the administrative support at it's Ottawa office for $5,841 (nil in Q1-2008)
- Melkior incurred $7,343 of exploration work on properties that were sold last year in the Mont Otish.

Results of operations (Cont'd)
Interest income was $30,847 in Q1-2009 versus $41,764 in Q1-2008 due to less cash and cash equivalents, term deposits and exploration funds on deposit and lower interest rates.

The management fees income decreased from $7,089 in Q1-2008 to $3,200 in Q1-2009. In Q1-2008, these fees were earned as the operator of the Otish properties (sold during Fiscal 2008) whereas in Q1-2009, the fees were mainly earned as the operator of the Rim Nickel West property.

Investing activities

Deferred exploration expenses Q1-2008	**Ungava**	**Launay**	**Otish**	**Troilus**	**Timmins West**	**Eldora-do**	**Rim Nickel**	**Others**	**Total**
	$	$	$	$	$		$	$	$
Balance beginning	1,134,915	4,235,839	147,618	-	1,412,737	85,176	394,111	85,710	7,496,106
Additions									
Drilling	-	3,797	-	904	59,900	-	-	-	64,601
Geology – prospecting	650	12,906	14,670	26,520	10,977	1,313	10,170	702	77,908
Geophysics geochemistry	325	-	21,209	29,178	2,917	-	212,788	-	266,417
Line cutting	-	-	-	11,422	-	-	-	-	11,422
Management	-	-	-	10,018	-	-	-	-	10,018
	975	16,703	35,879	78,042	73,794	1,313	222,958	702	430,366
Options	2,000	5,110	-	2,000	8,028	7,029	7,000	-	31,167
Recharge	-	-	-	-	-	-	(19,288)	-	(19,288)
	2,975	21,813	35,879	80,042	81,822	8,342	210,670	702	442,245
Deductions									
Tax credits	-	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-	-	-
Balance, end	1,137,890	4,257,652	183,497	80,042	1,494,559	93,518	604,781	86,412	7,938,351

Deferred exploration expenses Q1-2008	**Ungava**	**Launay**	**Otish**	**Timmins West**	**Eldorado**	**Henderson**	**Total**
	$	**$**	**$**	**$**		**$**	**$**
Balance, beginning	1,134,915	3,933,257	522,268	360,083	1,189	10,554	5,962,266
Additions							
Drilling	-	380	-	358,013	-	-	358,393
Geology – prospecting	-	4,221	(42,791)	36,150	935	-	(1,485)
Geophysics – geochemistry	-	-	122,719	8,731	600	-	132,050
Analysis	-	-	8,504	12,367	-	-	20,871
Logistics	-	-	1,280	3,602	-	-	4,882
Travelling	-	-	-	21,262	-	-	21,262
Options	-	2,556	-	3,514	3,513	-	9,583
Depreciation	-	-	1,374	-	-	-	1,374
	-	7,157	91,086	443,639	5,048	-	546,930
Recharge	-	-	(44,856)	-	-	-	(44,856)
	-	7,157	46,230	443,639	5,048	-	502,074
Deductions							
Tax credits	-	(1,531)	(19,525)	-	-	-	(21,056)
Disposal	-	-	-	-	-	-	-
Balance, end	1,134,915	3,938,883	548,973	803,722	6,237	10,554	6,443,284

Jens E. Hansen, P. Eng. and President and Director of Melkior, qualified person under NI 43-101, has reviewed the following technical disclosure.

Investing activities (Cont'd)

Rim Nickel - McFaulds
(East Rim 100% - Nickel, West Rim 50% - platinum group)

East Rim
Melkior owns the 21,680 hectare East Rim Property in the "Ring of Fire" discovery area of North Central Ontario, which cover a large, significant regional gravity feature. The property is possibly underlain by large volumes of dense mafic or ultramafic rocks of the type that can host significant nickel copper massive sulphide occurrences as demonstrated by the work of Noront Resources Ltd.

To identify massive sulphides on the property, Melkior undertook a 1738 line kilometre MEGATEM airborne survey. The survey and its interpretation were carried out by Fugro Airborne Surveys. Ten conductors were identified as first priority massive sulphide bedrock prospects and 8 as second priority. In addition one first priority target occurs on ground owned 50-50 by Melkior and MacDonald Mines Exploration Ltd.

An exposure of highly altered dioritic to gabbroic intrusive rocks measuring approximately 300 by 600 metres was identified by Melkior's consulting geologist in the south eastern portion of the East Rim claims. This confirms Melkior's interpretation that highly prospective mafic rocks are present.

Following the MEGATEM survey Melkior contracted a detailed follow up VTEM helicopter survey of 650 line kilometres over the majority of the bedrock targets to precisely locate the drill targets.

Timmins West
(100% owned – gold)

The exploration results to date have identified fault structures containing gold over a length of approximately 1 kilometre. The length of the gold zone is considered very significant. Surface work and drilling have confirmed the continuity of the veins. Drilling has intersected significant gold including 60.27 g/t over 1.8 metres and 19.8 g/t over 3.3 metres (NR Jan 14, 2009). The next exploration phase will focus on exploring at depth, on strike and searching for cross structures that could indicate greater widths. A line cutting and geophysical program is underway to cross extensions in areas covered by overburden and to map structures. An Induced Polarization survey is planned which will be followed by drilling.

The Melkior property is located 5km west of the Lake Shore Gold Corp Bristol mine and adjoins the property of West Timmins Mining Inc.

Timmins Loveland
(100% owned - or copper nickel)

An airborne VTEM survey flown by Amador Gold Corp has recently covered Amador's claims and the adjoining Melkior claims. Amador has agreed to sell Melkior the data. The geological unit which hosts Amador's gold, Cominco and Hollinger zones appears to extend onto Melkior's Loveland property.

Investing activities (Cont'd)

Timmins Eldorado
(100% owned - nickel)

A 530 line kilometre VTEM airborne electromagnetic and magnetic survey has been completed on the Eldorado property which is located 20 kilometres southeast of Timmins. The property adjoins Liberty Mines Inc and is located 10 kilometres northwest of the Golden Chalice Resources Inc Langmuir Nickel discovery.

Several massive sulphide type conductors potentially caused by base metal sulphides have been identified by the airborne survey. These represent high priority targets for follow up by geophysics and drilling. The groundwork is scheduled to be undertaken this winter to be followed by drilling.

Big marsh
(100% owned – base metals)

The Big Marsh property is located in Carscallen Township two kilometres north of the Melkior Timmins gold property. A program of line cutting and geophysics is underway. These claims adjoin a property being actively explored for base metals by San Gold Corp.

Long Lac -Geraldton
(100% owned – gold copper)

An airborne survey was flown in early 2008 and a program of prospecting over selected anomalies has been undertaken. Anomalous gold values, worthy of follow up were identified. Further surface work is planned for the 2009 summer.

Launay - Gold.
(100% owned - gold)

A limited drill program yielded anomalous gold. Work is not presently scheduled for the coming season.

Troilus
(50% earn-in - copper zinc gold)

On October 20, 2008, the Company signed an agreement whereby it has the option to earn a 50% interest in some Troilus properties in Quebec from Beaufield Resources Inc. ("Beaufield") by spending $500,000 on exploration over a three year period. Of the above amount, $250,000 must be spent before June 30, 2009. Beaufield will be the operator. The President of the Company is also the President of Beaufield. The Boards of Directors of both companies have approved this transaction.

Drilling started on December 4, 2008 and were completed on January 20, 2009. The current grassroots program consisted of drilling 6 holes for 933 metres. The holes targeted specific airborne geophysical anomalies with coincident electromagnetics and magnetics. Prior to drilling these targets they have been confirmed by ground geophysics. The geophysical anomalies drilled are indicative of those typically caused by massive sulphides which in this environment can host copper-zinc sulphides with accompanying gold and silver. Sulphides were intersected in 3 of the 6 holes. Significant base metals were not observed in the core. Assays for gold are pending.

Delta-Kenty Ungava Quebec
(49% owned copper-nickel-platinum group)

Melkior has engaged a consultant to re-evaluate the previous work to re-evaluate the previous work including geophysics and drilling. Xstrata Nickel is the 51% partner.

Investing activities (Cont'd)

Overall
Exploration will be concentrated on the Timmins area properties for cost effective exploration. Nickel Rim McFaulds remains a high priority situation where a partnership with others could be considered.

Financing activities
There was no financing activities done in Q1-2009.

Working capital
The Company has a working capital of $3,561,899 as at November 30, 2008 as compared to $4,448,898 as of August 31, 2008. Management is of the opinion that, subject to continuing to be able to raise equity financing in the future, it will be able to maintain the status of its current exploration obligations and to keep its properties in good standing. Advanced exploration of some of the mineral properties would require substantially more financial resources. In the past, the Company has been able to rely on its ability to raise financing in public or privately negotiated equity offerings. There is no assurance that such financing will be available when required, or under terms that are favourable to the Company. The Company may also elect to advance the exploration and development of mineral properties through joint-venture participation.

Summary of quarterly results
For the eight most recent quarters.

	November 30 2008	August 31 2008	May 31 2008	February 28 2008
	$	$	$	$
Income	34 047	41 152	44 262	1 133 641
Net profit (loss) for the period	(627 793)	(74,627)	(484,412)	312,385
Net loss per share	(0.01)	-	(0.01)	-
Total assets	13,767,893	14,671,491	13,579,031	13,085,953

	November 30 2007	August 31 2007	May 31 2007	February 28 2007
	$	$	$	$
Income	48 853	110 830	49 821	13 155
Net profit (loss) for the period	(20,380)	34,301	(44,820)	(63,524)
Net loss per share	-	-	-	-
Total assets	12,462,015	11,464,686	11,314,149	7,800,841

Industry and economic factors affecting the Company's performance
Details of risk factors are outlined in the Company's MD&A included in the 2008 annual report.

Related party transactions

In the normal course of operations:

a) For the three-month period ended November 30, 2008 ("Q1-2009'), companies controlled by Jens E. Hansen (President and Director) charged:
   i) Professional fees relating to geology amounting to $17,090 ($13,946 for the three-month period ended November 30, 2007 ("Q1-2008")) capitalised in deferred exploration expenses;
   ii) Management fees amounting to $9,460 ($27,938 for Q1-2008) expensed in professional and consulting fees;
   iii) Rent totalling $9,000 ($9,000 for Q1-2008) expensed in general and administrative;
   iv) Medical fees of $2,033 (nil in Q1-2008) expensed in general and administrative.
b) For Q1-2009, a company controlled by Ingrid Martin (Chief Financial Officer) charged professional fees of $20,625 ($17,438 forQ1-2008);
c) As at November 30, 2008, the balance due to the related parties amounted to $31,924 (November 30, 2007 – $8,186) and was recorded in accounts payable and accrued liabilities. This amount is subject to the same conditions as those of non related parties.

These related party transactions were recorded at the exchange value, which is the consideration determined and agreed to by the related parties.

Critical accounting estimates

The preparation of interim financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant areas where management judgement is applied are asset valuations and stock-based compensation. Actual results could differ from management's best estimates as additional information becomes available in the future.

Change in accounting policies

Taking effect September 1, 2008, the Company will adopted the following new accounting policies published by the CICA:

- Section 1535, "Capital disclosures", establishes standards for disclosing information about an entity's capital and how it is managed. It describes the disclosure of the entity's objectives, policies and processes for managing capital, the quantitative data about what the entity regards as capital, whether the entity has complied with any capital requirements, and, if it has not complied, the consequences of such non-compliance. Disclosure and presentation requirements pertaining to this section are contained in Note 7d) of the Financial Statements of November 30, 2008;
- Section 1400, "General Standards of Financial Statement Presentation", requires that management make an assessment of the Company's ability to continue as a going concern over a period which is at least, but not limited to, twelve months from the balance sheet date. The new requirements only address disclosures and has no impact on the Company's financial results.
- Section 3862, "Financial Instruments – Disclosures" and Section 3863 "Financial Instruments – Presentation" describe the required disclosure and presentation for the assessment of the significance of financial instruments for an entity's financial position and performance and of the nature and extent of risks arising from financial instruments to which entity is exposed and how the entity manages those risks. Disclosure and presentation requirements pertaining to this section are contained below;

Financial instruments and other instruments

The Company is exposed to various financial risks resulting from both its operations and its investments activities. The Company's management monitors financial risks. The Company does not enter into financial instrument agreements including derivative financial instruments for speculative purposes.
The Company's main financial risk exposure and its financial risk management policies are as follows:

Interest rate risk
The short term investments, exploration funds and part of the cash and cash equivalents bear interest at a fixed rate and the Company is, therefore, exposed to the risk of changes in fair value resulting from interest rate fluctuations. Interest rates 1% lower would have increased the fair value of these by $20,256 as of November 30, 2008. The Company's other financial assets and liabilities do not comprise any interest rate risk since they do not bear interest.

Credit Risk
The Company is subject to concentrations of credit risk through cash and cash equivalents, short-term investments and exploration funds. The Company maintains substantially all of its cash and cash equivalents, short term investments and exploration funds in financial instruments guaranteed by either a major Canadian financial institution or by the Canadian Government. The maximum credit risk is equivalent to the carrying value. The Company aims at signing partnership agreements with established companies and follows closely their cash position to reduce its credit risk on due from partners.

Liquidity risk
Management serves to maintain a sufficient amount of cash and cash equivalents, and to ensure that the Company has at his disposal sufficient sources of financing such as private placements. The Company establishes cash budgets to ensure it has the necessary funds to fulfill its obligations. Being able to obtain new funds allows the Company to pursue its activities and even tough the Company was successful in the past, there is no guarantee that it will succeed in the future.

Market risk
The listed shares held by the Company are exclusively shares from a Venture issuer who's activities are in the mineral exploration field.

Fair Value
The fair value of financial instruments is summarized as follows:

	November 30, 2008	
	Carrying amount	**Fair Value**
	$	**$**
Financial assets		
Held for trading		
Cash and cash equivalents	1,377,156	1,377,156
Short-term investments	2,099,343	2,099,343
Listed shares	102,500	102,500
Exploration funds	242,332	242,332
Loans and receivables		
Taxes and other receivables	75,350	75,350
Due from a partner	27,886	27,886
Financial liabilities		
Other liabilities		
Accounts payable and accrued liabilities	128,711	128,711
Due to a partner	76,804	76,804

Financial instruments and other instruments (Cont'd)

Fair value estimates are made at the balance sheet date, based on relevant market information and other information about financial instruments.

The fair value of the listed shares held for trading is based on the closing price on the stock market.

Outstanding share data

	As at January 26, 2009
	Number
Common shares	85,315,603
Options	6,170,000
Warrants	12,035,202
	103,520,805

Subsequent event
There is no subsequent event to disclose.

Special note regarding forward-looking statements
This Report contains forward-looking statements that are based on beliefs of its management as well as assumptions made by and information currently available to management of the Company. When used in this Report, the words "estimate", "believe", "anticipate", "intend", "expect", "plan", "may", "should", "will", and the negative thereof or other variations thereon or comparable terminology are intended to identify forward-looking statements. Such statements reflect the current views of the Company with respect to future events based on currently available information and are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in those statements. The statements contained in this Report speak only as of the date hereof. The Company does not undertake any obligation to release publicly any revisions to these statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

January 26, 2009

(S) Jens E. Hansen	(S) Ingrid Martin
Jens E. Hansen	Ingrid Martin
President	Chief Financial Officer