

**Metallum Resources Inc.  
(Formerly Young-Shannon Gold Mines, Limited)  
Management's Discussion and Analysis for the  
Nine Months Ended September 30, 2008  
Dated November 25, 2008**

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The information set forth in this document should be read in conjunction with the audited financial statements of the Company for the year ended December 31, 2007, in accordance with Canadian generally accepted accounting principles and the related notes thereto.

### **Forward Looking Statements**

Except for the historical statements contained herein, this management's discussion and analysis presents "forward-looking statements" within the meaning of Canadian securities legislation that involve inherent risks and uncertainties. Forward-looking statements include, but are not limited to, statements with respect to the future price of gold and other minerals and metals, the estimation of mineral reserves and resources, the realization of mineral reserve estimates, the capital expenditures, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, currency exchange rate fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Metallum Resources Inc. ("Metallum") to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: risks related to international operations, risks related to the integration of acquisitions; risks related to joint venture operations; actual results of current exploration activities; actual results of current or future reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of gold and other minerals and metals; possible variations in ore reserves, grade or recovery rates; failure of equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; and delays in obtaining governmental approvals or financing or in the completion of development or construction activities. Although the management and officers of Metallum believe that the expectations reflected in such forward-looking statements are based upon reasonable assumptions and have attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Metallum does not undertake to update any forward-looking statements that are incorporated by reference herein, except in accordance with applicable securities laws.

### **Description of Business**

The Company is engaged in the exploration and development of a mineral property in the region of Sudbury, Ontario, Canada and an option to earn a 70% interest in a gold and silver property in the province of Chubut, Argentina. During the period, the Company incorporated a wholly owned subsidiary, Metallum S.A., an entity registered in Mendoza, Argentina to hold its interest in, and to administer future activity in the Company's Argentina property.

On July 3, 2008, the Company changed its name from "Young-Shannon Gold Mines, Limited" to "Metallum Resources Inc.". Effective July 11, 2008, the Company's shares commenced trading on the TSX Venture Exchange as a Tier 2 Mining Issuer under the symbol "MRV".

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**Financial Highlights**

Summary of Quarterly Results

The following tables set out financial performance highlights for the last eight quarters.

	<b>Third Quarter Sept. 30, 2008</b>	<b>Second Quarter June 30, 2008</b>	<b>First Quarter Mar. 31, 2008</b>	<b>Fourth Quarter Dec 31, 2007</b>
Interest income	\$ 10,175	\$ 13,285	\$ 3,649	\$ 0
Expenses	1,179,404	89,453	65,943	79,805
Future income tax (recovery)	0	0	0	(123,800)
Net Income (loss) and comprehensive loss	(1,169,229)	(76,168)	(62,294)	43,995
Net income/(loss) per share	(0.02)	(0.00)	(0.00)	(0.00)
Cash flow from/(used in) operations	(63,884)	(63,996)	(75,828)	(40,411)
Cash, end of period	1,561,752	1,691,469	2,040,793	2,163,768
Assets	4,723,057	5,963,999	5,921,781	5,997,713
Long-term (future tax) liabilities	244,700	244,700	244,700	244,700
Cash dividends declared	0	0	0	0

	<b>Third Quarter Sept. 30, 2007</b>	<b>Second Quarter June 30, 2007</b>	<b>First Quarter Mar. 31, 2007</b>	<b>Fourth Quarter Dec. 31, 2006</b>
Interest income	\$ 0	\$ 8	\$ 0	\$ 0
Expenses	66,938	58,472	51,353	84,372
Future income tax (recovery)	0	0	0	59,282
Net (loss) and comprehensive loss	(66,938)	(58,464)	(51,353)	(143,654)
Net income/(loss) per share	(0.00)	(0.00)	(0.00)	(0.00)
Cash flow from/(used in) operations	(57,845)	(43,209)	(184,090)	50,764
Cash, end of period	155,917	195,862	257,824	521,135
Assets	3,986,904	4,024,234	4,079,825	4,251,346
Long-term (future tax) liabilities	368,500	368,500	368,500	368,500
Cash dividends declared	0	0	0	0

Three Months Ended September 30, 2008

The Company incurred a loss for the three months ended September 30, 2008 of \$1,169,229 compared to a loss of \$66,938 for the comparative quarter ended September 30, 2007. The negative variance of \$1,102,291 is a product of a) the \$1,087,229 write-down of deferred acquisition and exploration costs associated with the McMillan property in accordance with management's decision to discontinue operations, and; b) a comparative increase in the fair value of stock options vesting during the quarter. If the impact of these two items are removed for comparative purposes a nominal increase in expenditures of \$2,683 over the comparative period is seen, which is reflective of a marked increase in interest income flowing from the proceeds of the private placement completed December 10, 2007, substantially offsetting increases in general matter legal charges, and consulting as contrasted with the comparative period.

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Nine Months Ended September 30, 2008

The Company incurred a loss for the nine months ended September 30, 2008 of \$1,307,691, compared to a loss of \$176,763 for the comparative nine months ended September 30, 2007. As noted previously, the negative variance of \$1,130,936 is primarily driven by the write-down of deferred expenditures associated with the decision to discontinue the McMillan project, as well as the costs associated with the fair value assigned to stock options subject to vesting during the period. The Company also experienced variances in stock exchange and maintenance fees as a result of growing shareholder base, and moderate increase in professional fees charged for general matters. Furthermore, increased insurance coverage has led to greater premiums, and attendance at a major conference in the first quarter of fiscal 2008 has led to more significant travel, advertising and conference charges. The increase in costs has been partially mitigated by a marked increase in interest income, earned on the proceeds of the private placement completed in December 2007.

The following chart reflects the breakdown of office and administration expense for the nine months ended September 30, 2008 and 2007:

	<b>Nine Months Ended Sept. 30, 2008</b>	Nine Months Ended Sept. 30, 2007
Bank charges and interest	\$ 353	\$ 104
Delivery charges	859	233
Telephone and fax	2,087	1,151
Printing	87	2,230
Website maintenance	1,195	337
Miscellaneous	1,809	2,252
Total office and administration expense	<b>\$ 6,390</b>	<b>\$ 6,307</b>

The nine months ended September 30, 2008 saw an increase in delivery expenses, reflecting the cost of transporting the Company's booth and presentation materials to a mining conference held in British Columbia. A mitigating decline in printing costs is seen as the Company continues to utilize the materials printed in prior periods. Furthermore, the increase in telephone and fax is reflective of the costs of administering the Company's interests pertaining to its recently acquired M-18 property in Argentina. A moderate increase was also experienced in website maintenance, reflective of efforts regarding the rebranding of the Company with respect to its legal name change to Metallum Resources Inc. from Young-Shannon Gold Mines, Limited.

**Liquidity and Capital Resources**

Metallum reported working capital as at September 30, 2008 of \$1,576,703 (December 31, 2007 – \$2,127,351) and cash and cash equivalent balances of \$1,561,752 (December 31, 2007 – \$2,163,768). Of the \$1,561,752 of cash and cash equivalents, on September 30, 2008, \$231,548 was held in cash and the residual \$1,330,204 was held in a guaranteed investment certificate yielding an average annualized return of 2.80%. The Company does not hold investments with exposure to the sub-prime lending market, asset backed commercial paper, nor any derivative thereof.

The Company continues to fund its exploration activities through equity financing, with the last injection of funds occurring on December 10, 2007 by means of a non-brokered private placement consisting of 21,800,000 units at a price of \$0.10 per unit, yielding gross proceeds of \$2,180,000. Each unit consisted of one common share of the Company and one-half of one common share purchase

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warrant. Each whole common share purchase warrant entitle the holder thereof to purchase one common share of the Company at a price of \$0.15 per share until December 10, 2009. In connection with this private placement, the Company paid costs of issue comprised of cash commissions of \$109,125, and a finder's fee of 543,750 common shares of the Company, with a fair value of \$67,969.

Although the Company has sufficient capital resources to meet its immediate obligations, the Company may seek to raise additional funding to finance future exploration programs. The timing and ability to do so will depend on the liquidity of the financial markets as well as the acceptance of investors to finance resource based junior companies, in addition to the results of the Company's exploration programs and the acquisition of additional projects.

The Company has no credit facilities with financial institutions, accordingly its financial instruments consist of cash, sundry receivables and accounts payable and accrued liabilities. Unless otherwise noted, the Company does not expect to be exposed to significant interest, currency or credit risks arising from these financial instruments. The Company estimates that the fair value of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities approximate their carrying values because of their short term nature.

At this time, the Company is not anticipating an ongoing profit from operations, therefore it will rely on its ability to obtain equity or debt financing for growth. The Company may need additional capital, and may raise additional funds should its Board deem it advisable.

Management is confident that it will be able to raise sufficient capital to further explore and develop its properties and projects in the coming year. The ability of the Company to develop its existing assets into commercial and profitable operations, however, will require participation by outside parties for capital or will require additional financing from other outside sources. There can be no guarantee that the Company will be able to secure any required financing.

**Industry and Economic Factors Affecting Metallum Resources Inc.**

The Company's future performance is largely tied to the outcome of its drilling and exploration programs, the price of gold and other precious minerals, and the overall health and stability of junior capital markets, inclusive of the TSX Venture Exchange. The financial markets upon which the Company is reliant are widely expected to experience continued volatility for the remainder of the calendar year and potentially into 2009-2010, reflective of investor anxiety with regard to the stability of the global economy, weakening global growth prospects, and their associated impact upon liquidity, security and return. This has led to sustained declines in commodity markets. Furthermore, unprecedented uncertainty in the credit markets has also led to increased difficulties in accessing capital.

Junior exploration companies worldwide have been hit particularly hard by these trends. Accordingly, the Company may have difficulty raising additional equity financing for the purposes of gold and other precious mineral exploration without significantly diluting the position of its current shareholders. With continued market volatility and slower worldwide economic growth anticipated, the Company's strategy is to manage its treasury in a planned, deliberate and prudent manner while attempting to limit any future offering to a point in time where the associated capital markets have favourably stabilized. The Company believes this focused strategy will enable it to meet the near-term challenges presented by the capital markets while maintaining the momentum on key initiatives. The Company has a strong belief in the exploration potential of its properties and aims to emerge from the current economic situation in a solid financial position.

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**Off-Balance Sheet Arrangements**

Metallum does not have any off-balance sheet arrangements that have, or are reasonably likely to have, an effect on the results of operations or financial condition of the Company.

**Proposed Transactions**

There is no imminent decision by the Board of Directors of the Company with respect to any transaction beyond what is included in this MD&A.

**Critical Accounting Estimates**

The preparation of the Company's financial statements requires management to make certain estimates that affect the amounts reported in the financial statements. The accounting estimates considered to be significant include estimates of the recoverability of mineral interests and stock-based compensation.

The recoverability of the amounts shown for mining interests is dependent on the existence of economically recoverable reserves, the ability to obtain financing to complete the development of such reserves and meet its obligations under various agreements and the success of future operations or dispositions.

The Company uses a Black-Scholes model to determine the fair value of options and warrants. The main factor affecting the estimates of stock-based compensation is the stock price volatility used. The Company uses historical price data and comparables in the estimate of future volatilities.

**Accounting Changes**

Capital Disclosures and Financial Instruments – Disclosures and Presentation

On December 1, 2006, the CICA issued three new accounting standards: Capital Disclosures (Handbook Section 1535), Financial Instruments – Disclosures (Handbook Section 3862), and Financial Instruments – Presentation (Handbook Section 3863). These new standards became effective for the Company on January 1, 2008.

Capital Disclosures

Handbook Section 1535 specifies the disclosure of (i) an entity's objectives, policies and processes for managing capital; (ii) quantitative data about what the entity regards as capital; (iii) whether the entity has complied with any capital requirements; and (iv) if it has not complied, the consequences of such non-compliance.

Financial Instruments

Handbook Sections 3862 and 3863 replace Handbook Section 3861, Financial Instruments – Disclosure and Presentation, revising and enhancing its disclosure requirements, and carrying forward unchanged its presentation requirements. These new sections place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how the entity manages those risks.

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General Standard of Financial Statement Presentation

In June 2007, the CICA amended Handbook Section 1400, Going Concern, to assess an entity's ability to continue as a going concern and disclose any material uncertainties that cast doubt on its ability to continue as a going concern. Section 1400 is effective for interim and annual reporting periods beginning on or after January 1, 2008. The application of this new standard had no impact on the Company's unaudited interim financial statements as at and for the three and nine months ended September 30, 2008.

Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration stage; as such, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the three or nine months ended September 30, 2008. The Company is not subject to externally imposed capital requirements.

**Financial and Other Instruments**

The Company is not involved in any hedging program, nor is it a party to any financial instruments that may have an impact on its financial position.

**Future Accounting Changes**

International Financial Reporting Standards ["IFRS"]

In January 2006, the CICA's Accounting Standards Board ["AcSB"] formally adopted the strategy of replacing Canadian GAAP with IFRS for Canadian enterprises with public accountability ["PAEs"]. The current conversion timetable calls for financial reporting under IFRS for accounting periods commencing on or after January 1, 2011. On February 13, 2008 the AcSB confirmed that the use of IFRS will be required in 2011 for publicly accountable profit-oriented enterprises. For these entities, IFRS will be required for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The Company will be required to have prepared, in time for its first quarter 2011 filing, comparative financial statements in accordance with IFRS for the three months ended March 31, 2010.

### **Future Accounting Changes (Continued)**

The Corporation is currently assessing the impact of these new accounting standards on its financial statements.

### **Results of Operations: Chester Property, Ontario**

The Chester gold property in Chester Township, Ontario, is situated some 121 kilometres south-southwest of Timmins, and 162 kilometres north-northwest of Sudbury. The Chester project is composed of eleven patented, contiguous mining claims, and since January 1997 the Company has acquired a 92.5% interest in eighteen unpatented mining claims. Considerable exploration work has been done on the Chester Township property to date, consisting of mapping, geophysics, drilling, trenching, shaft sinking and assaying which has yielded significant results, requiring further exploration efforts.

Preliminary results from Metallum's Phase 1 drilling carried out in July 2004, returned gold values in every hole. Phase 1 drilling consisted of six holes totalling 5,120 feet targeting the historic C Prime gold deposit. Certain gold intersections were expanded and include gold intersections such as 28.13 grams per tonne across 3.0 metres and 3.92 grams per tonne across 13.7 metres.

The gold values are related to single and multiple quartz veins containing free gold, chalcopyrite, pyrite, tellurides, molybdenum, galena and specularite. The gold mineralization also extends into the adjacent wallrock for variable distances associated with disseminated sulfide mineralization. Host rocks include both trondhjemites and diorites cut by regional east-west and northwest-trending shear systems. The C Prime deposit lies at the intersection of two shear systems and dips southward at 47 °. Previous drilling defined the deposit for 900 feet along strike and along the dip for 400 feet. Metallum's phase 1 drilling has extended the C Prime Deposit for another 200 feet down-dip, where it remains open. Additional sampling of the Phase 1 drill core extended the identified gold intersections to their full width. This included mineralization which continued well into the surrounding wall rock. These assay results provided the basis for the Phase 2 drilling program.

Phase 2 drilling on the C Prime deposit was completed at the end of the first quarter, 2005. A total of 1,295 metres (4,247 ft.) was cored over five drill holes. Four of these holes were drilled immediately east along strike from the Phase 1 drilling and resulted in extending the C Prime zone approximately 53 metres (175 ft) down dip. Host rocks were similar to previous drilling on the C Prime zone, that is, trondhjemites and minor diorites which show varying degrees of alteration typically expressed as sericitization and silicification. Shearing is present throughout. Also, noteworthy is that sulphide mineralization, generally comprising pyrite, pyrrhotite, and minor chalcopyrite, is disseminated through the drill core from trace amounts to 3 percent.

En echelon quartz and quartz-carbonate veining with widths varying from centimetre to metre scale is present throughout the core. Mineralization in the quartz veining noted was pyrite, pyrrhotite, chalcopyrite, molybdenum, and iron oxides.

The fifth hole on the Phase 2 drilling was completed on the western end of the C Zone approximately 122 metres (400 ft.) west of the old mine shaft. Lithologies intersected here were an alternating sequence of granodiorites, trondhjemites, gabbros, and ultramafics. Disseminated sulphides, typically pyrite, pyrrhotite, and chalcopyrite, are present throughout the drill core which range in concentrations from trace to 3 percent. Shearing of the rocks occurs throughout the core as does quartz and quartz-carbonate veining. These veins tend to carry pyrite, pyrrhotite, chalcopyrite, molybdenum, and hematite mineralization.

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Drill assay results extended the C-Prime deposit approximately 42 metres (138 ft.) down dip. The best gold intersections included 16.65 grams per tonne over 1.05 metres, which included visible gold, 12.45 grams per tonne over 1.2 metres, 8.4 grams per tonne over 0.8 metres, 9.22 grams per tonne over 0.5 metres, and 34.18 grams per tonne over 0.3 metres.

Phase 2 drilling on the C-Prime deposit has confirmed the continuity of gold mineralization from the Phase 1 drilling in 2004 and has extended this to a total down dip depth of approximately 225 metres (738 ft.), where it remains open.

During the month of September, 2005, a down hole IP survey was completed on the Chester Property. Results from the survey, obtained in early October, defined two parallel zones (anomalies) of high conductivity approximately 80m (260ft.) apart occurring down dip and parallel to the east-northeast trending C-Zone. These targets will be a high priority focus for future diamond drill testing follow-up.

On October 23, 2007, the Company announced that the Company had signed a definitive Option and Joint Venture Agreement (the "Agreement") with a private Canadian company, whereby the private company can earn a 46.25% interest in the Company's gold property in Chester Township, Ontario. Pursuant to the signing of the Agreement, the private company has paid the Company \$10,000. A previous non-refundable cash payment of \$5,000 was paid to the Company upon signing of the Letter of Intent for this Agreement, earlier this year.

The private company will be required to spend a total of \$2,250,000 in exploration costs to earn its 46.25% interest including \$100,000 by December 31, 2007, \$150,000 by March 31, 2008, and \$500,000 in each twelve month period ending on March 31, until March 31, 2012. Also, cash payments of \$15,000 will be made by the private company to the Company on each of the first four anniversaries of the effective date of the Agreement.

The private company will undertake a strategy to go public and become listed on the TSX Venture Exchange, or other equivalent stock exchange, by Initial Public Offering, merger, or other financial transaction ("Public Transaction") within nine months following the execution date of the Agreement. Upon completing a Public Transaction, the private company will cause the resulting issuer, subject to regulatory approval, to issue the following shares to the Company:

- (i) shares of the resulting issuer on closing of the Public Transaction having a value of \$100,000; and
- (ii) 50% of the number of shares issued under (i) above on each anniversary of the closing of the Public Transaction for each year that the Agreement is in force until exercise of the option.

Upon satisfying these obligations the private company will then have the option to acquire an additional 28.75% interest in the property by paying the Company \$300,000 cash and issuing the Company five times the number of shares in the resulting issuer which were issued per (i), above.

On February 22, 2008 the Board of Directors of Metallum agreed to extend the Anniversary Date of the required total exploration expenditures of \$250,000 to be undertaken by the private company on the property for the period October 16, 2007 to March 31, 2008 now to be to September 30, 2008. In exchange for this extension the private company will be required to expend an additional \$15,000 in exploration costs. Therefore the minimum total exploration costs for the period October 16, 2007 to

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September 30, 2008 will be \$265,000.

**Results of Operations: McMillan Property, Ontario**

On October 25, 2004 the Company optioned the McMillan gold project, which is located 75 kilometres southwest of the Greater City of Sudbury in Mongowin and McKinnon Townships. The Company has optioned 26 claims, which include the former producing McMillan gold mine. The option, from (Garson Resources Ltd. ("Garson") (previously MBMI Resources Inc. ("MBMI")), gives Metallum the right to earn up to a 60% interest in the former gold producer. The terms of the option, are as follows to earn a 50% interest:

	<b>Cash</b>	<b>Common Shares</b>	<b>Work Commitment</b>
Upon signing (paid)	\$ 10,000	150,000	\$ -
1 <sup>st</sup> Anniversary (paid)	15,000	150,000	200,000
2 <sup>nd</sup> Anniversary (paid)	20,000	150,000	300,000
3 <sup>rd</sup> Anniversary**	30,000	200,000	400,000
	<b>\$ 75,000</b>	<b>650,000</b>	<b>\$ 900,000</b>

*\*\*see subsequent events, page 16*

After the 3rd Anniversary, Metallum will have the option to increase its interest to 60% by spending an additional \$400,000 on the McMillan property and issuing an additional 250,000 shares to Garson. Upon the exercise of the Option, Metallum and Garson will be deemed to have formed a Joint Venture.

Gold was first discovered on the McMillan claims in the early 1920s. By the late 1920s, a vertical shaft and underground exploration was carried out. A 125 ton per day mill was subsequently built and operated until 1937. The McMillan gold mine produced 60,000 tons of gold ore at a recovered grade of 0.18 ounces per ton for a total of approximately 10,800 recovered ounces of gold. It has a vertical shaft to a depth of approximately 875 feet and workings at several levels. Historical records indicate that the mineralization continued below the 900-foot level. The McMillan mine was dewatered and re-sampled underground in 1985-86. This underground sampling from different stopes and headings ranged from 0.07 to 0.48 ounces per ton gold. Based on these results, a work program was recommended consisting of underground diamond drilling in order to determine the continuity of the mineralized structures, but was never completed due to a lack of funds.

In the spring of 2004, MBMI completed a surface diamond drilling program on the McMillan claims consisting of 1,077 meters in seven holes.

The 2004 drilling extended the known gold mineralization at the McMillan gold mine 120 metres to the east and 20 metres to the west of the previously mined area to define a 400 metre strike length. The gold mineralization remains open along strike in both directions and at depth below the old workings.

The McMillan property is underlain by sediments and minor volcanic flows and pyroclastics of the Gowganda Formation. Gold occurs in quartz and quartz-carbonate veins occurring within sheared argillites.

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A drilling campaign designed to test the extent of the new gold zone discovered on the property in the April, 2004 program by MBMI Resources Inc. was begun early in the first quarter of 2005. Five holes totaling 1,485 metres (4,870 ft.) were completed before the drill crew had to be mobilized to the Chester Property.

The first four drill holes were collared from two setups and designed to bracket the new gold zone in MBMI's drill holes MM-2-04 and MM-3-04. Drill hole MM-3-04 reported 7.91 g/t (0.23 oz./t) gold over 10.85 metres; drill hole MM-2-04 (collared from the same location as MM-03-04 with a shallower inclination) intersected the up-dip extension of the gold zone in MM-03-04 (see MBMI's Press Release of May, 12, 2004).

Drill holes MM-05-01 and MM-05-02, from the first quarter, 2005 campaign, were collared from the same location with inclinations of -50° and -65° respectively, designed to test a 50 ft. eastward strike extension of the new gold zone. Drill holes MM-05-03 and MM-05-04 likewise were collared from the same location with inclinations of -50° and 65° respectively and were designed to test a 50 ft. westward strike extension of the new gold zone.

Assay results showed that the gold zone continued both east and west along strike from drill holes MM-2-04 and MM-3-04. The western strike extension, in particular, showed that the lower part of the zone found in drill hole MM-03-04 was extended to drill hole MM-05-04 with continued high grades and widths. One intersection averaged 5.52 g/t (0.16 oz./t) gold over 4.05 metres and a second intersection 8.4 metres lower in the hole averaged 11.16 g/t (0.32 oz./t) gold over 4.65 metres, including one section of 22.2 g/t (0.65 oz./t) gold over 1.85 metres.

The fifth drill hole from the first quarter, 2005 campaign was designed to continue defining the strike, plunge, and rake extensions to gold mineralization previously mined on the property in the mid-1930's. Hole MM-05-05 intersected a high grade zone located approximately 310 ft. (94.5 metres) below the lowest mine workings and at least 75 ft. (23 metres) along strike, which assayed 8.72 g/t (0.25 oz./t) gold over 1.3 metres, including one section of 27.22 g/t (0.79 oz/t) over 0.3 metres.

The drill crew was remobilized to the McMillan property early in the second quarter of 2005, after completion of the drilling campaign on the Chester Property, to complete the drilling campaign originally defined for the property for the first half of 2005. Five diamond drill holes, totaling 1,038 metres (3,401 ft.) were completed during this second quarter campaign.

Assay results showed that the gold zone continued westward along strike from diamond drill holes MM-2-04 and MM-3-04 completed by MBMI Resources Inc. during the summer of 2004 and diamond drill holes MM-05-03 and MM-05-04 completed by Young-Shannon in January and February of 2005 (see Metallum's Press Release of March 8, 2005). Diamond drill hole MM-05-6 from the second quarter campaign, collared 15 metres (50 ft.) west of diamond drill holes MM-05-03 and MM-05-04, intersected a zone averaging 7.30 g/t gold over 7.25 metres, including one section of 38.81 g/t over 1.00 metres, and a second section of 9.12 g/t over 1.00 metres.

Diamond drill holes MM-05-03 and MM-05-04 from the January-February, 2005 campaign were collared 15 metres (50 ft.) west of the original high grade gold discovery in holes MM-2-04 and MM-3-04 by MBMI.

Drill hole MM-05-10, collared to test a 40 metre (131 ft.) down dip extension of high grade gold in drill hole MM-05-04, intersected 6 zones of quartz-carbonate veining with thicknesses ranging between 0.30 and 0.75 metres in width carrying gold grades from 1.19 to 5.59 g/t. This zone of veining

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comprises a down hole width of about 48 metres (157 ft.). It is this zone of shearing and silica (quartz) flooding that is host to the high grade gold mineralization.

The juxtaposition of the high grade gold intersections in drill core from both Young-Shannon's drilling as well as MBMI's drilling inferred, at this time, a steep plunge to the gold zone.

Drill hole MM-05-07 was selected to test a down dip and rake extension to the old McMillan Mine underground workings from 1930's. The hole was terminated at 117 metres (384 ft.) when it unfortunately broke through into an old drift. However, the final 0.5 metres of core intersected quartz veined sheared argillites which assayed 13.78 g/t gold .

The two remaining holes from the second quarter drilling campaign, MM-05-08, and MM-05-09 were selected to test the down dip extension of gold mineralized surface exposures elsewhere on the property comprising quartz veining in sheared argillites, i.e. lithologies similar to both the high grade gold mineralization at the old McMillan Mine and the new high grade gold zone defined by diamond drill holes MM-02-04, MM-03-04, MM-05-01, -02, -03, 04, -06, and -10.

Drill hole MM-05-08 was collared approximately 50 metres (164 ft.) west along strike from the surface exposure of the old McMillan Mine sub-economic 'A-Zone'. Assay results showed gold mineralization at the expected down dip projection, however the best results were limited to 2.53 g/t over 0.30 metres and 1.73 g/t over 0.60 metres.

Drill hole MM-05-09 was collared approximately 335 metres (1,100 ft.) west of the old McMillan Mine shaft, along the approximate strike (overburden precluded tracing lithologies precisely). Drilling was to test down dip an 11 metres (36 ft.) zone of intense quartz veining on surface. The drilling azimuth was to the south, since all known geology on the property dips steeply to the north. However, as the hole progressed, the dip of the host rock ultimately began to parallel the drilling. The hole was therefore terminated at 117 metres (384 ft.) since it became clear that the zone of interest could not be tested unless the drilling azimuth was reversed.

Highlights of the diamond drilling campaign by Metallum on the McMillan Property for the first two quarters of 2005 are summarized on Press Releases dated March 8 and May 24, 2005 and are available on SEDAR for review.

A distinct geologic feature evident in all drill core from the high grade gold zone being defined on the property at that time was the presence of disseminated pyrite and arsenopyrite. Content of these two sulphides within the gold mineralized zone is commonly 10 – 15%, and locally approaches 25%. Therefore, it was concluded that this zone should be easily mapped by geophysical methodology, specifically, down hole induced polarization (IP). This would provide a vectoring targeting tool for planning Metallum's next round of drilling on the property.

During the month of August, 2005, a down hole IP survey was completed on the McMillan Property. Results of the survey defined a new, wide, and highly conductive geophysical target related to the drilled gold mineralization and approximately 300 metres below surface (see Metallum's Press Release of August 15, 2005).

A diamond drill rig was mobilized to the McMillan Property in early December, 2005 to test the geophysical targets defined by the August, 2005 survey. Drilling was not completed until the end of April, 2006, however, due to technical and logistical problems.

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Three diamond drill holes, MM-05-11, MM-05-12, and MM-05-13 totalling 691 metres (2,266 ft.) were completed during this campaign.

Diamond drill hole MM-05-11 was collared 40 metres west of drill hole MM-05-08, completed during the winter drilling campaign of 2005. It was selected to test a down hole IP response identified from the geophysical program in 2005. Metallum was interested in finding a westward extension to the historic underground workings of the old McMillan Gold Mine 'A'-Zone. It is noteworthy that although the down hole IP identified a strong east-west trending (parallel to strike) geophysical target at depth, drill core results showed only minor sulphide content -generally less than 1% - at the target depth. Assay results similarly showed uninteresting gold values. It is believed that although the geophysical target was missed, it remains viable. Diamond drill testing of this target is planned for a future drilling campaign, however, in a slightly different location from the MM-05-11 collar.

Diamond drill hole MM-05-12 was collared 40 metres west of drill hole MM-05-05, completed during the winter drilling campaign of 2005. It was selected to test a down-hole IP (Induced Polarization), off-hole (from MM-05-05) geophysical response identified from the geophysical program in 2005. It was abandoned, however, after just 38 metres of drilling due to unstable ground conditions, and the drill had to be moved to a new collar location.

Diamond drill hole MM-05-13 was collared 40 metres east of drill hole MM-05-05, completed during the winter drilling campaign of 2005. It was selected to test a down-hole IP (Induced Polarization), off-hole (from MM-05-05) geophysical response identified from the same geophysical program completed during the latter part of 2005.

Assay results from drill core in hole MM-05-13 showed that a zone was intersected which averaged down hole grades and widths of 7.21 g/t gold over 21.3 metres including sections of 8.12 g/t gold over 4.60 metres, and 14.96 g/t gold over 8.60 metres, including 22.65 g/t gold over 4.70 metres, 27.72 g/t gold over 3.10 metres, and 35.70 g/t gold over 2.10 metres.

The gold zone in MM-05-13 is hosted by intensely sheared, brecciated, and altered argillites and arenites which have been flooded by quartz and quartz-carbonate veining. Sulphides generally comprise less than 10% of the mineralized zone, however, locally, there are bands of semi-massive to massive sulphides up to 35% with thicknesses up to 70 cm. primarily, sulphides throughout the gold zone are comprised of pyrite and arsenopyrite with minor chalcopyrite and pyrrhotite. However, one 40 cm band of semi-massive pyrrhotite assayed 54.72 g/t. gold.

Diamond drilling on the McMillan Mine Property commenced in early December, 2006 and was completed in late January, 2007. Three diamond drill holes, MM-06-01, MM-06-02, and MM-06-03 totalling 1,606 metres (5,267 ft.) were completed during this recent campaign. Two of the three diamond drill holes, MM-06-01 and MM-06-02, were targeted to test along-strike and down-dip extensions to gold zones defined in drilling campaigns in 2005 and 2006.

Diamond drill hole MM-06-01 was collared 100 metres (328 ft.) westward along strike of diamond drill hole MM-05-05, completed in 2005, and 142 metres (466 ft.) westward along strike of drill hole MM-05-13. It intersected the same gold zone as drill hole MM-05-05 at approximately the same depth from surface, but due to the drill azimuth being oriented slightly east with respect to the azimuth of drill hole MM-05-05, the westward strike extent at depth was approximately 46 metres (151 ft.) from MM-05-05. Highlights of gold assay results from drill core intersections appear in the table below.

Drill hole MM-06-02 was collared 7 metres north of MM-05-13 at a steeper inclination angle and tested this gold zone approximately 160 metres (525 ft.) down-dip. Assay results showed that the gold zone intersected in drill hole MM-05-13 continued at depth. MM-06-02 intersected 4.29 g/t (0.14 oz.) gold over 1.85 metres including one section of 13.82 g/t (0.44 oz.) gold over 0.3 metres, and a second

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section of 12.00 g/t (0.38 oz.) gold over 0.3 metres. Highlights of additional gold assay results from drill core intersections appear in the table below. It is noteworthy that this gold zone resides within a zone approximately 43 metres wide of silica flooding and quartz-carbonate veining within sheared, brecciated, and altered argillaceous sediments and arsenates comprising approximately 10% sulphides of arsenopyrite, pyrrhotite, and pyrite - host rocks that are identical to the gold zone intersected up-dip in drill hole MM-05-13.

Diamond drill hole MM-06-03 was collared approximately 10 metres north of drill hole MM-05-05 with a slightly different azimuth and inclination than MM-05-05. Its purpose was to test the strong IP chargeability high identified from the July 2005 down hole IP inversion modelling which showed a target occurring off the end (at a greater depth) of drill hole MM-05-05.

Drill hole MM-06-03 intersected a zone of approximately 14 metres of sheared, altered argillites with up to 40% silica flooding and quartz-carbonate veining at 473 metres down hole, which correlates with mineralization in drill hole MM-05-05. Sulphide content here was approximately 2% and comprised pyrrhotite and pyrite. The best gold grade was 1.17 g/t (0.04 oz.) over 0.5 metres. The drill hole was extended to 552 metres, however, no significant sulphides were observed that could explain the IP anomaly. It is conceivable that this drill hole was not extended far enough.

Highlights of this campaign of drilling are summarized on Metallum's Press Release dated March 1, 2007, which is available on SEDAR for review.

The gold zone identified from this drilling, combined with the high grade gold intersected in diamond drill holes MM-05-05, MM-05-13, and MM-05-06 (see Young-Shannon's Press Release of May 24, 2005) sequentially eastward along strike defined a strike length of high grade gold mineralization of at least 550 ft. (168 m), which remained open in all directions.

During June, 2006 MBMI transferred ownership of the McMillan Mine Property to Garson Resources Ltd. The terms of the Option and Joint Venture Agreement between Metallum and MBMI Resources Inc. were likewise transferred to Garson Resources Ltd. Option cash payments, common share payments, and exploration work commitments, including anniversary dates, remain the same.

On April 22, 2008 Metallum signed a contract for a diamond drilling program on the property to further evaluate the gold zone that it has defined on previous drilling campaigns.

The diamond drill commenced coring in late April, 2008 and the drilling program was completed during the first week of July, 2008. Five diamond drill holes, MM-08-01 through to MM-08-05 inclusive, totaling 1,682 metres (5,517 ft.) of core was completed. This drilling campaign had the objective of continuing to define further down dip and strike extensions of the high grade gold values intersected in drilling campaigns on the property in 2004 through to 2007 (see Metallum's Press Releases of May 31, 2006 and March 01, 2007).

Of particular interest in this drilling program was a further evaluation of gold mineralization in the vicinity of diamond drill hole MM-05-13 where a gold zone was intersected in April, 2006 which averaged down hole grades and widths of 7.21 g/t gold over 21.3 metres including sections of 8.12 g/t gold over 4.60 metres, and 14.96 g/t gold over 8.60 metres, including 22.65 g/t gold over 4.70 metres, 27.72 g/t gold over 3.10 metres, and 35.70 g/t gold over 2.10 metres.

Drill hole MM-08-05 from this recent drilling campaign tested an eastward strike extension of approximately 42 metres (137 ft.), and an up dip extension of approximately 55 metres (180 ft.) from the high grade gold mineralization intersected in drill hole MM-05-13. This mineralization was

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successfully detected by the down hole induced polarization ("IP") survey completed in 2005 which also identified the targets which led to the intersections of high grade gold in drill holes MM-06-01, MM-05-05, and particularly MM-05-13.

Down hole drill core results from MM-08-05, as illustrated in the table below, show the continuity of the high grade gold zone when reviewed in context with results from drill hole MM-05-13, as well drill hole MM-06-02, from last year's drilling campaign, which extended the gold mineralization in MM-05-13 by 160 metres (525 ft.) down dip (see Young-Shannon's Press Release of March 1, 2007).

Diamond drill holes MM-08-01 and MM-08-02 from this campaign were collared to test potential gold mineralization westward from the historic underground workings from the McMillan Mine.

MM-08-01 tested a coincident IP and vertical loop electromagnetic anomaly and MM-08-02 was a down dip test of an impressive outcropping of quartz veining occurring approximately 305 m (1,000 ft.) west of the McMillan Mine shaft. Although gold occurs in both holes, no significant mineralization was intersected.

Diamond drill holes MM-08-03 and MM-08-04 from this campaign were collared from the same location with the same azimuth but with different inclinations and were designed to test the open eastward strike extent of the new high grade gold mineralization defined by the Company's drilling campaigns in years 2005 to 2007 as well as MBMI's campaign in 2004.

Both drill holes intersected the same zone of sheared argillites with quartz-carbonate veining and silica flooding that hosts the high grade gold mineralization on this part of the property. Drill hole MM-08-04 intersected 7.47 g/t gold over 0.5 m as well as less significant values. Drill hole MM-08-03 intersected lower grades of gold than were encountered in previous drilling in this vicinity, but it was calculated that this drill hole tested the gold zone approximately 30 m (100 ft.) up dip from the high grade values and therefore did not test the same horizon of higher gold grades as in previous drilling.

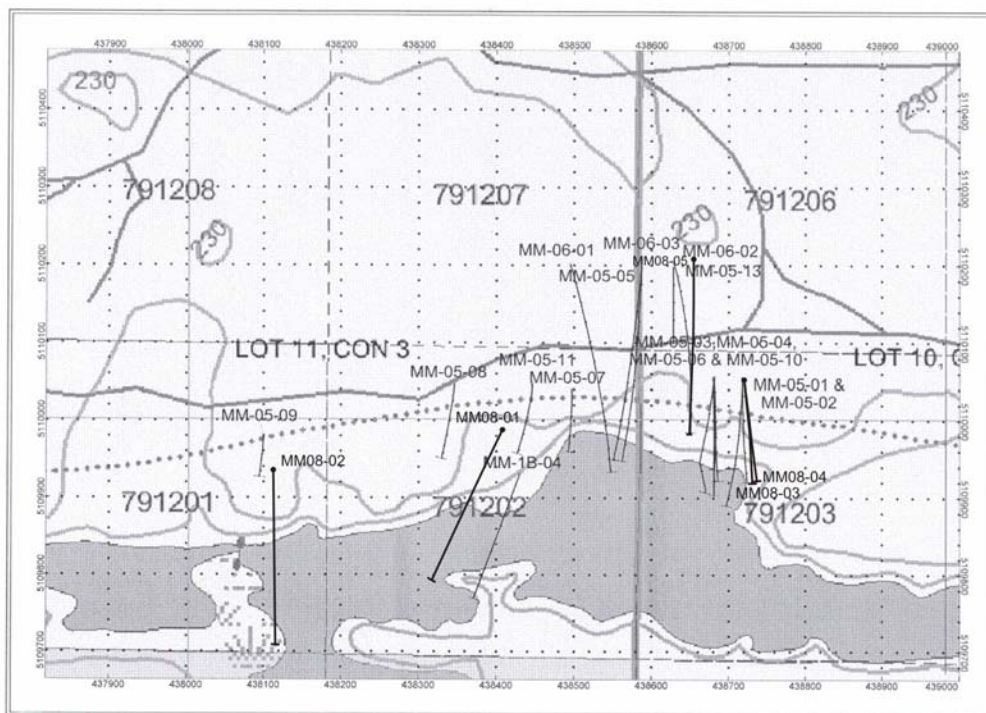
For the most part, the high grade gold values intersected by diamond drilling by the Company east of the McMillan shaft since 2005 occurs at least 100 m below the historic mine workings, and it is postulated that this gold mineralization could be an extension of the historic gold ore zone. The high grade gold values intersected in diamond drill hole MM-06-01, MM-05-05, MM-05-13, MM-05-06, MM-08-05, MM-05-01, and MM-05-02 sequentially eastward along strike defines a strike length of high grade gold mineralization of at least 600 ft. (183 m ) open in both directions and continuing at depth.

Future drilling campaigns on the property will continue to evaluate this high grade zone.

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The location map (below) of the McMillan Property in Mongowin and McKinnon townships below illustrates the juxtaposition of diamond drill holes from campaigns covering 2005 to the completion of the most recent drilling campaign in July, 2008.



Subsequent to period end, management determined that no further work was warranted on the Company's McMillan project. On October 10, 2008, the Company announced it has elected not to exercise its option agreement with Garson Gold Corp. Accordingly, \$96,000 of deferred acquisition costs and \$991,229 of deferred mineral property expenditures associated with this project have been written off in the current period.

**Results of Operations: M-18 Property, Argentina**

On June 4, 2007, the Company signed an Option and Joint Venture Agreement (the "Agreement") to earn a 70% interest in the M-18 gold and silver property in the province of Chubut in Argentina from Silver Standard Resources Inc. ("Silver Standard"). The M-18 Property comprises 6,300 hectares measuring 9 kilometres east-west by 7 kilometres north-south.

The Company is required to spend \$US 1,000,000 over four years on exploration on M-18 to earn its 70% interest. Exploration expenditures on each anniversary date of June 04 will be \$US 250,000 by the first anniversary, \$US 500,000 by the second anniversary, \$US 750,000 by the third anniversary, and \$US 1,000,000 by the fourth anniversary. Likewise, cumulative option payments of \$US 125,000 for the property will occur as follows: \$US 15,000 on the first anniversary date, \$US 25,000 on the second anniversary date, \$35,000 on the third anniversary date, and \$50,000 on the fourth anniversary date.

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If a NI 43-101 compliant resource estimate shows that the property is silver dominant, that is, greater than 50% of the value of the resource estimate, Silver Standard will have the option to back-in for a 51% interest in the property by incurring \$US 1,000,000 in exploration costs.

All proposed exploration on the property will be through a management committee comprised of equal representation of the Company and Silver Standard until the Company exercises its option. However, the Company will determine how exploration funds will be spent on the property. If the Company does exercise its option it will then have the majority vote regarding operations on the property unless Silver Standard exercises its back-in right, in which event Silver Standard shall be entitled to majority voting.

On April 2, 2008, and then again on May 29, 2008 Silver Standard Resources Inc. agreed to amend the Option and Joint Venture Agreement (the "Option Agreement") for the M-18 Property in Chubut Province, Argentina dated March 1, 2007 whereby the new "Effective Date" of the Option Agreement is now May 29, 2008.

The qualified person for the Chester, McMillan, and M-18 projects under National Instrument 43-101 is Greg Lipton, P.Geol., the company's President and CEO.

### **Subsequent Events**

- a) On October 24, 2008 the Company announced that it had elected to terminate the Option and Joint Venture Agreement that it signed with a private Canadian company in October, 2007 for its Chester Gold Property (see the Company's press release dated October 24, 2008).

The private company failed to meet cash and work commitment obligations as defined by the Agreement due to prevailing current market conditions, although the Company had, during the past year, agreed to three amendments on three separate dates requesting modifications to the Agreement from the private company.

As such, control and the 92.5% ownership of the Chester Property remains with the Company.

- b) On October 10, 2008 the Company announced that it had decided not to exercise its option agreement with Garson Gold Corp. for its McMillan Property near Espanola, Ontario (see the Company's press release dated October 10, 2008).

Although the Company had met its work expenditure requirements for its 50% interest in the property, exercise of the option would require an additional cash payment of \$30,000 and issuance of 200,000 common shares to Garson Gold.

After reviewing, compiling, evaluating, and analysing the drilling data completed on the property by the Company over the last three years, and particularly the most recent campaign of drilling completed this past summer, the Company has decided that the approximate \$1.5 million currently in its treasury would be better directed to its Argentina initiative, as well as acquiring additional quality mineral properties, rather than continued exploration at the McMillan Property.

- c) On November 7, 2008, the Company granted 150,000 incentive stock options to a director, with an exercise price of \$0.10, expiring on November 7, 2013.

## **Risks and Uncertainties**

The Company's business of exploring mineral resources involves a variety of operational, financial and regulatory risks that are typical in the natural resource industry. The Company attempts to mitigate these risks and minimize their effect on its financial performance, but there is no guarantee that the Company will be profitable in the future, and the Company's common shares should be considered speculative in nature.

The business of exploration for minerals and mining involves a high degree of risk. A relatively small proportion of properties that are explored are ultimately developed into producing mines. At present, there are no known bodies of commercial ore on any of the mineral properties in which the Company holds interest or intends to acquire an interest and the proposed exploration program is an exploratory search for ore. Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the conduct of exploration programs. The Company has limited experience in the development and operation of mines and has relied on and may continue to rely upon consultants and others for exploration and operating expertise. The economics of developing gold and other mineral properties is affected by many factors including the cost of operations, variation of the grade of ore mined, and fluctuations in the price of any minerals produced.

The success of the Company is dependent, among other things, on obtaining sufficient funding to enable the Company to explore and develop its properties. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of its projects with the possible loss of such properties. The Company will require new capital to continue to operate its business and to continue with exploration on its mineral properties, and there is no assurance that capital will be available when needed, if at all. It is likely such additional capital will be raised through the issuance of additional equity, which will result in dilution to the Company's shareholders.

The operations of the Company may require licenses and permits from various local, provincial and federal governmental authorities. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development, or mining operations, at its projects.

Even if the Company's exploration programs are successful, factors beyond the control of the Company may affect the marketability of any mineral products discovered. The prices of mineral products have historically fluctuated widely and are affected by numerous factors beyond the Company's control, including international, economic and political trends, expectations for inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns, speculative activities and worldwide production levels. The effect of these factors cannot accurately be predicted.

The mining industry is intensely competitive in all its phases. The Company competes with many companies possessing greater financial resources and technical facilities than itself for the acquisition of mineral interests as well as for the recruitment and retention of qualified employees, contractors and consultants.

The Company's operations are subject to environmental regulations promulgated by local, provincial and federal government agencies from time to time. Environmental legislation provides for restrictions and prohibitions of spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailing disposal areas, which could result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties.

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In addition, certain types of operations require submissions to and approval of environmental impact assessments. Environmental legislation is evolving in a manner, which means stricter standards and enforcement, and fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. The Company intends to fully comply with all environmental regulations.

Certain directors or proposed directors of the Company are also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest, which they may have in any project opportunity of the Company. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

The Company does not have a historical track record of operating upon which investors may rely. Consequently, investors will have to rely on the expertise of the Company's management. Further, the Company's properties are in the exploration stage and are not commercially viable at this time. The Company does not have a history of earnings or the provision of return on investment, and there is no assurance that it will produce revenue, operate profitably or provide a return on investment in the future.

**Additional Disclosure for Venture Issuers Without Significant Revenue**

The balance of Mineral Property Acquisitions and Deferred Mineral Property Expenditures declined to \$3,116,492 on September 30, 2008 (September 30, 2007 - \$3,811,298), primarily due to the \$1,087,229 write-down of the McMillan property, partially mitigated through expenditures on other properties, the details of which are provided in the corresponding unaudited interim financial statements.

**Management's Responsibility for Financial Information**

The Company's financial statements are the responsibility of the Company's management, and have been approved by the board of directors. The financial statements were prepared by the Company's management in accordance with Canadian generally accepted accounting principles. The Financial statements include certain amounts based on the use of estimates and assumptions. Management has established these amounts in a reasonable manner, in order to ensure that the financial statements are presented fairly in all material respects.

**Disclosure and Internal Financial Controls**

Management has established processes, which are in place to provide them sufficient knowledge to support management representations that they have exercised reasonable diligence that:

- (i) the audited financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the years presented by the audited financial statements; and

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- (ii) the audited financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the years presented by the audited financial statements.

In contrast to the certificate required under Multilateral Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings (MI 52-109), the Company utilizes the Venture Issuer Basic Certificate which does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in MI 52-109. In particular, the certifying officers filing the Certificate are not making any representations relating to the establishment and maintenance of:

- (i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- (iii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in MI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

#### **Disclosure of Outstanding Share Data**

Metallum shares trade on the TSX Venture Exchange under the symbol "MRV". The Company is authorized to issue an unlimited number of common shares without par value. On November 25, 2008, there were 53,803,828 common shares issued and outstanding, 2,745,000 stock options outstanding with a weighted average exercise price of \$0.10 expiring between 2009 and 2013, and 10,900,000 warrants outstanding with a weighted average exercise price of \$0.15 expiring in 2009.

#### **Additional Information**

Additional information relating to Metallum is available on the SEDAR website [www.sedar.com](http://www.sedar.com).