



Leader en exploration pétrolière au Québec



**INTERIM MANAGEMENT
DISCUSSION AND ANALYSIS**

For the first quarter ended December 31, 2008



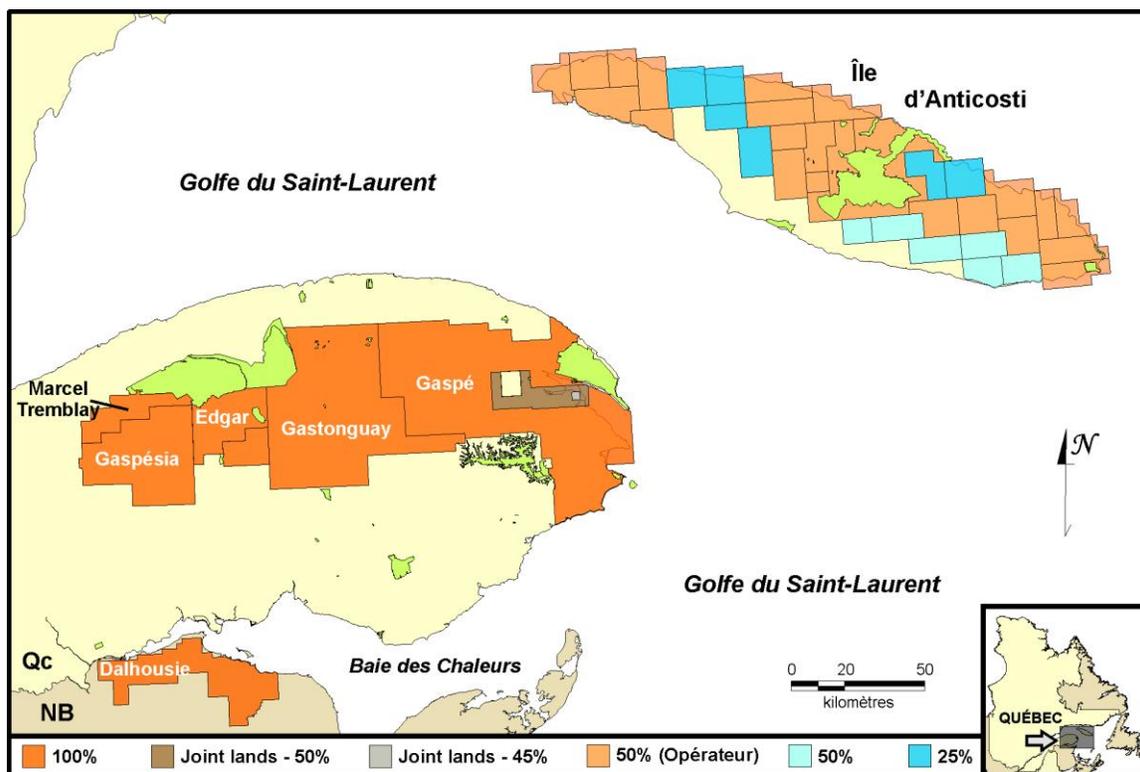
MANAGEMENT DISCUSSION AND ANALYSIS FOR THE FIRST QUARTER ENDED DECEMBER 31, 2008

This interim management report complies with Rule 51-102A of the Canadian Securities Administrators regarding continuous disclosure for reporting issuers. It is an addition and supplement to the first quarterly financial statements and should be read together with them and in parallel with the audited financial statements for the years ended September 30, 2008 and 2007, and the annual management report where necessary. It presents the views of Management on current Company activities and financial results, as well as a preview of activities of the coming months.

1.1 DATE

The present management report for the three-month period ended December 31, 2008, is dated February 13, 2009.

Pétrolia's leases as of December 31, 2008



1.2 NATURE OF ACTIVITIES AND OVERALL PERFORMANCE DURING THE QUARTER

The Company is incorporated under Part 1A of the Quebec Companies Act. It has been listed on the TSX Venture Exchange since February 16, 2005. Exploration and development of oil and gas properties are the Company's primary activities. Moreover, to achieve its objectives, the Company has signed various partnership agreements characteristic of the oil and gas industry.



During this quarter the Company devoted a significant portion of its efforts to the development of exploration programs for its various properties. Each program was designed to take into account the level of previous exploration, the geologic character of the area, and the prospective formations. The less is known about a project, the greater the exploration risk: Pétrolia thus seeks partners in order to share these risks.

Pétrolia owns interests in mineral properties covering 15,000 km² (3.7 million acres), or about 18% of the total permitted area of Quebec. These leases, which are mainly located on the Gaspé Peninsula and Anticosti Island, are considered to be highly prospective, representing about 70% of Quebec's onshore petroleum potential. Pétrolia expects that 2009 will mark a major milestone, with the drilling of several wells.

Within five years, Pétrolia hopes to produce 5% of Quebec's petroleum consumption.

1.2.1 INTENSIVE EXPLORATION ACTIVITY

During the quarter the Company was very active, and carried out considerable exploration work, including a 3-D seismic survey (Haldimand) and two 2-D seismic surveys (Haldimand Corridor and Dalhousie), as well as a soil-geochemistry survey (Haldimand Corridor). This critical acquisition and evaluation phase will now allow Pétrolia to play a leading role in future developments, since it advances the Company into the drilling stage. At the dawn of 2009, the Company's ultimate objective is taking shape: to become a hydrocarbon producer.

1.2.2 FINANCING AND INCOME

The Company's current income consists mainly of interest earnings, since the Company is still in the exploration stage. It therefore obtains its funding by issuing shares.

During the first quarter the Company carried out exploration work for a total of \$2,668,778, including \$537,449 on behalf of a partner. The net loss for the quarter is \$649,671 (\$0.0159 per share) compared to a net profit of \$38,617 (\$0.0013 per share) for the corresponding quarter of the previous year. The principal explanation for the variance between the two quarters is the unrealized profit (loss) on financial assets identified as being held for trading (a loss of \$540,000 in 2008, and a profit of \$110,000 in 2007).

1.3 STRATEGY AND OUTLOOK

During the next few quarters Pétrolia's main objectives will be:

- 1) Together with its partners, and as quickly as possible, to complete the work necessary to bring the Pétrolia-Haldimand No. 1 Well into production, and to drill a confirmation well on the Haldimand property. These activities are consistent with the agreement of May 6, 2008 for the development of the Haldimand field (*Press Release of May 7, 2008*). Drilling operations should start after the spring thaw. The starting date for the work is conditional on first obtaining all necessary Government authorizations, and on the availability of a drilling rig (*Press Release of February 19, 2009*);



- 2) To drill at least two wells on the potential targets identified by the intensive seismic and geochemical surveys carried out in 2008;
- 3) To sign agreements with partners in order to accelerate the drilling phase and share the risks in projects promoted by Pétrolia.

Information on the agreements and the exploration work can be found on the Company's website (www.petroliagaz.com).

Haldimand Project (45% interest)

The Pétrolia-Haldimand No. 1 well was located on a single seismic profile: the extent of the producing zones on either side of this profile is therefore unknown. The data obtained from the discovery well were insufficient to define the characteristics of the petroleum or the reservoir. Without adequate data, it is almost impossible to characterize the deposit and to initiate sustained production without possibly jeopardizing the future recovery rate. Faced with these uncertainties, the partners decided to take a cautious approach and postponed commissioning the well until they have undertaken additional work and are in a position to properly define the limits and physical properties of the reservoir.

The geometry of the reservoir its characteristics, and the potential output of the discovery well remain unknown. Moreover, only 22 of the 150 metres of producing interval were perforated. It is therefore still possible that other zones might, if they were perforated, contribute towards an increase in production from the discovery well. This is what the partners hope to learn from the appraisal well.

The \$5-M exploration program was approved by the partners on June 6, 2008: it aims to put the Haldimand field into production on a realistic schedule, and to have an independent firm certify the field's reserves. This program, for which Junex is acting as operator, comprises the following items: investigation of the well's producing zones, a 3-D seismic survey, a soil-geochemistry survey, the selection of a location for a second well, and the drilling operations themselves. Only the drilling operations now remain to be carried out; activity which should take place during the third quarter of the current year.

The evaluation program planned for this well should allow the partners to 1) confirm the extension of the producing zones identified in the first well, 2) establish the gas/oil ratio under reservoir conditions, 3) characterize the reservoir, and 4) calibrate the logs from the first well so that other intervals could possibly be perforated, thereby increasing the output from the producing zone.



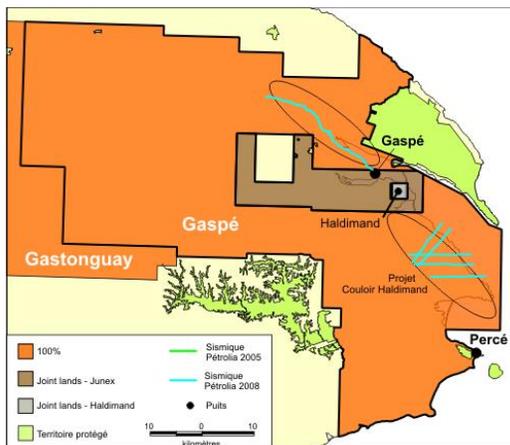
Haldimand: 900 hectares

Summary

- Partnership with Junex (45%) and Gastem (10%)
- Acquisition of seven seismic profiles in 2005 with a total length of 34 km
- Characterization of the organic matter and petrography of the Pétrolia-Haldimand No. 1 well in 2007
- Signature of a joint operating agreement for development of the Haldimand oil and gas project in 2008
- 3-D seismic campaign over an area of 13 km² in 2008
- Recovery of a pressure recorder installed in the well in 2006 and collection of samples under reservoir conditions
- Soil geochemistry survey in 2008

Proposed work

- Continuing analyses and tests in the Pétrolia-Haldimand No. 1 well
- Extended production test to confirm the production capacity of the Pétrolia-Haldimand No. 1 well
- More detailed geologic studies of the various formations
- Drilling of a second well to target the producing zones identified in the previous well



Haldimand Corridor Project (100% interest)

The Haldimand Corridor Project was conceived during 2008. It involves the areas located to the northwest and southeast of the Haldimand Project, in which Pétrolia holds a 100% interest. These areas present geological characteristics resembling those observed in the Haldimand field. During the last fiscal year, Pétrolia invested \$1M in exploration work on this project to identify targets to be drilled in 2009.

Pétrolia expects to find other Haldimand-type structures in this corridor. Other traps of different but equally interesting sorts may also be present. The seismic data acquired in December 2008 identified structures in the northern portion of the corridor that are interpreted as being reefs similar to those targeted in the Bourque Project. In the southern portion of the corridor, seismic results confirm the presence of at least one structure of Haldimand type.

Pétrolia considers the Haldimand Corridor to be a priority project for the year 2009, and plans to complete the drilling as quickly as possible.



Haldimand Corridor

Summary	<ul style="list-style-type: none">- North and south extensions of the Haldimand Project- A reassessment of the available data and reprocessing of some of the old seismic lines was carried out- Soil-geochemistry survey conducted in 2008 (900 samples)- Acquisition of six seismic lines with a total length of 83 km, including a subsea portion, during 2008- High-resolution airborne magnetic survey to extend the government surveys to the east
Proposed work	<ul style="list-style-type: none">- Analyses of organic matter from field samples collected in the southern section- Planning of a drilling campaign

Bourque Project (100% interest)

For nearly two years, Pétrolia has been conducting geoscientific studies on the Bourque property and reinterpreting old data in order to assess its potential and to determine the nature of the traps that might be found. In 2008 this led to the execution of an exploration program targeting Siluro-Devonian reefs. Following discussions with an oil company that led to the signing of an agreement on August 5 last, Pétrolia carried out a 3-D seismic acquisition program whose results were received during the quarter.

The survey results are highly encouraging, since they confirm the presence of traps that were predicted by the 2-D seismic, and identify several potential drilling targets. Pétrolia and its partners are thus now in a position to select a drill site.

The starting date for the drilling will be determined by the partner, depending on the availability of drilling equipment.

Bourque: 74,267 hectares

Summary	<ul style="list-style-type: none">- Exploration of Devonian reefs- Acquisition and interpretation of old seismic data, now in the public domain- 3-D seismic acquisition in 2008 (60 km²)- Study of the maturation of organic matter in surface samples collected in 2007
Proposed work	<ul style="list-style-type: none">- Interpretation and evaluation of the results of the 3-D seismic survey- Planning of a drilling campaign



Anticosti Property (*Pétrolia's interest: from 25 to 50%*)

Anticosti Island comprises a vast area that is highly prospective but relatively little explored. The island's geology consists of rocks whose composition and age are similar to those in producing areas of the north-eastern United States, and also like those in the Saint Lawrence Lowlands, where interesting discoveries have also been made, including the one at St-Flavien in hydrothermal dolomites. A good source rock is present on the island, and well data show that it has generated petroleum during the basin's history. Porous zones and petroleum showings have also been encountered in the wells. A number of structures favourable to hydrothermal dolomitization, like that mentioned earlier, were identified on the seismics. The leases jointly held by Pétrolia and Corridor Resources cover almost all of the areas that are prospective for petroleum. The Anticosti property is particularly interesting for Pétrolia because exploration has reached the drilling stage, with several targets ready for drilling. The Company looks forward to results in the short and medium term.

Anticosti: 638,106 hectares

Summary

- Permits acquired in 2007
- Partnership with Corridor Resources Inc.
- Interpretation of seismic lines and available drilling data
- Soil-geochemistry survey carried out in 2008 over the entire island, (1,700 samples)

Proposed work

- Evaluation and compilation of the latest field work
- Study aimed at the characterization of the organic matter in three wells from the eastern portion of the island
- Planning of a drilling campaign

Gaspésia, Edgar, and Marcel-Tremblay Properties (*100% interest*)

There had been little exploration work on these properties prior to Pétrolia's arrival. However, the seismic lines acquired by the Company and the Quebec Ministry of Natural Resources and Wildlife suggest the presence of potential targets in Silurian and Devonian formations. The profiles also show major structures that do not appear on surface, but that could form promising traps. The thermal maturation of the rocks renders them favourable for the preservation of gas. Several outcrops of dolomitized limestones and sandstones located on the edge of the sedimentary basin show porosity and contain traces of hydrocarbons. They could form a reservoir capable of accumulating large quantities of natural gas.

The seismic profiles acquired by Pétrolia since 2005, as well as the results of a soil-geochemistry survey conducted in 2008, indicate the presence of atypical amounts of hydrocarbons over major structures. Additional seismic surveys may be necessary to more precisely define drilling targets.



Gaspésia, Edgar, and Marcel Tremblay: 221,395 hectares

Summary

- Permits acquired in 2002, 2006, and 2007, 100% owned by Pétrolia
- A thermal-maturation study carried out in 2003 shows the oil and gas potential
- Acquisition of a 32 km long 2-D seismic line in 2005
- Acquisition of four 2-D seismic lines with a total length of 126 km in 2006
- Soil-geochemistry survey in 2008 (334 samples) near salt marshes and along the seismic lines of Pétrolia and the Quebec Ministry of Natural Resources and Wildlife
- Acquisition of four seismic lines with a total length of 52 km in 2008

Proposed work

- Analysis of existing seismic, magnetic, gravimetric, and geochemical data
- Planning of a drilling campaign

Dalhousie Property (100 % interest)

Pétrolia is the first oil company to become involved in this area of northern New Brunswick. Recent studies of organic matter have shown that it has oil and gas potential. An examination of the regional magnetic and gravity surveys suggests the presence of a giant structure that Pétrolia has confirmed by means of two 39 km-long seismic profiles acquired during the quarter. Upper Ordovician sandstones and conglomerates constitute the principal target for drilling. A sequence of highly fractured and dolomitized volcanic rocks underlies these sandstones, and constitutes a secondary objective.

During the present quarter, in order to obtain full coverage over the section of the structure that it believes to be prospective, Pétrolia has acquired a new block of leases with an area of 235 km², adjacent to the block it already owns.



Dalhousie: 68,163 hectares

Summary

- Permits acquired in 2006 and in 2008 (235 km²) and 100% owned by Pétrolia
- Oil and gas potential recognized in 2005 by the Geological Survey of Canada
- Evaluation in progress of the petrophysical properties of the Ordovician volcanic rocks, which constitute one of the potential objectives in this region
- Acquisition of a gravimetric survey in 2008
- Three-dimensional (3-D) modelling of the potential fields shows the extent of the target structure
- Acquisition of 2-D reconnaissance seismic profiles with a total length of 39 km in 2008. The potential targets will be the subject of more detailed seismic surveys and possible drilling

Proposed work

- Regional soil-geochemistry study
- Planning of a drilling campaign

Gastonguay Property (100% interest)

Since the Company's efforts during the year have focused on properties having more established potential, exploration work on the Gastonguay property was limited to a brief evaluation of existing geoscientific data. This nevertheless enabled Pétrolia to establish that the property's geology is comparable to that of the adjacent regions (Bourque and Gaspésia Projects). There should therefore be potential traps in the Silurian and Devonian rocks on this property. If results from the above two projects are encouraging, Pétrolia will go ahead with a seismic reconnaissance program.

Gastonguay: 258,993 hectares

Summary

- Unexplored area
- Only one significant well
- Geologic characteristics similar to those of the Gaspésia and Bourque areas
- Evaluation of existing data in progress

Proposed work

- Reconnaissance and data-compilation work necessary to evaluate the property. If the results are encouraging, Pétrolia will launch a regional seismic program



1.4 EFFECTIVENESS OF INFORMATION DISCLOSURE PROCEDURES AND CONTROLS

The President and Chief Executive Officer and the Vice President of Finance have designed or supervised the design of disclosure controls and procedures in order to provide reasonable assurance that material information relating to the Company is made known to them, particularly during the period when the interim filings are being prepared. They have also designed or supervised the design of internal controls over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for publication, in accordance with Canadian generally accepted accounting principles.

1.5 OPERATING RESULTS AND CASH POSITION

During the first quarter, the Company's revenues were limited to interest income of \$63,778 from short-term investments, compared to \$39,625 for the same quarter in 2007. The increased interest income is a result of the issuance of shares of its capital stock during fiscal year 2008.

As at December 31, 2008, the Company had cash and cash equivalents of \$9,020,709, a decrease of \$2,254,348 for the quarter. This change is primarily explained by \$1,986,616 in exploration work.

As at December 31, 2008, working capital was positive at \$9,356,341, which will allow the Company to continue its exploration projects.

Under the terms of research permits granted by Quebec's Ministry of Natural Resources and Wildlife and New Brunswick's Ministry of Natural Resources, the balance of the fees that the Company has agreed to pay to them is \$104,849 by 2012. In addition, the Company must perform work on its properties in Quebec on a yearly basis, with minimum costs varying according to the age of the permits; therefore, they correspond to \$0.50 per hectare for the first year of the permit and increase annually by \$0.50, ultimately reaching \$2.50 per hectare beginning with the fifth year. The minimum amount of work required by Quebec and New Brunswick, net of exploration work already performed, is \$561,662 in 2009, \$59,487 in 2010, \$575,402 in 2011 and \$82,913 in 2012.

1.6 ANALYSIS OF GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses for the quarter totalled \$222,491, compared to \$147,590 in 2007. The variance of \$74,901 between this quarter in 2008 and this quarter in 2007 was caused by a discount of \$62,206 granted on a claim.



1.7 SUMMARY OF QUARTERLY RESULTS

	2008				2007			
	December \$	September \$	June \$	March \$	December \$	September \$	June \$	March \$
Revenue	63,778	129,439	44,908	37,479	43,349	17,008	1,366	12,212
Net earnings (Net loss)	(649,671)	(2,193,065)	1,487,502	(107,581)	38,617	(192,054)	(390,336)	315,253
Net earnings (Net loss) per share								
Basic	(0.0159)	(0.0623)	0.0448	(0.0035)	0.0013	(0.0066)	(0.0134)	0.0109
Diluted	(0.0159)	(0.0623)	0.0399	(0.0035)	0.001	(0.0066)	(0.0134)	0.0095

The revenue consists of grants and interest earned for each of the quarters. General and administrative expenses have been relatively stable from one quarter to another. The changes in losses or quarterly profits are explained as follows:

2007 – March: Gain in the amount of \$400,000 resulting from an investment recorded at fair value.

2007 – June: Unrealized loss of \$150,000 on a long-term investment and stock-based compensation of \$148,770 recorded.

2007 – December: Unrealized gain of \$110,000 on a long-term investment recorded.

2008 – June: Unrealized gain of \$1,590,000 on a long-term investment recorded.

2008 – September: Unrealized loss of \$1,380,000 on an investment and stock-based compensation of \$461,325 recorded.

1.8 RELATED-PARTY TRANSACTIONS

During the quarter, two companies (Géominex Inc. and Gestion LesTrois Inc.) in which one of Pétrolia's directors holds a minority interest billed the Company for deferred exploration expenses for a total of \$30,438 (2007 – \$119,833) and rent for a location in the amount of \$1,428 (2007 – \$2,100). The Company granted a discount of \$62,206 to Géominex on a claim (2007 – \$0). As at December 31, 2008, \$108,765 is receivable from these companies (2007 – balance due \$9,745).

The Company shares administrative expenses with Ressources Appalaches Inc., a company that has the same chief executive officer. It billed the Company for the following expenses:

	2008 \$	2007 \$
Salaries and fringe benefits	86,899	46,704
Office supplies	900	900
Telecommunications	667	1,449

The sum of \$31,884 is due to this company as at December 31, 2008 (2007 – \$21,789).



Transactions were carried out with a director who acts as a consultant for the Company under the corporate name Seisserv. The fees billed to the Company for the quarter are \$30,438 (2007 – \$7,666). No amount is due as at December 31, 2008 (2007 – \$747).

These operations occurred in the normal course of business and were transacted in a manner and in amounts that are fair and consistent with standard industry practices between arm's-length parties.

1.9 ACCOUNTING POLICIES

Readers are asked to refer to Note 3 in the annual financial statements of September 30, 2008, for a detailed description of the changes to accounting policies.

1.10 NEW ACCOUNTING STANDARDS

In October 2007, the company adopted the new recommendations of Section 3862 “Financial Instruments – Disclosures” and Section 3863 “Financial Instruments – Presentation,” which replace Section 3861 “Financial Instruments – Disclosure and Presentation” of the CICA Handbook. These two new sections put more emphasis on the information to be disclosed regarding the nature and magnitude of the risks involved with financial instruments and how the entity manages these risks.

In October 2007, the Company also adopted the new recommendations of Section 1535 “Capital Disclosures.” The new section establishes standards for disclosing information about a Company's capital and how it is managed.

1.11 FUTURE ACCOUNTING STANDARDS

The CICA released these new sections, which will apply to the Company's interim and annual financial statements beginning October 1, 2008:

General Standards of Financial Statement Presentation

In June 2007, the CICA modified Section 1400 “General Standards of Financial Statement Presentation” in order to require management to assess the Company's ability to continue its operations for, but not limited to, a minimum period of twelve months from the closing date of the fiscal period. These new requirements apply to fiscal years that started on or after January 1, 2008. Accordingly, the Company will apply them beginning October 1, 2008.

The new requirements cover only the information to be disclosed and will have no impact on the Company's financial results.



Goodwill and Intangible Assets

In February 2008, the CICA issued the new Section 3064, “Goodwill and Intangible Assets,” which supersedes Section 3062, “Goodwill and Other Intangible Assets.” The release of this new section led to the elimination of Section 3450 “Research and Development Costs” as well as the resulting modifications to certain recommendations of the CICA Handbook. The new section establishes standards for companies in the recognition, measurement, presentation, and disclosure of goodwill and intangible assets. This new section applies to fiscal years opened on or after October 1, 2008. Accordingly, the Company will apply them from this date. The Company’s management currently assesses the impact of applying this new section on the financial statements but feels that it is unlikely to have any impact on them.

International Financial Reporting Standards

The CICA Accounting Standards Board (AcSB) has adopted a strategic plan to converge with the International Financial Reporting Standards (IFRS) for companies having public accountability obligations. As the AcSB confirmed on February 13, 2008, the conversion requires companies that have public accountability obligations to adopt the IFRS fully in 2011. The transition to the IFRS will apply to interim and financial statements for fiscal years opened on or after January 1, 2011. The Company will switch to the new standards according to the schedules established by these new rules and will closely monitor all changes resulting from this convergence.

Its conversion project will be carried out in four stages: initial assessment, detailed assessment, design, and implementation. During fiscal year 2008, the Company began the first stage, the initial assessment, which involves analyzing the main differences existing between the GAAP and the IFRS, as well as an examination of the possible adoption options. Pétrolia expects to finalize the initial assessment during the next quarter of fiscal year 2009.

The Company will proceed with the detailed assessment and design stages beginning in fiscal year 2009. More specifically, in the detailed assessment stage, the Company will assess the impacts of the IFRS on accounting and financial reporting on systems and processes, business, employees, and others. This stage will determine the consequences of the change. Then, during the design stage, the Company will start the review of the accounting processes and systems that will be affected by the differences identified through analyses performed during the previous stages.

Finally, the implementation, planned for fiscal year 2011, will involve establishing the changes in policies, procedures, and practices as well as the IT systems.

1.12 FINANCIAL INSTRUMENTS

Fair Value

The Company holds the following financial instruments:

i) Instruments held for trading designated as held for trading

Cash and cash equivalents as well as investments are recorded at fair value at each balance sheet reporting date. Any variation in the fair value is presented in net earnings in the period during which these variations occur. The fair value of equity instruments is based on the market price for the investments in question.

ii) Loans and Receivables

The book value of receivables is close to their fair value because of their short-term maturity. After their initial fair value valuation, they are valued at the amortized cost using the effective interest method, which generally corresponds to cost.



iii) Other Financial Liabilities

The book value of payables and accrued expenses is close to their fair value because of their short-term maturity. After their initial fair value valuation, they are valued at the amortized cost using the effective interest method, which generally corresponds to cost.

Risk Management Policy

The Company's financial assets and liabilities expose it to various risks. The following analysis provides an assessment of the risks as at December 31, 2008, the date of the balance sheet.

Credit Risk

Financial instruments that potentially subject the Company to credit risk consist primarily of cash and cash equivalents and accounts receivable. The Company's cash and cash equivalents are held with or issued by first-class financial institutions. Receivables mostly represent sums due from the federal and provincial government and from partners. Therefore, Management considers the risk of non-performance on these instruments to be very minimal.

Liquidity Risk

Liquidity risks are the risks that the Company would be unable to cope with its financial obligations at the required times or could only do so at excessive cost. The Company finances its growth through the issuance of shares. One of Management's main financial objectives is to maintain an optimal level of liquidities by actively managing the exploration work to be performed.

The oil and gas properties held by the Company are in the exploration stage. The Company's long-term profitability is partially linked to the costs and the success of the exploration and subsequent development programs, which may also be influenced by various factors.

Among these, factors to be considered include environmental regulations, features of possible oil and gas accumulations, i.e. the quality and quantity of the resources, as well as development costs for a production infrastructure, financing costs, price of oil and the competitive nature of the industry.

Significant investments are necessary to complete the exploration and reserve development programs. In the absence of cash flows generated by oil and gas operations, the Company depends on capital markets to finance its exploration and development activities. Market conditions and other unforeseeable events could have an impact on the Company's ability to raise the funds required for its development.

Market Risk

Market risk is the risk that the fair value of the investment held for trading would fluctuate due to market price variations.

1.13 ADDITIONAL INFORMATION



a) Supplemental information

Certain supplemental information, including prior management reports and press releases, are available online at www.sedar.com in the documents section or on Pétrolia's Web site at www.petroliagaz.com.

b) Rule 51-102A Section 5.3

Details of deferred exploration expenses for the three-month period ended December 31, 2008, are presented in the statement of deferred exploration expenses and in Note 6 of the Company's interim financial statements of the same date.

c) Rule 51-102A-Section 5.4

Information on shares issued, warrants, and stock options as at February 13, 2009:

Common shares: 40,914,219 common shares have been issued and are outstanding.

Warrants: Warrants can be exercised as follows:

- 1,750,000 shares at the price of \$1.00 per share until April 26, 2009;
- 3,000,000 shares at the price of \$1.00 per share until July 10, 2009;
- 3,756,665 shares at the price of \$1.50 per share until December 6, 2009.

Stock options: The stock options granted to its directors, members of senior management, employees, and service providers are as follows:

- 270,000 options exercisable at a price of \$0.40 per share until March 15, 2010;
- 1,075,000 options exercisable at a price of \$0.40 per share until February 3, 2011;
- 150,000 options exercisable at a price of \$0.58 per share until May 10, 2011;
- 1,037,500 options exercisable at a price of \$0.40 per share until June 21, 2012;
- 600,000 options exercisable at a price of \$0.60 per share until February 12, 2013;
- 150,000 options exercisable at a price of \$0.60 per share until March 3, 2013.
- 600,000 options exercisable at a price of \$1.25 per share until July 7, 2013.

1.14 MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION

The quarterly financial statements were prepared by Management in accordance with Canadian generally accepted accounting principles and were approved by the audit committee. The financial statements include certain amounts that are based on the use of estimates and judgment. Management has reasonably determined these amounts to ensure that the financial statements are presented faithfully in all material respects.

Rimouski, February 13, 2009

On behalf of the Board

(signed) *André Proulx*

André Proulx
President