



## **INTERIM FINANCIAL STATEMENTS**

**MARCH 31, 2009 AND 2008**

### **Responsibility for Interim Financial Statements**

The accompanying unaudited interim financial statements for Vault Minerals Inc. have been prepared by management in accordance with Canadian generally accepted accounting principles consistently applied. The most significant of these accounting principles have been set out in the audited December 31, 2008 financial statements. Only changes in accounting information have been disclosed in these unaudited interim financial statements. These unaudited interim financial statements are presented on the accrual basis of accounting. Accordingly, a precise determination of many assets and liabilities is dependent upon future events. Therefore, estimates and approximations have been made using careful judgment. Recognizing that the Company is responsible for both the integrity and objectivity of these unaudited interim financial statements, management is satisfied that these unaudited interim financial statements have been fairly presented. The independent auditor of Vault Minerals Inc. has not performed a review of these unaudited interim financial statements for the period ended March 31, 2009.

	March 31, 2009	December 31, 2008
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 76,747	\$ 235,984
Receivables	11,049	31,410
Prepaid expenses	2,883	19,251
Marketable securities (Note 6)	<u>12,000</u>	<u>18,000</u>
	102,679	304,645
<b>Equipment</b> (Note 7)	28,164	31,051
<b>Mineral properties</b> (Note 8)	<u>2,016,142</u>	<u>2,007,379</u>
	<u>\$ 2,146,985</u>	<u>\$ 2,343,075</u>

**LIABILITIES AND SHAREHOLDERS' EQUITY**

**Current**

Accounts payable and accrued liabilities \$ 75,212 \$ 94,095

**Shareholders' equity**

Share capital (Note 9) 10,547,859 10,547,859  
Contributed surplus (Note 9) 1,328,840 1,251,306  
Accumulated other comprehensive income (18,000) (12,000)  
Deficit (9,786,926) (9,538,185)

2,071,773 2,248,980

\$ 2,146,985 \$ 2,343,075

**Nature of operations and going concern** (Note 1)  
**Subsequent events** (Note 15)

**On behalf of the Board:**

“Joseph D. Horne” Director

“Daniel J. McCormack” Director

**VAULT MINERALS INC.**

## INTERIM STATEMENTS OF OPERATIONS, COMPREHENSIVE INCOME, AND DEFICIT AND ACCUMULATED OTHER COMPREHENSIVE INCOME

FOR THE PERIODS ENDED MARCH 31, 2009 AND 2008

(Unaudited – Prepared by Management)

3

	March 31	
	2009	2008
<b>STATEMENT OF OPERATIONS</b>		
<b>Revenue</b>		
Project management fee (Note 8)	\$ 4,324	\$ 36,634
<b>Expenses</b>		
Advertising and promotion	3,605	3,188
Amortization	2,887	3,381
Business development	47,586	16,591
Contract services	137	-
Director's fees (Note 11)	15,000	12,000
Investor relations	6,985	10,278
Listing and transfer agent fees	9,103	11,066
Management fees (Note 11)	22,500	22,500
Office and general	23,188	22,929
Professional fees	29,112	10,435
Stock-based compensation (Note 10)	77,534	82,973
Travel	2,152	2,061
Wages and benefits	13,276	11,336
Total expenses	<u>(253,065)</u>	<u>(208,738)</u>
<b>Loss before undernoted</b>	(248,741)	(172,104)
<b>Write-down of mineral properties</b> (Note 8)	-	(511,621)
<b>Loss before income taxes</b>	<u>(248,741)</u>	<u>(683,725)</u>
<b>Future income tax recovery</b> (Note 13)	<u>-</u>	<u>270,900</u>
<b>Loss for the year</b>	(248,741)	(412,825)
<b>Basic and diluted earnings (loss) per common share</b>	\$ (0.01)	\$ (0.01)
<b>Weighted average number of common shares outstanding</b>	29,716,093	29,526,093
<b>STATEMENT OF COMPREHENSIVE INCOME</b>		
<b>Loss for the period</b>	(248,741)	(412,825)
Unrealized gain (loss) on available-for-sale securities	<u>(6,000)</u>	<u>(55,500)</u>
<b>Comprehensive loss for the period</b>	\$ (254,741)	\$ (468,325)
<b>STATEMENT OF DEFICIT AND ACCUMULATED OTHER COMPREHENSIVE INCOME</b>		
<b>Deficit, beginning of period</b>	(9,538,185)	(8,249,622)
Loss for the period	<u>(248,741)</u>	<u>(412,825)</u>
<b>Deficit, end of period</b>	\$(9,786,926)	\$(8,662,447)
<b>Accumulated other comprehensive income, beginning of period</b>	(12,000)	106,500
Unrealized gain (loss) on available-for-sale securities	(6,000)	(55,500)
<b>Accumulated other comprehensive income, end of period</b>	\$ (18,000)	\$ 51,000

The accompanying notes are an integral part of these interim financial statements.

	March 31	
	2009	2008
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income (loss) for the period	\$ (248,741)	\$ (412,825)
Items not affecting cash:		
Amortization	2,887	3,381
Stock-based compensation	77,534	82,973
Future income tax recovery	-	(270,900)
Write-down of mineral properties	-	511,621
Gain on sale of assets	-	-
Changes in non-cash working capital items:		
(Increase) decrease in accounts receivable	20,361	(379,169)
(Increase) decrease in prepaid expenses	16,369	(28,497)
Increase (decrease) in accounts payable and accrued liabilities	<u>(18,884)</u>	<u>155,513</u>
Cash flows provided (used) by operating activities	<u>(150,474)</u>	<u>(337,903)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of capital assets	-	(1,673)
Sale of capital assets	-	(409)
Deferred exploration costs	52,005	(516,314)
Recovery of deferred exploration expenditures (Note 8)	<u>(43,242)</u>	<u>366,339</u>
Cash flows used in investing activities	<u>(8,763)</u>	<u>(152,057)</u>
<b>Change in cash during the period</b>	(159,237)	(489,960)
<b>Cash, beginning of period</b>	<u>235,984</u>	<u>906,054</u>
<b>Cash, end of period</b>	<u>\$76,747</u>	<u>\$416,094</u>

**Supplemental disclosure with respect to cash flows (Note 12)**

**1. NATURE OF OPERATIONS AND GOING CONCERN**

Vault Minerals Inc. ("the Company") is actively engaged in the acquisition and exploration of mineral properties. To date, the Company has not earned significant revenue.

The recoverability of the amount shown for mineral properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete exploration and development, and upon future profitable production or proceeds from dispositions of such properties. Changes in future conditions could require material write-downs of the carrying amounts of mineral properties.

All amounts presented in these interim financial statements are in Canadian dollars unless otherwise specified.

These interim financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"), as applicable to a going concern which contemplates the realization of its assets and the settlement of its liabilities in the normal course of operations. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. The ability of the Company to continue operations is dependent upon obtaining the necessary financing to complete the development of a mineral property. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern, as described in the following paragraph. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying interim financial statements.

The Company needs financing to fund the exploration and development of its properties and for working capital purposes. The Company's ability to continue as a going concern is dependent upon its ability to obtain adequate financing and to reach profitable levels of operation. It is not possible to predict whether financing efforts will be successful or if the Company will attain profitable levels of operations. The Company presently does not have sufficient capital to fund the exploration and development of its properties.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

These interim financial statements do not include all the disclosures required by Canadian GAAP for annual financial statements and should be read in conjunction with the Company's financial statements and the notes for the year ended December 31, 2008. In the opinion of management, all adjustments considered necessary for fair presentation have been included in these financial statements. These interim financial statements are prepared using the same accounting policies and methods of application as those disclosed in Note 2 to the Company's financial statements for the year ended December 31, 2008.

**3. FUTURE ACCOUNTING CHANGES**

**Convergence with International Financial Reporting Standards ("IFRS")**

On February 13, 2008, the Canadian Accounting Standards Board confirmed that the transition to IFRS from Canadian GAAP will occur on January 1, 2011 for public entities. The impact of this transition on the Company's financial statements has not yet been determined; however, management continues to monitor these developments and the Chief Financial Officer has and continues to attend education courses regarding IFRS business issues and implementation strategies for mining companies.

**4. 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 endeavour to raise additional funds. The Company presently does not have sufficient capital to fund the exploration and development of its properties.

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 period ended March 31, 2009. The Company is subject to externally imposed minimum working capital requirements of the TSX Venture Exchange. The Company currently is not in compliance of these requirements.

## 5. FINANCIAL RISK FACTORS

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

### **Credit risk**

Credit risk is the risk of loss associated with a counterparty's inability to fulfil its payment obligations. The Company's credit risk is primarily attributable to accounts receivable. Financial instruments included in accounts receivable consist of goods and services tax due from the Federal Government of Canada and receivables from joint venture partners. Management believes that the credit risk concentration with respect to financial instruments included in accounts receivable is acceptable.

### **Liquidity risk**

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2009, the Company had a cash balance of \$76,747 (December 31, 2008 - \$235,984) to settle current liabilities of \$75,212 (December 31, 2008 - \$94,095). All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

### **Market risk**

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

#### *(a) Interest rate risk*

The Company has cash balances and no interest-bearing debt. Cash and cash equivalents are maintained with one financial institution. Deposits held with banks may exceed the amount of insurance provided on such deposits. Generally, these deposits may be redeemed upon demand and are maintained with financial institutions of reputable credit and therefore bear minimal risk.

#### *(b) Foreign currency risk*

The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. As a result, the Company's exposure to foreign currency risk is remote.

#### *(c) Price risk*

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and other metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

### **Sensitivity analysis**

The Company has designated its cash as held-for-trading, which is measured at fair value. Marketable securities are classified as available-for-sale, which are measured at fair value. Accounts receivable are classified as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost. As of March 31, 2009, both the carrying and fair value amounts of the Company's financial instruments are the same with the exception of marketable securities.

Based on management's knowledge and experience of the financial markets, the Company believes a +/- 50% movement in the Canadian listed equity prices is possible over a twelve-month period, which would affect comprehensive income (loss) by \$6,000. The Company's investment in marketable securities is denominated in Canadian dollars. The Company does not hold significant balances in foreign currencies to give rise to exposure to foreign exchange risk.

Commodity price risk could adversely affect the Company. In particular, the Company's future profitability and viability of development depends upon the world market price of gold and other metals. Gold and other metals have fluctuated widely in recent years. There is no assurance that, even as commercial quantities of gold and other metals may be produced in the future, a profitable market will exist for them. A decline in the market price of gold and other metals may require the Company to reduce its mineral properties, which could have a material and adverse effect on the Company's value. As of March 31, 2009, the Company is not a gold producer. As a result, commodity price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants.

## 6. MARKETABLE SECURITIES

Marketable securities consist of 300,000 common shares of Amador Gold Corp. received by the Company as an option payment valued at \$30,000. The Company designated its common shares of Amador Gold Corp. as available-for-sale financial assets.

The fair market value of the investment at March 31, 2009 is \$12,000 (2008 - \$81,000). The unrealized loss on the available-for-sale financial assets for the period ended March 31, 2009 is \$6,000 (2008 - \$55,500).

**7. EQUIPMENT**

	March 31, 2009			December 31, 2008		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Equipment	\$ 60,562	\$ 32,398	\$ 28,164	\$ 60,562	\$ 29,511	\$ 31,051

**8. MINERAL PROPERTIES**

	Incurred During the Period Ended March 31, 2009			
	Kirkland	Gauthier	Lebel	Total
<b>Acquisition costs</b>				
Balance, beginning of period	\$ 394,842	\$ 20,075	\$ 413,424	\$ 830,146 <sup>1</sup>
Balance, end of period	394,842	20,075	413,424	830,146
<b>Deferred exploration costs</b>				
Balance, beginning of period	618,279	7,260	549,439	1,177,233 <sup>2</sup>
Additions during period				
Drilling	-	-	895	895
Exploration & geological consulting	3,188	-	7,820	11,008
Overhead	1,040	-	757	1,797
Sample analysis	-	-	28,435	28,435
Travel	-	-	432	432
Wages	2,078	-	7,360	9,438
	6,305	-	45,699	52,005
Recovery (Note 8)	-	-	(43,242)	(43,242)
Balance, end of period	624,584	7,260	551,896	1,185,996
<b>Write down of Mineral Properties</b>	-	-	-	-
<b>Total acquisition &amp; deferred exploration costs</b>	\$ 1,019,426	\$ 27,335	\$ 965,320	\$ 2,016,142 <sup>1,2</sup>

Footnote 1: includes \$1,805 staking cost for property not related to other listed property groups.

Footnote 2: includes \$2,255 exploration/geological cost not related to other listed property groups.

**8. MINERAL PROPERTIES (CONT'D...)**

	Incurred During the Three Months Ended March 31, 2008				
	Kirkland	Lebel	Percy Lake	Other	Total
Acquisition costs					
Balance, beginning of year	\$ 349,813	\$ 457,614	\$ 91,420	\$ 1,805	\$ 900,652
Additions during year	-	409	-	-	409
Option payments received	-	-	-	-	-
Balance, end of year	<u>349,813</u>	<u>458,023</u>	<u>91,420</u>	<u>1,805</u>	<u>901,061</u>
Deferred exploration costs					
Balance, beginning of year	<u>767,845</u>	<u>371,109</u>	<u>420,062</u>	-	<u>1,559,016</u>
Additions during year					
Drilling	-	416,624	-	-	416,624
Exploration & geological consulting	1,370	35,262	139	-	36,771
Exploration management	3,000	19,500	-	-	22,500
Overhead	1,382	4,072	-	-	5,454
Sample analysis	2,581	15,922	-	-	18,503
Supplies	1,126	5,471	-	-	6,597
Travel	-	3,885	-	-	3,885
Wages	<u>1,171</u>	<u>4,809</u>	-	-	<u>5,980</u>
	<u>10,630</u>	<u>505,545</u>	<u>139</u>	-	<u>516,314</u>
Recovery (Note 5)	-	(366,339)	-	-	(366,339)
Balance, end of period	<u>778,475</u>	<u>510,315</u>	<u>420,201</u>	-	<u>1,708,991</u>
Write down of Mineral Properties	-	-	(511,621)	-	(511,621)
Total acquisition and deferred exploration costs	\$ 1,128,288	\$ 968,338	\$ -	\$ 1,805	\$ 2,098,431

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties is in good standing.

The Company's mineral properties are described as follows:

**Kirkland Gold Property (Kirkland Lake, Ontario)**

The Company owns a 100% interest to 18 staked mining claims and 9 patented claims in Teck Township, Kirkland Lake, Ontario.

It also has an option to acquire 100% interest in a property consisting of eight leased mining claims. Under the terms of the outstanding option agreement, the Company must:

- make a cash payment of \$50,000 and issue 50,000 common shares on or before June 27, 2009;
- make a cash payment of \$75,000, issue 50,000 common shares and incur a further \$1,700 in exploration expenditures on or before June 27, 2010;
- make a cash payment of \$100,000, issue 50,000 common shares and incur a further \$25,000 in exploration expenditures on or before June 27, 2011; and
- make a final cash payment of \$200,000, issue 50,000 common shares and incur a further \$25,000 in exploration expenditures on or before June 27, 2012.

Additionally, the Company has option agreements to acquire two claim units. Under the terms of the outstanding option agreements, the Company must:

- make cash payments of \$14,000, issue 50,000 common shares and incur \$16,000 in exploration expenditures on or before October 20, 2009; and
- make a cash payment of \$9,000, issue 30,000 common shares and incur a further \$30,000 in exploration expenditures on or before October 20, 2010.

All claims are subject to production royalties of not greater than 2.5%.

**8. MINERAL PROPERTIES (CONT'D...)**

**Lebel Gold Property (Kirkland Lake, Ontario)**

The Company holds a 100% interest to 19 staked mining claims, 19 leased claims, 31 patented claims and 3 Licenses of Occupation in Lebel Township, Ontario, most of which are subject to royalties of not greater than 2%.

The Company has granted an optionee the right to earn an initial 60% interest in certain of the claims by, among other consideration received, incurring work expenditures of \$2,000,000 on or before May 26, 2009. To acquire an additional 10%, the optionee must commit to a feasibility study.

During the period ended March 31, 2009, the Company managed an exploration program on behalf of the optionee on which it earned a management fee equivalent to 10% of the program expenditures.

**Gauthier Property (Kirkland Lake, Ontario)**

The Company holds a 100% interest in a property comprising of eighty-eight staked mining claims. The property is subject to a net smelter returns royalty of 3%.

**9. SHARE CAPITAL AND CONTRIBUTED SURPLUS**

	Number of Shares	Share Capital	Contributed Surplus
Authorized			
Unlimited number of common shares			
Issued			
As at December 31, 2007	29,526,093	\$ 10,758,609	\$ 902,083
Property acquisitions	190,000	40,500	-
Stock-based compensation (Note 10)	-	-	349,223
Tax benefits renounced to flow-through share subscribers	-	(251,250)	-
As at December 31, 2008	29,716,093	\$ 10,547,859	\$ 1,251,306
Stock-based compensation (Note 10)	-	-	77,534
As at March 31, 2009	29,716,093	\$ 10,547,859	\$ 1,328,840

During the year ended December 31, 2008 the Company issued 190,000 common shares as consideration for mineral claims optioned and or acquired as part of the Kirkland and Gauthier Properties, valued at \$40,500.

**10. STOCK OPTIONS AND WARRANTS**

**Stock options**

On September 28, 2007, the Company's shareholders approved an amendment to its stock option plan whereby the Company is authorized to grant options to directors, officers, employees and consultants, to acquire up to 5,600,000 common shares. Options can be granted for a maximum term of five years and will vest 12.5% upon TSX Venture Exchange approval and 12.5% every three months thereafter.

As at March 31, 2009, incentive stock options were outstanding, enabling the optionees to acquire the following number of common shares:

Expiry Date	Exercise Price	Number of Shares
July 25, 2010	\$0.15	700,000
July 6, 2011	\$0.25	1,000,000
May 1, 2012	\$0.35	350,000
September 24, 2012	\$0.35	300,000
October 15, 2012	\$0.45	500,000
June 26, 2013	\$0.35	825,000
		3,675,000

**10. STOCK OPTIONS AND WARRANTS (CONT'D...)**

Stock option transactions are summarized as follows:

	Number of options	Weighted average exercise price
Outstanding at December 31, 2007	3,025,000	\$ 0.28
Expired	(175,000)	0.25
Granted	<u>825,000</u>	<u>0.35</u>
Outstanding at December 31, 2008	<u>3,675,000</u>	<u>\$ 0.30</u>
Number of options currently exercisable, as at March 31, 2009	<u>3,160,180</u>	<u>\$ 0.29</u>

**Stock-based compensation**

The Company granted no options during the three months ended March 31, 2009. The Company recorded compensation costs of \$77,534 relating to 1,150,000 options granted in 2007 and the 825,000 options granted in 2008, which vested during the three months ended March 31, 2009.

The Company granted no stock options during the three months ended March 31, 2008. The Company recorded compensation costs of \$82,973 relating to the 1,175,000 options granted in 2006 and 1,150,000 options granted in 2007, which vested during the three months ended March 31, 2008.

**Warrants**

Warrant transactions are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
Outstanding at December 31, 2007	2,006,250	\$ 0.60
Exercised/cancelled	<u>(2,006,250)</u>	<u>0.60</u>
Outstanding at December 31, 2008	<u>-</u>	-
Balance March 31, 2009	<u>-</u>	-

**11. RELATED PARTY TRANSACTIONS**

During the period ended March 31, 2009, the Company entered into the following transactions with related parties:

- a) Paid or accrued management fees of \$22,500 (2008 - \$22,500) to a director of the Company.
- b) Paid or accrued professional fees of \$4,500 (2008 - \$2,000) to a senior officer of the Company.
- c) Paid or accrued exploration consulting fees of \$21,463 (2008 - \$22,500) to a director of the Company.
- d) Paid or accrued director's fees of \$15,000 (2008 - \$12,000) to directors of the Company.

These transactions were in the normal course of operations and were measured at the fair exchange value, which represented the amount of consideration established and agreed to by the related parties.

As at March 31, 2009, the balance due to/from related parties were as follows:

- a) \$7,875 (2008 - \$nil) management fee due to a director of the Company.
- b) \$6,568 (2008 - \$nil) exploration consulting fee due to a director of the Company.
- c) \$3,000 (2008 - \$nil) professional fees due to a senior officer of the Company.
- d) \$541 (2008 - \$nil) director fees due to a director of the Company.

**12. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS**

There were no significant non-cash transactions for the period ended March 31, 2009

Significant non-cash transactions for the three months ended March 31, 2008 included:

- a) The renunciation of exploration expenditures, which resulted in a future tax benefit of \$270,900.

**13. INCOME TAXES**

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	Period Ended March 31, 2009	Year Ended December 31, 2008
Loss before income taxes	\$ (248,741)	\$ (1,539,813)
Expected income tax recovery	\$ (78,353)	\$ (515,837)
Stock-based compensation not deductible for tax purposes	24,423	116,990
Write off of mineral properties	-	258,022
Other reconciling items	(1,743)	(8,665)
Unrecognized benefit of non-capital losses	57,293	(104,459)
Impacted of future changes in enacted rates	(1,620)	2,699
Future income tax recovery	\$ -	\$ (251,250)

The significant components of the Company's future income tax assets (liabilities) are as follows:

	March 31, 2009	December 31, 2008
Future income tax assets:		
Non-capital loss carryforwards	\$ 840,192	\$ 779,570
Other assets	39,567	35,427
Resource expenditures	30,368	30,368
	910,127	845,365
Valuation allowance	(910,127)	(845,365)
Net future income tax assets	\$ -	\$ -

The Company has non-capital losses carried forward of approximately \$2,897,000. Unless utilized, these losses will expire through 2018. Subject to certain restrictions, the Company also has resource expenditures of approximately \$2,120,000 available to reduce taxable income in future years. The benefits of these losses have not been recorded in these financial statements and have been offset by a valuation allowance.

During the year ended December 31, 2007, the Company issued 1,875,000 common shares on a flow-through basis for gross proceeds of \$750,000. The flow-through agreements require the Company to renounce certain tax deductions for Canadian exploration expenditures incurred on the Company's mineral properties to the flow-through participants. On February 13, 2008, the Company renounced exploration expenditures of \$750,000 resulting in \$251,250 of future income taxes charged against share capital in the year ending 2008.

**14. SEGMENT INFORMATION**

The Company conducts substantially all of its operations in Canada in one industry segment, being the acquisition and exploration of mineral properties.

**15. SUBSEQUENT EVENTS**

On May 13, 2009, the Company announced its intention to raise gross proceeds of up to \$600,000 by way of a non-brokered private placement.

**VAULT MINERALS INC.**  
(the "Company" or "Vault")

**Form 51-102F1**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE PERIOD ENDED MARCH 31, 2009**

**Date**

The following discussion and analysis of the Company's financial condition and results of operations is for the period ended March 31, 2009 compared to the same period in the prior year. This information is current to May 26, 2009 and should be read in conjunction with the Company's unaudited interim financial statements for the period ended March 31, 2009, and with management's discussion and analysis and audited financial statements for the year ended December 31, 2008.

**Forward Looking Statements**

This management's discussion and analysis may contain certain forward looking statements relating, but not limited to, the Company's operations, anticipated financial performance, business prospects and strategies. Forward looking information typically contains statements with words such as "anticipate", "believe", "expect", "plan" or similar words suggesting future outcomes. Such forward looking statements are subject to risks, uncertainties, and other factors, as identified under "Risk and Uncertainties" below, which could cause actual results to differ materially from future results expressed, projected or implied by such forward looking statements. Such factors include, but are not limited to, economic, competitive, regulatory and business conditions. The Company disclaims any responsibility to update any such forward looking statements.

**Description of Business**

The Company is engaged in the acquisition and exploration of mineral properties in Ontario that it believes contain mineralization that is, or will, in the future, be economically recoverable. It has not earned significant revenues.

**Going Concern**

The unaudited interim financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"), as applicable to a going concern which contemplates the realization of its assets and the settlement of its liabilities in the normal course of operations. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. The ability of the Company to continue operations is dependent upon obtaining the necessary financing to complete the development of a mineral property. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern, as described in the following paragraph. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying unaudited interim financial statements.

The Company needs financing to fund the exploration and development of its properties and for working capital purposes. The Company's ability to continue as a going concern is dependent upon its ability to obtain adequate financing and to reach profitable levels of operation. It is not possible to predict whether financing efforts will be successful or if the Company will attain profitable levels of operations.

**Risks and Uncertainties**

The Company is in the mineral exploration and development business and as such, is exposed to a number of risks and uncertainties that are not uncommon to other companies in the same business, including fluctuations in metal prices and market sentiment, as well as the success or failure of its exploration and development programs that typically require many years to complete.

The maintenance of the Company's interests in its mineral properties during these years is primarily dependent upon: (i) the completion of exploration programs that satisfy mineral claim assessment work requirements, (ii) the payment of option payments on or before their due dates and (iii) the timely payment of mineral property taxes.

## **Risks and Uncertainties (Cont'd...)**

The only sources of future funds presently available to the Company for the retention of existing properties as well as for further property acquisitions and exploration programs and, if such exploration programs are successful, for the development of discovered economic mineral deposits, are from the sale of equity capital or through the sale or option of its properties to parties willing to acquire ownership interests for cash, marketable securities or for exploration and development expenditures. Although the Company has previously been successful in accessing the equity markets, there is no assurance that such sources of financing will be available to the Company in the future. Similarly, there is no assurance that the Company will be able to option any of its exploration properties. The Company presently does not have sufficient capital to fund the exploration and development of its properties.

The outcome of exploration for minerals is inherently uncertain, even when conducted by highly regarded professionals diligently applying wide experience and extensive knowledge to well funded exploration programs on promising properties. While the Company believes its properties have potential for the discovery of economic mineral deposits, no amount of exploration may be able to detect them, or the amount of exploration and time required to find these possible economic mineral deposits may be prohibitive. Alternatively, the Company may have applied the critical exploration methodology for the discovery of these economic mineral deposits or the properties may not, in fact, contain any economical mineral deposits at all.

The Company's exploration activities are, from time to time, subject to federal, provincial, regional, municipal and other local laws and regulations governing environmental protection, land access and workplace safety. Such laws and regulations are subject to constant change or may be more stringently interpreted and implemented from time to time. Failure to comply with such laws and regulations can result in injunctions, damages, suspensions or revocations of permits and imposition of fines potentially adversely affecting the Company's financial condition. Changes in land use designation, such as the creation of parks and other protected areas, may occur and could prevent any further exploration or development of the Company's properties.

## **Outlook**

Given the current economic turmoil in the investment world, the future direction of the Company remains uncertain at this time. Further exploration will be dependent upon the Company's success in sourcing funding. Pending the availability of exploration funds, the Kirkland Lake and Gauthier properties remain priority for further exploration. In order to assist in meeting funding requirements the Company intends to complete a financing to raise gross proceeds of up to CDN \$600,000 by way of a non-brokered private placement. Additionally, the Company may seek to sell, option or joint venture one or more of its properties to reduce its expenditure requirements.

## **Involvement in Mineral Properties**

On a quarterly basis, Management of the Company reviews exploration costs to ensure deferred expenditures include only costs and projects that are eligible for capitalization.

For a description of the mineral properties owned by the Company, refer to Note 8 of the interim financial statements for the period ended March 31, 2009.

## **Results of Operations**

The Company's working capital decreased from a working capital position of \$210,550 on December 31, 2008 to a working capital position of \$27,467 on March 31, 2009.

Cash investment in mineral properties totaled \$52,005 during the period, compared to \$516,314 during 2008. The Company received a recovery of deferred exploration costs of \$43,242 (2008 - \$366,339).

The Company incurred a loss (before income taxes) of \$248,741 for the period, compared to a loss of \$683,725 for the same period in 2008. The decrease in loss, period over period, was primarily due to a \$511,621 write down on its Percy Lake VMS Property taken in the three months ended March 31, 2008. Slightly offsetting the period-over-period decrease in costs, was increased expenditures in business development during 2009, \$47,586 compared to \$16,591 during same period in 2008.

The Company does not have ongoing operating revenues. During the period ending March 31, 2009, the Company earned a management fee, in the amount of \$4,324 (2008 - \$36,634), relating to acting as Operator on the Lebel Gold Property exploration program. The Company expects to continue to rely upon equity financing as a significant source of funding.

## Summary of Quarterly Results

The following table summarizes the Company's operating results for each of the eight most recently completed quarters:

<u>Quarter</u>	<u>Revenue(\$)</u>	<u>Net Loss and Net Loss From Continuing Operations (\$)</u>	<u>Net Income (Loss) Per Share and Net Income (Loss) Per Share From Continuing Operations (\$)</u>
Q 1-09	4,324	(248,741)	(0.01)
Q 4-08	37,007	(446,370)	(0.02)
Q 3-08	1,596	(208,494)	(0.01)
Q 2-08	24,101	(220,874)	(0.01)
Q 1-08	36,634	(412,825)	(0.01)
Q 4-07	1,316	(677,907)	(0.02)
Q 3-07	27,543	(139,487)	0.00
Q 2-07	Nil	(148,698)	0.00

## Liquidity

The financial statements of the Company have been prepared in accordance with Canadian GAAP with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The activities of the Company, principally the acquisition and exploration of mineral properties, are financed through the completion of equity financings.

At March 31, 2009, the Company's working capital is \$16,667.

The Company's ability to continue as a going concern is dependent upon securing financing necessary to meet its obligations, finance development expenditures and to obtain profitable operations. The Company does not presently have sufficient capital to fund its forecasted obligations. In order to meet its forecasted obligations, the Company intends to complete a financing to raise gross proceeds of up to CDN \$600,000 by way of a non-brokered private placement. The Company will also continue to seek others to participate in the exploration of the Company's properties through earn-in joint venture arrangements or other advantageous option arrangements. The outcome of these matters cannot be predicted at this time.

## Capital Resources

Capital resources available to the Company are equity financings, including private placements, and exercise of warrants and stock options. In the current global market, equity financing is very unpredictable. The Company has no commitments for capital expenditures as of the date of the interim financial statements.

The Company must make the following option payments, incur the following exploration expenditures and issue the following common shares of Vault to maintain their mineral properties in good standing:

<u>Year</u>	<u>Option Payments</u>	<u>Exploration Expenditures</u>	<u>Share Issuance</u>
2009	\$64,000	\$18,000	100,000
2010	\$84,000	\$35,000	80,000
2011	\$100,000	\$25,000	50,000
2012	\$200,000	\$25,000	50,000
	<u>\$448,000</u>	<u>\$103,000</u>	<u>280,000</u>

## Related Party Transactions

During the period ended March 31, 2009, the Company entered into the following transactions with related parties:

- a) Paid or accrued management fees of \$22,500 (2008 - \$22,500) to a director of the Company.
- b) Paid or accrued professional fees of \$4,500 (2008 - \$2,000) to a senior officer of the Company.
- c) Paid or accrued exploration consulting fees of \$21,463 (2008 - \$22,500) to a director of the Company.
- d) Paid or accrued director's fees of \$15,000 (2008 - \$12,000) to directors of the Company.

These transactions were in the normal course of operations and were measured at the fair exchange value, which represented the amount of consideration established and agreed to by the related parties.

As at March 31, 2009, the balance due to/from related parties were as follows:

- a) \$7,875 (2008 - \$nil) management fee due to a director of the Company.
- b) \$6,568 (2008 - \$nil) exploration consulting fee due to a director of the Company.
- c) \$3,000 (2008 - \$nil) professional fees due to a senior officer of the Company.
- d) \$541 (2008 - \$nil) director fees due to a director of the Company.

## Disclosure of Outstanding Share Data

The Company is authorized to issue an unlimited number of common shares.

As of March 31, 2009, the Company had 29,716,093 (2008 – 29,526,093) common shares outstanding. As of the date of this report, the Company has 29,716,093 shares outstanding.

The Company has the following stock options outstanding as of May 26, 2009:

<i>Grant Date</i>	<i>No. of Shares</i>	<i>Exercise Price</i>	<i>Expiry Date</i>
July 25, 2005	700,000	\$0.15	July 25, 2010
July 6, 2006	1,000,000	\$0.25	July 6, 2011
May 1, 2007	350,000	\$0.35	May 1, 2012
September 24, 2007	300,000	\$0.35	September 24, 2012
October 15, 2007	500,000	\$0.45	October 15, 2012
June 26, 2008	825,000	\$0.35	June 26, 2013
Total	3,675,000		

Options granted vest at 12.5% upon TSX Venture Exchange approval and 12.5% every three months thereafter. The number of stock options exercisable at March 31, 2009 was 3,160,180. The stock options currently exercisable are 3,284,888.

## Off Balance Sheet Arrangements

There are no off balance sheet arrangements.

## **Proposed Transactions**

The Company intends to complete a financing to raise gross proceeds of up to CDN \$600,000 by way of a non-brokered private placement. The financing will consist of the sale of up to 3,000,000 units ("Units") at a price of \$0.12 per Unit and 2,000,000 Flow-through Units ("Flow-through Units") at a price of \$0.12 per Flow-through Unit.

Each Unit will consist of one common share and one common share purchase warrant (a "Warrant") and each such Warrant will be exercisable to acquire one common share of the Company at a price of \$0.20 for a period of 24 months from the closing date of the financing (the "Closing").

Each Flow-through Unit will consist of one common Flow-through Share (a "Flow-through Share") and one-half common share purchase warrant (a "Flow-through Warrant") and each whole Flow-through Warrant will be exercisable to acquire one common share of the Company at a price of \$0.25 for a period of 12 months from the Closing.

Completion of the financing is subject to certain conditions, including approval of the TSX Venture Exchange. A finder's fee may be payable in cash or securities in accordance with regulatory policies. All securities issued pursuant to the financing will be subject to a trading restriction of four months plus a day commencing upon Closing. It is anticipated that certain insiders of the Company will participate in this financing. There is no certainty that this financing will close.

## **Critical Accounting Estimates**

The Company utilizes two critical accounting estimates in the preparation of the interim financial statements. These estimates are as follows: (i) the estimate of recoverable value on its mineral property, and (ii) the value of stock based compensation. Both of these estimates involve considerable judgement and are, or could be, affected by significant factors that are out of the Company's control.

The amounts shown for the mineral property represents costs to date that are expected to be recovered in the future. The Company's recoverability evaluations is based on the market conditions for minerals, current explorations results, project economics and management's assessment of the future probability of positive cash flow from the property through production or from its ultimate disposition. The Company operates in an industry that is exposed to a number of risk and uncertainties including exploration and development risk, mineral price risk, as well as the risk that future financing to fund the exploration programs do not materialize.

The assumptions affecting stock-based compensation are outlined in Note 10 of the audited financial statements for the year ended December 31, 2008. Option-based pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore, the existing models do not necessarily provide a reliable measure of the fair value of the Company.

## **Future Accounting Changes**

### **Convergence with International Financial Reporting Standards ("IFRS")**

On February 13, 2008, the Canadian Accounting Standards Board confirmed that the transition to IFRS from Canadian GAAP will occur on January 1, 2011 for public entities. The impact of this transition on the Company's financial statements has not yet been determined; however, management continues to monitor these developments and the Chief Financial Officer has attended education courses regarding IFRS business issues and implementation strategies for mining companies.

## **Disclosure Controls and Procedures**

As at May 26, 2009, the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) have evaluated the effectiveness of Vault's disclosure controls and procedures and have concluded that such disclosure controls and procedures are effective, except as noted below.

## **Internal Control over Financial Reporting**

The CEO and the CFO are responsible for designing internal control over financial reporting or causing it to be designed under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian GAAP.

Management also identified a number of deficiencies in the current financial reporting processes and internal controls relating to a lack of segregation of duties. The lack of segregation of duties is inherent in most junior mining exploration companies. Limited financial resources and limited personnel resources cause inadequate segregation of critical duties within each of the accounting processes but the Company has instituted reasonable monitoring controls over these processes to mitigate the risk of human error or fraud. The responsibilities assigned to the CFO include booking adjusting journal entries, preparation of financial statements and MD&A and processing payroll. The responsibilities of the bookkeeper include maintaining the vendor master file, processing payables, creating and voiding cheques, reconciling bank accounts, making bank deposits, and booking journal entries.

## Other Requirements

Additional information on the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company's website at [www.vaultminerals.com](http://www.vaultminerals.com).

## Additional Disclosure for Venture Issuers without Significant Revenue

	Acquisition costs	Deferred exploration costs	Recovery	March 31, 2009 Net book value	March 31, 2008 Net book value
Kirkland Lake	\$ 394,842	\$ 624,584	\$ -	\$ 1,019,426	\$ 1,128,288
Gauthier	20,075	7,260	-	27,335	-
Lebel	413,424	595,139	(43,242)	965,320	968,338
Totals	\$ 830,146 <sup>1</sup>	\$ 1,229,238 <sup>2</sup>	\$ (43,242)	\$ 2,016,142 <sup>1,2</sup>	\$ 2,098,431 <sup>1</sup>

*Footnote 1: includes \$1,805 staking cost for property not related to other listed property groups.*

*Footnote 2: includes \$2,255 exploration/geological cost not related to other listed property groups.*

### Kirkland Gold Property (Kirkland Lake, Ontario)

The Company owns a 100% interest to 18 staked mining claims and 9 patented claims in Teck Township, Kirkland Lake, Ontario. In addition, the Company has several option agreements to acquire properties consisting of eight leased mining claims and two staked mining claims.

### Lebel Gold Property (Kirkland Lake, Ontario)

The Company holds a 100% interest to 19 staked mining claims, 19 leased claims, 31 patented claims and 3 Licenses of Occupation in Lebel Township, Ontario, most of which are subject to royalties of not greater than 2%.

The Company has granted an optionee the right to earn an initial 60% interest in certain of the claims by, among other consideration received, incurring work expenditures of \$2,000,000 on or before May 26, 2009. To acquire an additional 10%, the optionee must commit to a feasibility study.

### Gauthier Property (Kirkland Lake, Ontario)

The Company holds a 100% interest in a property comprising of eighty-eight staked mining claims. The property is subject to a net smelter returns royalty of 3%.

## Approval of MD&A

The Board of Directors of the Company has reviewed and approved the disclosure contained in this MD&A. The technical content of this interim MD&A has been reviewed and approved for disclosure by Daniel McCormack, PGeo, a director of the Company, who serves as qualified person for the purposes of National Instrument 43-101 Standards of Disclosure for Mineral Projects.