RICH MINERALS CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE COMPANY'S FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE NINE MONTHS ENDED MAY 31, 2008

RICH MINERALS CORPORATION ("RMC" or the "Company") is a Canadian company exploring opportunities in the natural resource sector in North America and internationally. The Company was incorporated in 1986 as junior capital pool company. Upon approval of its major transaction, the reverse take-over of three construction companies into one construction company, known as Rich Contracting Ltd., with revenues and a fleet of heavy equipment, the Company was approved for trading on the Alberta Stock Exchange in 1988. Through various regulatory transactions the Company now trades on the TSX Venture Exchange (Trading Symbol: RMC). With the takeover completed it was the intention at that time, to utilize the heavy equipment in operations in the natural resource sectors. The construction company continued to operate and the Company continued to evaluate projects in the resource sector. Through the years it was successful in purchasing oil and gas assets, entering into arrangements to participate in exploring for gold and other precious metals, and purchasing an interest in a gemstone project. Management has determined that the construction business is not of great benefit in terms of becoming involved in natural resources. Therefore, it was in the best interest of the Company to substantially reduce its construction operations and to move forward concentrating its efforts in the resource sector. Management of the Company believes that focusing on natural resource projects will add value for the shareholders.

During the nine months ended May 31, 2008 the Company was awarded and signed concession agreements for two onshore oil and gas exploration blocks comprising approximately 58 square kilometres in the Potiguar Basin, an oil producing area of Northern Brazil (please refer to the Company news release dated December 7, 2007). In November 2006 the Company was provisionally awarded four onshore oil and gas exploration blocks comprising approximately 720 square kilometres in the Tucano Basin, a gas producing area of Northern Brazil (please refer to the Company news release dated December 5, 2006), which have not yet been ratified. The Company expects the issues which have delayed the finalization of the eighth round of bidding will be resolved during 2008.

Management's discussion and analysis focuses on key statistics from the consolidated financial statements, as well as our review of the revenues of the contracting division, which comprise the majority of the Company's revenues. In the interim, the Company will continue to receive revenues from contracting, property rentals, and investment income. This discussion and analysis of the financial condition and results of the operations is for the nine months ended May 31, 2008.

This management discussion and analysis includes certain statements that may be deemed "forward-looking statements". All statements in this discussion, other than statements of historical facts, that address future revenue, production, reserve potential, exploration drilling, exploitation activities and events or developments that the Company expects, are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and continued availability of capital and financing and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in the forward-looking statements.

This report was reviewed and approved by the Company's Audit Committee and Board of Directors on July 18, 2008. Additional information regarding RMC is available under the Company's profile on SEDAR at www.sedar.com.

Nature of Business and Overall Performance

RICH MINERALS CORPORATION was incorporated in Canada under the laws of the Province of Alberta.

During 2005, the Company, through its wholly owned subsidiary Rich Contracting Ltd., took specific actions to substantially reduce its direct involvement in construction and contracting activities related to the installation of underground utilities in residential and commercial applications. In order to increase shareholder value the Company will continue to focus its attention on business prospects in the natural resource sector.

In November 2006, the Federal Oil and Gas Agency (ANP) of Brazil, awarded four onshore blocks in the Tucano Basin, a gas producing area of Brazil. The blocks comprising approximately 720 square kilometres of land under concession for oil and gas exploration. During the year ended August 31, 2007 the Corporation spent approximately $229,000 to prepare for and participate in the bidding for the blocks, plus administration costs. Rich Minerals Corporation qualified as an operator and was officially represented as an oil company with the ANP.

During November, 2007 the Company was awarded two more onshore oil and gas exploration blocks representing 58 square kilometres in the Potiguar Basin, an oil producing area of Northern Brazil. During the nine months ended May 31, 2008 the Company spent approximately $358,000 to prepare for and participate in the bidding for the blocks, plus administration costs.

During March 2008 the Potiguar Basin concession agreements were executed, but the Tucano Basin concession agreements have not yet been ratified.

The primary factors that can affect the future financial condition of the Company include the continued ability to raise equity capital and the level of exploration and/or development expenditures required to meet prospective commitments. International oil and gas exploration requires significant funding. The Company's cash flows consist of revenues from contracts of Rich Contracting Ltd., the Company's construction subsidiary, as well as equipment and property rentals. RMC currently has sufficient working capital to meet its current and planned obligations. Management expects that the Company will be able to realize its assets and discharge its liabilities and commitments in the normal course of operations.

Industry and Economic Factors Affecting Performance

Certain factors will affect the Company in its ability to carry on normal business. These include commodity prices, competition amongst exploration firms for attractive natural resource properties, the interest of investors in providing high-risk equity capital to exploration and development companies, and the availability of qualified staff and equipment such as drilling rigs to conduct exploration. Seismic and drilling activities are subject to numerous technical risks and uncertainties. The Company attempts to minimize exploration risk by utilizing trained professional staff and conducting extensive geological and geophysical analysis prior to drilling wells.

Risk Factors

Natural resource exploration and development involves a high degree of risk such that few properties, which are explored, are ultimately developed into producing projects. International oil and gas exploration requires significant funding. The Company successfully bid and was awarded four oil and gas exploration blocks in the Tucano Basin of Brazil, and two oil and gas exploration blocks in the Potiguar Basin of Brazil for exploration activities; should any oil and gas resources exist, substantial expenditures will be required to confirm reserves which are sufficient to commercially develop, and to obtain the required environmental approvals and permitting required to commence commercial operations. Should any natural resource be defined on such properties there can be no assurance that the resources on such properties can be commercially developed. The decision as to whether a property contains sustainable oil & gas reserves and should be brought into production will depend upon the results of exploration programs and/or feasibility studies, and the recommendations of duly qualified engineers and/or geologists, all of which involves significant expense. This decision will involve consideration and evaluation of several significant factors including, but not limited to: (1) costs of bringing a property into production, including exploration and development work, preparation of production feasibility studies and construction of production facilities; (2) availability and costs of financing; (3) ongoing costs of production; (4) market prices for the mineral or oil and gas to be produced; (5) environmental compliance regulations and restraints (including potential environmental liabilities associated with historical exploration activities); and (6) political climate and/or governmental regulation and control.

Management

The Company is dependent on a relatively small number of key personnel, the loss of any of whom could have an adverse effect on the Company.

List of Directors and Officers as at May 31, 2008:

Bernard M. Chamberland	CEO and Chairman of the Board
Debra Senger	CFO and Director
John A. Peters	Director
Murray Smith	Director
Augusto Mendonca	Director

Outlook

The Company is on course with its focus on obtaining resource properties and reducing its construction/contracting business operations. It has been awarded two (and was successful bidder on four additional) oil and gas exploration properties in producing areas of northern Brazil, and will commence evaluation of these properties during the 2008 fiscal year upon finalization of documentation by the government of Brazil. Financial commitments to conduct these evaluations will be covered with current working capital. Drilling operations on prospective areas in these properties will be funded through a combination of equity financings as well as negotiating agreements with joint venture partners to mitigate risk and create opportunities to participate in further resource projects.

Foreign resource business development expenditures

During the nine months ended May 31, 2008 the Company spent approximately $358,000 (2007 - $104,000) consisting of the costs to qualify for, evaluate, and bid for oil and gas exploration properties in northern Brazil plus administration costs. The Company was provisionally awarded two properties in the 9th bidding round in November, 2007; during March, 2008 the Company executed concession agreements on these two properties. During 2007 – four properties in the 8th bidding round in November, 2006 were provisionally awarded to the Company. The concession agreements for these 4 properties have not yet been ratified.

Results of operations

The Company's operations consist generally of revenues from contracting activities, premises rentals, and income from short-term investments.

Revenues

Revenues for the nine months ended May 31, 2008 were $362,769, composed of $76,485 of investment income, and $286,284 of contracting and rental income (2007 - $96,464 and $553,630). Revenues for the three months ended May 31, 2008 were $75,778, composed of $15,778 of investment income, and $60,000 of contracting income (2007 - $35,421 and $126,700).

Since 2005 the Company has substantially reduced its construction contracting operations and concentrated its efforts in the resource sector. During the year ended August 31, 2007 management determined that the risk of major equipment repairs outweighed potential rental revenue, and sold the remaining equipment during the nine months ended May 31, 2008 for proceeds of approximately $285,000, resulting in a gain of approximately $242,000. The Company plans to continue to earn revenues from the contracting business and building rental until it develops cash flow from resource property operations.

Operating costs

The Company's decreased involvement in the construction industry is reflected in subcontracting and construction operations costs. Subcontracting costs for the nine months ended May 31, 2008 of $169,786 match the revenues earned in construction contracts during the period (2007 - $113,459). Three months ended May 31, 2008 - $1,701 (2007 - $NIL).

General and administrative expenses

General and administrative costs for the nine months ended May 31, 2008 were $320,878 (2007 - $476,479) consisting mainly of salaries and consulting costs. Three months ended May 31, 2008: $112,351 (2007 - $231,665). The decrease in costs compared to fiscal 2007 reflect a reduction in overall activity as the Company transitions to an internationally focused oil and gas company.

Amortization

Property, plant and equipment are stated at cost less amortization. Amortization expense for the nine months ended May 31, 2008 was $8,383 (2007 – $120,376). Three months ended May 31, 2008: $2,795 (2007 - $40,127). The decreased level of amortization expense reflects the divestment of construction equipment.

Gains (losses) on dispositions of equipment and short-term investments

During the nine months ended May 31, 2008 the Company sold contracting equipment for proceeds of $285,000 resulting in a gain of $241,989 (2007 – proceeds of $67,904, gain of $67,904) reflecting the gradual divestment of construction equipment. During the period transactions within the Company's holdings of short-term investments resulted in a loss of $21,839 (2007 – no dispositions of short-term investments). During the three months ended May 31, 2008 transactions within the Company's holdings of short-term investments resulted in a gain of $669 (2007 - $NIL).

Net income (loss) per share

The net income per share for the nine months ended May 31, 2008 was $0.003 (2007 - $0.000). The net income is primarily the result of the gain on disposition of construction equipment as the Company continues to shift out of construction operations into the resource sector. As at May 31, 2008 the Company had 24,033,000 common shares outstanding, and 1,600,000 stock options outstanding at prices ranging from $0.15 - $0.18 per common share.

Off Balance Sheet Arrangements

The Company has not entered into any off-balance sheet transactions.

Related Party Transactions

The Company has entered into a series of transactions with corporations controlled by shareholders of the Company. Leasing and contracting transactions with related parties are incurred in the course of normal operations and are measured at exchange values, which is the amount agreed by the parties.

(a) Contracting transactions

The Company has entered into agreements with a corporation wholly-owned by a shareholder of the Company ("the Contractor"). The Company has agreed to rent equipment and premises to the Contractor. The Company has also entered into agreements with the Contractor to provide services as a subcontractor.

The Company's transactions with the Contractor are summarized as follows:

	Three months ended May 31		Nine months ended May 31	
	2008	2007	2008	2007
Included in revenue:				
Equipment rental	$ –	$ 108,700	$ –	$ 267,500
Premises rental	36,000	24,000	108,000	48,000
Contract revenue	–	–	178,284	–
	$ 36,000	$ 132,700	$ 286,284	$ 315,500

At May 31, 2008, the Contractor owed $695 (August 31, 2007 - $NIL) to the Company, which is included in accounts receivable.

The Company had hired the Contractor to provide services as an underground utility subcontractor, which may be summarized as follows:

	Three months ended May 31		Nine months ended May 31	
	2008	2007	2008	2007
Included in direct costs:				
Contract payments	$ –	$ –	$ –	$ 113,459

At May 31, 2008 the Company owed the Contractor $NIL (August 31, 2007 - $321,758) which is included in accounts payable.

(b) Management, consulting, and professional fees

Included are:

(i) $10,115 (2007 - $7,660) of legal fees paid to a firm in which a director, John A. Peters, is a partner, and $NIL (2007 - $NIL) of fees paid to the individual for service as a director;

(ii) $40,000 (2007 - $40,000) of consulting fees paid to a director, Augusto Mendonca, for consulting services involving international oil and gas investment opportunities, and $NIL (2007 - $NIL) of fees paid to the individual for service as a director;

(iii) $74,500 (2007 - $61,000) of management fees paid to a company controlled by Chief Financial Officer and director Debra L. Senger, a rate increase from $72,000 to $90,000 per annum which came into effect November 1, 2007, and $NIL (2007 - $NIL) of fees paid to the individual for service as a director.

(iv) $127,800 (2007 - $109,300) of remuneration to the Chief Executive Officer and director, Bernard M. Chamberland, a rate increase from $140,000 to $158,000 per annum which came into effect November 1, 2007, and $NIL (2007 - $NIL) of fees paid to the individual for service as a director.

New Accounting Pronouncements

Capital Disclosures

Effective January 1, 2008, the Company adopted Canadian Institute of Chartered Accountants ("CICA") Section 1535, Capital Disclosures, which requires additional disclosures of objectives, policies and processes for managing capital. In addition, disclosures will include whether companies have complied with externally imposed capital requirements.

Financial Instruments - Disclosures and Presentation

Effective September 1, 2007, the Company adopted two new CICA standards, Section 3862, Financial Instruments – Disclosures and Section 3863, Financial Instruments – Presentation, which replaces Section 3861, Financial Instruments – Disclosure and Presentation. The new disclosure standard increases the emphasis on the risks associated with both recognized and unrecognized financial instruments and how those risks are managed. The new presentation standard carries forward the former presentation requirements.

Future Accounting Pronouncements

International Financial Reporting Standards

In January 2006, the CICA Accounting Standards Board ("AcSB") adopted a strategic plan for the direction of accounting standards in Canada. As part of the plan, accounting standards in Canada for public companies are to converge with International Financial Reporting Standards ("IFRS") effective for fiscal periods beginning on or after January 1, 2011. The Company continues to monitor and assess the impact of the convergence of Canadian GAAP and IFRS.

Capital Disclosures

The Company's capital consists of shareholders' equity, bank debt and working capital. 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 oil and gas 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 Company currently has interests in exploratory oil and gas properties, as well as cash flows from from managing construction projects, and is partially dependent on external financing to fund its activities. In order to carry out planned exploration activities, the Company will draw on cash flow, funds currently held in short-term investments, bank line of credit, and equity financings.

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 nine months ended May 31, 2008. The Company is not subject to externally imposed capital requirements.

Financial Instruments and Risk Management

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

(a) Credit risk

The majority of the Company's accounts receivable are due from customers of the Company's construction management services. The Company generally extends unsecured credit to these customers, and therefore the collection of accounts receivable may be affected by changes in economic or other conditions. Management believes the risk is also mitigated by the size and reputation of the companies to which they extend credit.

(b) Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company's financial liabilities consist of accounts payable. The nature of the oil and gas industry is very capital intensive. To mitigate this risk, the Company plans to take on joint venture partners for major projects, prepare annual capital expenditure budgets, and utilize authorizations for expenditures to manage capital expenditures.

(c) Market risk

Market risk is the risk that changes in market prices, such as commodity prices, foreign exchange rates, and interest rates will affect the Company's net income and comprehensive income or the value of financial instruments. These risks are generally outside the control of the Company. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while maximizing returns.

Commodity price risk

The price the Company will receive for oil and natural gas production will fluctuate continuously and will be affected by many factors including supply and demand, and foreign exchange rates. Management monitors commodity prices and may initiate instruments to manage exposure to these risks when it deems appropriate. The Company did not enter into any derivative financial instruments during the nine months ended May 31, 2008 and has no outstanding derivative financial instruments as at that date.

Foreign exchange risk

A portion of the Company's funds is held in Brazilian Reals, therefore it is exposed to the risk of fluctuations in foreign exchange rates. To date the Company has not participated in any foreign exchange forward contracts.

Interest rate risk

The Company is exposed to interest rate cash flow risk to the extent that certain short-term investments bear interest at a floating rate. For the nine months ended May 31, 2008, a change of one percentage point to the interest rate would have had an approximate $7,000 impact on net income.

(d) Fair value of financial instruments

The fair values of accounts receivable, deposits, and accounts payable and accrued liabilities approximate their carrying values due to the short-term nature of these financial instruments. These financial instruments are recognized at amortized cost.

Financial Condition and Liquidity

Cash flow from operations

Cash flow (used in) operations for the nine months ended May 31, 2008 was ($126,097) compared to cash flow (used in) operations of ($125,694) for 2007. Cash flow (used in) operations for the three months ended May 31, 2008 was ($105,228) compared to cash flow (used in) operations of ($124,941) in 2007.

Liquidity and capital resources

In Management's view, given the nature of the Company's activities, the most meaningful and material financial information concerning the Company relates to its current liquidity and capital resources. The Company's activities have been funded through contracts of its construction subsidiary, property rentals, and investment income. The Company expects that it will continue to be able to generate revenues from these sources until it develops cash flow from operations. There can be no assurance, however, that the Company will be able to do so. If such funds are not available or cannot be obtained, the Company will be forced to curtail its activities to a level for which funding is available or can be obtained. At May 31, 2008 the Company had working capital of $1,831,083 consisting of cash of $348,071, and income-bearing marketable securities of $1,544,018 (2007 - $2,242,786). The Company also has a bank line of credit of $100,000 which had not been drawn down as at May 31, 2008 or subsequently. The Company expects to fund its 2007-2008 foreign resource business development expenditures in Brazil using cash flow, funds currently held in short-term investments, bank line of credit, and equity financings.

Commitments

In November 2006 the Company was provisionally awarded 4 oil and gas exploration properties in Brazil, subject to execution of final documents. Once final title documentation has been received, the Company has planned exploratory expenditures of approximately $600,000 on these properties over the next 3 years.

In November 2007, the Federal Oil and Gas Agency (ANP) of Brazil awarded to the Company 100% participation in two onshore blocks of land under concession for oil and gas exploration in the Potiguar Basin, an oil producing area of Brazil. The concession agreements were executed in March 2008. The costs to the Company for these blocks were approximately $160,000 in cash, and approximately $500,000 in exploration costs over a 2 year minimum work program.

Selected Quarterly Information

During 2005, Rich Contracting Ltd. substantially reduced its direct involvement in construction and contracting activities related to the installation of water lines and other utilities in residential and commercial applications. The Company plans to continue to earn revenues from the contracting business, and building rentals, and investment income until it develops cash flow from resource property operations.

(000's except per share)		2008				2007		2006
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Revenue	76	287	239	155	162	214	274	451
Net Income (loss)	(41)	121	158	(244)	(114)	34	81	229
Earnings (loss)per share	.002	.005	.007	(.010)	(.005)	.001	.003	.012

Fully diluted common shares

The Company's equity securities outstanding are summarized as follows:

	May 31 2008	August 31 2007
Common Shares	24,033,000	24,033,000
Stock options	1,600,000	1,600,000
Total – fully diluted	25,633,000	25,633,000

Summary of Options Outstanding as of May 31, 2008

Name of Optionee	Position (Director/ Employee/ Consultant/ Management Company)	Insider ?	Number of Optioned Shares	Exercise Price	Expiry Date
Bernard Chamberland	Management	Yes	600,000	$0.15	06/21/2010
Debra Senger	Management	Yes	350,000	$0.15	06/21/2010
John Peters	Director	Yes	250,000	$0.15	06/21/2010
Murray Smith	Director	Yes	100,000	$0.15	06/21/2010
Augusto Mendonca	Director	Yes	300,000	$0.18	04/11/2011

Stock-Based Compensation

For the nine months ended May 31, 2008, the Company recorded no stock-based compensation expense (2007 – $Nil).

Additional Information

Additional information relating to the Company is available on the SEDAR website at www.sedar.com under "Rich Minerals Corporation".