Form 51-102F1
Management's Discussion and Analysis
for
Strongbow Exploration Inc. ("Strongbow" or the "Company")

Containing Information up to and including May 25, 2008

Description of Business

Strongbow Exploration Inc. (the "Company") is a Canadian mineral exploration company focused on exploring prospective nickel properties in Saskatchewan and the Northwest Territories and gold properties in British Columbia. The Company also maintains additional exposure to silver, gold and uranium exploration in northern Canada. The Company's goal is to identify potentially economic nickel/copper mineralization within the Snowbird Tectonic Zone in northern Saskatchewan and southeastern Northwest Territories and gold mineralization in the Spences Bridge area of British Columbia. Shares of the Company trade on the TSX Venture Exchange under the symbol SBW.

On May 9, 2007 the Company completed a Plan of Arrangement with its shareholders and North Arrow Minerals Inc. ("North Arrow"). In accordance with the Plan of Arrangement, the Company transferred to North Arrow $800,000 plus certain of its northern based exploration properties in exchange for 15,000,000 shares of North Arrow. Concurrently, the Company distributed to its shareholders certain of the North Arrow shares received by the Company on the basis of one North Arrow share for every five shares of the Company held. As required under the Plan of Arrangement, North Arrow listed its shares on the TSX Venture Exchange and commenced trading on May 10, 2007 under the symbol NAR.

The following discussion and analysis of the Company's financial condition and results of operations for the twelve months ended January 31, 2008, should be read in conjunction with the audited consolidated financial statements of the Company for the years ended January 31, 2008 and January 31, 2007, together with the notes thereto. These financial statements have been prepared in accordance with Canadian generally accepted accounting principles.

Unless otherwise noted, all currency amounts are stated in Canadian dollars.

Overview - General

This Management Discussion & Analysis contains certain forward-looking information. When used in this document, words like "anticipate", "believe", "estimate" and "expect" and similar expressions are intended to identify forward-looking statements. Such statements are used to describe management's future plans, objects and goals for the Company and therefore involve inherent risks and uncertainties. The reader is cautioned that actual results, performance or achievements may be materially different from those implied or expressed in such statements.

Corporate Highlights for the Year ended January 31, 2008 and subsequent events up to May 25, 2008

- On February 12, 2007 the Company announced it had agreed with Tournigan Gold Corporation ("Tournigan") to terminate the remaining terms of the Ulster acquisition agreement in exchange for 500,000 common shares of Tournigan;

- On May 9, 2007 the Company completed the spin out of its northern exploration properties to North Arrow Minerals Inc. ("North Arrow"). Strongbow shareholders of record on May 9, 2007 received one share of North Arrow for every five shares of Strongbow held and North Arrow's shares were listed to commence trading on the TSX Venture Exchange on May 10, 2007 under the symbol NAR;

- In July 2007, the Company completed a brokered $4,003,500 flow-through private placement;

- In August 2007, North Arrow completed initial exploration of the Silvertip property, Nunavut, including ground magnetic and induced polarization surveys of the Pale Ag-Au-Zn-Pb showing. Subsequent to the year ending January 31, 2008 the Company announced that North Arrow intended to commence a 1,500 m exploration drilling program in April 2008;

- The Company completed 4,000 m of drilling at the Nickel King property in southeastern NWT and in February 2008 the Company announced the start of an additional 4,000 m drilling program. Drilling has extended the strike length of sulphide nickel mineralization in the Main Zone to over 2,200 metres. Borehole geophysical surveys have proven useful at identifying stronger mineralization as highlighted by drill hole NK07-12 which returned **32.88 m grading 1.02% Ni** within the Lower Sill. New Ni-Cu sulphide mineralization was also discovered at the South Ring and Koona targets;

- The Company completed an initial assessment of the 900,000 acre Snowbird nickel project including regional geophysical, lake sediment geochemistry and prospecting surveys. A number of priority nickel-copper sulphide exploration targets were identified, including the Dumas, Nickel and Opescal Lake areas in Saskatchewan. In March and April 2008, the Company completed detailed helicopter-borne geophysical surveys (VTEM) of these targets in advance of the summer field season;

- The Company completed extensive exploration programs on its gold properties in the Spences Bridge gold belt in southwestern British Columbia, including the Skoonka Creek and Shovelnose properties. Two new gold zones were discovered on the Shovelnose property.

- Bayswater Uranium Corporation ("Bayswater") continued its evaluation of the North Thelon uranium project in Nunavut and reported the discovery of a new float occurrence returning 0.38%U_3O_8. The project is subject to the 50/50 Canada Uranium Joint Venture ("CUJV") with the Company. Bayswater is funding the first $600,000 in expenditures on the project;

- In May 2008, the Company closed a non-brokered private placement of 750,000 "flow-through" units at $0.40 per unit for gross proceeds of $300,000 and, concurrently, the Company announced a brokered private placement of up to 7,500,000 "flow-through" units" at $0.40 per unit for gross proceeds of up to $3,000,000. The brokered private placement is subject to regulatory approval.

A summary of the exploration activities for the Company follows, as well as a description of the Plan of Arrangement to spin out North Arrow. These summaries include some discussion of management's future exploration plans. The reader is cautioned that actual results, performance or achievements may be materially different from those implied or expressed in these statements. The Company's exploration programs are subject to change from time to time, based on the analysis of results and changing corporate priorities and exploration targets.

Exploration Update

Unless otherwise stated below, the Company's gold and base metal exploration activities are conducted under the supervision of David Gale, P.Geo. (BC) Vice-President of Exploration for the Company. The Company's uranium exploration activities are conducted under the supervision of Robert Campbell, P.Geo. (BC), an employee of the Company. Each of these individuals is considered to be a qualified person within the meaning of NI 43-101.

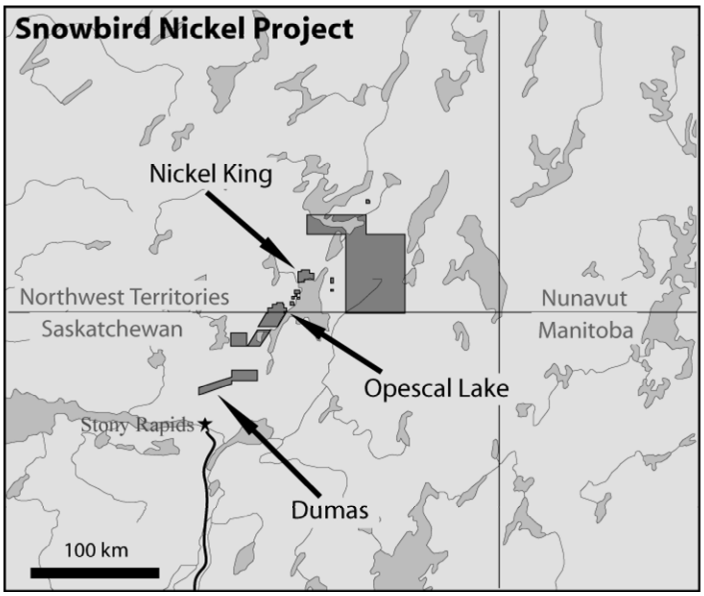
Over the last twelve months the Company has focused its efforts and resources on evaluating the nickel-copper-PGE potential of the Snowbird Tectonic Zone of northern Saskatchewan and southern Northwest Territories, including the Nickel King property. The Company also undertook significant exploration programs in the Spences Bridge gold belt of southwestern British Columbia.

Nickel Properties

General

Strongbow's nickel exploration strategy is focused on investigating the potential of the southern Snowbird Tectonic Zone (SBTZ) to host magmatic Ni-Cu-Co deposits. The SBTZ is a major crustal scale structure that can be traced for over 2,800 km from the Rocky Mountains in southern Alberta to Hudson Bay in Nunavut and represents an underexplored region prospective for magmatic nickel sulphide deposits. There is evidence from regional geological and geophysical datasets that numerous mafic-ultramafic intrusions are located along the SBTZ. Some of these intrusions are known to host nickel-copper sulphide mineralization, including the mineralized zones currently being drilled at the Company's **Nickel King** property, Northwest Territories. Other magmatic nickel deposits located along the SBTZ include the past producing Rankin Inlet Nickel Mine and the advanced Ferguson Lake Ni-Cu-Co-PGE deposit in Nunavut, as well as the Axis Lake deposit in Saskatchewan.

In addition to the Nickel King property, the Company also maintains a 100% interest in approximately 900,000 acres of mineral claims and permits located along a 240 km strike length of the southern SBTZ, straddling the Saskatchewan-Northwest Territories border. These properties are collectively part of the Company's **Snowbird Nickel Project**.



Nickel King Property - Northwest Territories

The Company's principal exploration project during the period ending January 31, 2008 was its 7,642 ha Nickel King (formerly Anki) Project located in the SBTZ in the southeastern corner of the Northwest Territories, approximately 145 km northeast of Stony Rapids, Saskatchewan. The Company maintains a 100% interest in the property subject to two royalties totaling 5% that are payable on production from a portion of the property. The Company may purchase a 3% royalty from one of the royalty holders for $1,500,000. The Company can also purchase half of the remaining 2% royalty from the second royalty holder for $2,500,000. If both purchases were made by the Company, two of the mineral claims that comprise the property would remain subject to a 1% royalty.

The Nickel King property is host to a number of norite intrusions with potential to host sulphide nickel mineralization. Historical exploration has included drilling by both Inco and Aber Resources that encountered significant nickel copper sulphide mineralization in two stacked south dipping norite sills labeled the 'Main Zone'. A historical, non 43-101 compliant resource for the Main Zone was calculated in the late 1980's based on drilling completed by Inco in the 1950's. The Main Zone resource is estimated at 15.04 million tons grading 0.45% Ni and 0.12% Cu at a cut off of 0.1% Ni, including 4.9 million tons grading 0.72% Ni and 0.19% Cu at a cut off of 0.5% Ni. This historic estimate is not current and does not meet NI 43-101 or CIM definition standards. This historic resource has not been reviewed or verified by a qualified person on behalf of the Company, is provided herein for information purposes only and should not be relied upon.

Exploration of the property during the period ending January 31, 2008 focused on a two phase (4,000 m) drill program designed to expand the Main Zone and, using borehole geophysical surveys, evaluate the potential to define higher grade sections of the deposit. An effort was also made to drill test new exploration targets outside of the Main Zone. The drilling was successful on all three objectives. The Main Zone has been extended to a total strike length of 2,200 m and mineralization remains open along strike and down dip in both the upper and lower sills. Drill holes testing the borehole geophysical anomalies encountered the best mineralized interval reported to date from the property (32.88 m grading 1.02% Ni; drill hole NK07-12), as well as the highest reported individual sample assay (0.38m grading 3.87% Ni; drill hole NK07-11). Five new exploration targets were drill tested with new Ni-Cu mineralization reported from the South Ring (21.16 m grading 0.47% Ni; drill hole NK07-16) and Koona (0.48 m grading 1.26% Ni; drill hole NK07-13) targets.

Subsequent to the year ending January 31, 2008 the Company commenced the 2008 winter drilling program. The purpose of the program was to further define areas of higher grade mineralization by testing additional borehole geophysical anomalies defined in 2007. On April 30, 2008 the Company reported that initial drilling has traced the lower sill 350 m further along strike to the southwest than was previously recognized. This extension has increased the potential for significant mineralization at depth in the Lower Sill and has also resulted in the reinterpretation of previously defined mineralization in the southwestern portion of the Main Zone as representing the down plunge extension of the Upper Sill. This interpretation highlights the previously unrecognized potential of the Upper Sill to host significant near surface mineralization.

The Nickel King project will represent the company's primary exploration project for the 2008 field season with an overall budget of $4,000,000. A second drill was mobilized to site in April, 2008 and as a result significant expenditures were pushed forward to earlier in the field season. The initial drilling contractor was released from the property in early May, 2008. Drilling with one drill is planned to continue through to the end of June, 2008. Results of the program will be used to determine whether a resource definition drilling program is warranted.

A 43-101 technical report on the Nickel King property was prepared as part of the North Arrow Plan of Arrangement and is available for viewing under the Company's profile at www.sedar.ca.

Snowbird Nickel Project – Saskatchewan/Northwest Territories

In February 2007, the Company announced the acquisition of approximately 1.2 million acres in mineral claims and prospecting permits along a 250 km strike length of the SBTZ in northern Saskatchewan and southeastern Northwest Territories. The Company collectively refers to these nickel prospective properties as the Snowbird Nickel Project. In December 2007 the project area was reduced to approximately 900,000 acres.

The Snowbird Nickel Project was initiated to evaluate the Ni-Cu-PGE potential of the SBTZ, outside of the Nickel King Project, in northern Saskatchewan and southern Northwest Territories. Mafic rocks, similar to those mapped at Nickel King and some of which are nickel-bearing, had been reported within the Snowbird Nickel Project properties and represent priority exploration targets, including the Dumas Lake area in Saskatchewan and the Opescal Lake area straddling the Saskatchewan/Northwest Territories border.

In May and June of 2007, the Company completed a planned 4,400 line km airborne geophysical survey testing selected target areas within the Snowbird Nickel Project. These surveys identified a number of priority targets throughout the project area, some of which were ground truthed during the 2007 summer field season. The presence of mafic and ultramafic rocks has been confirmed in close proximity to a number of the targets identified in the Opescal Lake, Breynat Lake, Dumas Lake, and Nickel Lake areas in Saskatchewan and in the Wholdaia Lake area in the NWT.

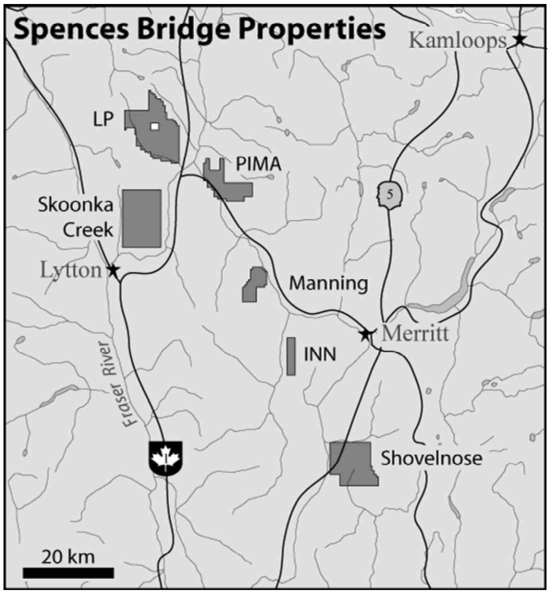
Subsequent to the year ending January 31, 2008 detailed helicopter borne time domain electromagnetic (VTEM) surveys were conducted over selected targets, as was a limited lake sediment geochemical survey. Initial geophysical survey results indicate that the resolution of the identified targets has been greatly enhanced and should be sufficient to guide a drilling program later in the 2008 field season. Priority targets are described briefly below.

In the **Opescal Lake** area, straddling the Saskatchewan/Northwest Territories border, mafic-ultramafic rocks have been traced over a 4,000 m strike length at the northern end of a 28 km long Ni-Cu regional lake sediment geochemical anomaly. The ultramafic rocks are elevated in Mg, Ni, Cu and PGE and are similar in character to the norite sills that host mineralization at Nickel King, 30 km to the north. Detailed mapping is required to characterize the ultramafic rocks; however the 2008 VTEM surveys have identified discrete, coincident magnetic/electromagnetic anomalies that correspond with mapped exposures of mafic and ultramafic rock outcrops and boulders. In addition, lake sediment geochemical surveys have returned significantly anomalous Ni, Cu and Pd values in proximity to these geophysical anomalies. The Opescal Lake area represents a priority exploration target in a very similar setting to Nickel King.

In the **Dumas Lake** area, gabbro/norite sills have been discontinuously mapped by government geologists over a 35 km strike length. Sulphide nickel mineralization is reportedly associated with altered gabbro intrusions at nine locations along this trend, including four showings located over a 3,200 m strike length near Dumas Lake. Single surface samples collected from these showings in 1956 reportedly returned 1.0% Ni and 0.77% Cu (Zone "A"), 1.87% Ni and 0.56% Cu (Zone "C"), and 0.22% Ni and 0.12% Cu (Zone "D"). Drilling programs completed in 1956 and 1969 tested the showings with shallow (typically < 100 m) drill holes returning Ni values ranging from trace to 3.25% Ni with highlight intercepts of 1.34% Ni and 0.94% Cu over 2.0 m (Zone "A") and 0.5 m grading 2.36% Ni and 0.26% Cu (Zone "D"). The 2008 VTEM surveys have defined a number of discrete geophysical targets that coincide with the areas of historical exploration work. At Dumas Lake, the strongest geophysical targets are located along strike from the historic work indicating they have not been investigated by previous workers.

Total exploration budget for the Snowbird project in 2008 is approximately $500,000. This includes $250,000 for the VTEM geophysical surveys already completed as well as a summer program of mapping, prospecting and geochemical surveys. The budget does not include drill testing of exploration targets which would require an additional $300,000 to $500,000, depending on the size and timing of the drill program. It is currently anticipated that funds required for a drilling program which would likely be derived from a reduction of the Nickel King drilling budget.

Spences Bridge Gold Belt Properties – British Columbia



General

The Company maintains an interest in a number of exploration properties within the Spences Bridge Gold Belt (“SBGB”) in southwestern British Columbia. The SBGB covers a 100 km strike length of volcanic stratigraphy that is prospective to host epithermal gold mineralization. The best mineralization reported to date from the area has been described at the JJ showing on the Company’s Skoonka Creek property, where a 2005 drilling program included a highlight drill hole that returned 12.8 m grading 20.2 g/t gold from a well banded low sulphidation epithermal quartz vein.

Skoonka Creek property

During the year ending January 31, 2008, the Company continued its evaluation of the **Skoonka Creek** gold property. The 10,000 ha property is located within the SBGB in southwestern British Columbia, less than 10 km from the Trans Canada Highway and the Canadian National Railway line, approximately three hours by car from Vancouver. Exploration work during the year ending January 31, 2008 included an airborne geophysical survey, geological mapping, the collection of 2,262 soil and 783 rock geochemical samples and a 3,144 m drilling program that tested 5 exploration targets.

The 2007 field programs continued efforts to identify and expand zones of epithermal gold mineralization within the property. A drilling program completed in October, 2007 tested the Deadwood (6 holes), Backburn Central (2 holes), Backburn East (2 holes), Ember (2 holes) and JJ (1 hole) showings. Moderate to strong zones of silicification and related clay alteration were identified in the drill holes testing the Deadwood and Ember targets. Assay results were reported subsequent to the year ending January 31, 2008, with the best results coming from the Deadwood showing where mineralized intervals ranged from 0.82 m to 16.26 m in width with grades ranging from 0.42 g/t Au to 6.43 g/t Au. Better grades were typically located at shallow depths, reflecting the mineralized zones mapped at surface. In a number of the drill holes, the mineralized zones at Deadwood were disrupted or cut off by post mineralization porphyry dykes. These porphyry intrusions will complicate further evaluation of the Deadwood target. Drilling at the Backburn, Ember, and JJ showings returned anomalous gold values (generally less than 500 ppb Au) over narrow intervals.

Exploration of the Skoonka Creek property is conducted under a joint venture arrangement with Almaden Minerals Ltd. (“Almaden”). The Company is the project operator and prior to the 2007 field season owned 51% of the project. A $2.3 million 2007 exploration budget was approved by the joint venture partners; however Almaden elected not to contribute its share of the approved budget. The Company elected to solely fund the 2007 exploration program and as a result the Company’s ownership interest in the property will increase to approximately 66% based on final 2007 expenditures of approximately $2.1 million. Further evaluation of the Skoonka property will be limited in scope in 2008 with an expected budget of less than $60,000.

The Company completed a NI 43-101 Technical Report on the Skoonka Creek property in April 2007. The report is available for viewing under the Company’s profile at www.sedar.ca

Shovelnose Property

The 8,300 hectare Shovelnose property covers prospective stratigraphy in the southern portion of the SBGB. The Company maintains a 100% interest in the property. Fieldwork completed in 2007 consisted of a helicopter borne geophysical survey of the southwestern portion of the property, as well as regional and detailed soil geochemical surveys, prospecting and hand trenching. Several gold showings have been identified within the property including the Mik and Line 6 showings. Gold mineralization at the Mik showing has been traced over a 200 m by 80 m area with 19 of 57 bedrock and float samples returning in excess of 0.5 g/t Au, including three best assays of **43.8 g/t Au, 11.1 g/t Au and 8.7 g/t Au**. The Line 6 showing is associated with a 600 m by 250 m multi-element soil geochemical anomaly. Twelve of 34 rock samples collected in 2007 have returned in excess of 0.5 g/t gold with three best assays of **4.9 g/t Au, 3.3 g/t Au, and 2.1 g/t Au**. Bedrock exposure in the Mik and Line 6 areas is generally poor and plans for exploration work in 2008 include mechanized trenching to better assess the extent and orientation of quartz veining and alteration related to gold mineralization on the property. An approximate budget of $100,000 has been allocated to the Shovelnose property for the 2008 field season.

LP Property

The 9,462 hectare LP property is located six kilometres north of the Skoonka Creek property. Results of silt geochemical surveys completed by the Government of British Columbia and the Company indicate that several drainages within the property contain some of the highest gold in stream silt anomalies found to date within the SBGB. Two areas of anomalous gold in soil and stream silt samples were identified during the 2006 exploration season and work in 2007 focused on following up these target areas.

The **Ridge Zone** occurs on the western side of the LP property and is defined by numerous, north to north-east trending structural zones with associated soil geochemical anomalies. A detailed helicopter borne geophysical survey was flown over the Ridge Zone in an effort to better define structural trends in the area. Follow up soil geochemical surveys identified six anomalous areas; however prospecting failed to return any float or bedrock grab samples better than 2 g/t gold. Exposure in the area is variable but generally poor due to extensive soil and till cover. The **Enigma Zone** is located at the eastern side of the property and is anchored by a single stream silt sample collected in 2006 that returned 590 ppb gold. Detailed follow up stream silt and soil sampling has failed to define a significant exploration target.

The Company is currently considering ways to advance the LP property.

Mag and Southern Belle Properties

The Mag and Southern Belle properties were collectively subject to a December 14, 2005 agreement with a third party vendor (the "Mag/Southern Belle Vendor"). This agreement outlines the terms under which the Company could have earned a 100% interest in these properties.

The 2,632 ha Mag property is located adjacent to the southwestern boundary of the LP property. Regional soil geochemical surveys and limited prospecting were conducted during the summer of 2007. Results from this work failed to identify target areas warranting follow up exploration.

The 11,096 ha Southern Belle property is located immediately to the north of the Prospect Valley property of Consolidated Spire Ventures Ltd., where epithermal gold mineralization has been identified associated with a large multi-element soil geochemical anomaly. Limited stream silt sampling has returned elevated gold anomalies from three drainages within the Southern Belle property and a regional lineament analysis has identified a number of prospective features that represent priority areas for regional prospecting and geochemical surveys. Follow up exploration work completed in 2007 indicates only limited exposures of the target volcanic stratigraphy and did not outline target areas warranting further evaluation.

Based on exploration results from the Mag and Southern Belle properties in 2007, the Company returned the Mag and Southern Belle properties to the Mag/Southern Belle vendor in December 2007.

Goldpan Property

The Goldpan property covers a 6,800 hectare central section of the Spences Bridge Group volcanic rocks located between the Company's PIMA and Skoonka Creek properties. Under the terms of a February 7, 2006 agreement between the Company and a third party vendor (the "Goldpan Vendor"), the Company may earn a 100% interest in the Goldpan property by incurring $2,000,000 in exploration expenditures, making cumulative cash payments of $90,000 and issuing a cumulative total of 300,000 shares prior to January 10, 2012. The cumulative value of the share payments is capped at $450,000. The Goldpan Vendor will retain a 2% Net Smelter Returns Royalty ("NSR"), of which one half (1%) may be purchased at any time for $1,000,000.

During the summer of 2007, the Company completed an evaluation of the Goldpan property, including bedrock mapping, soil and rock geochemical surveys. This work identified a large area of hydrothermal alteration/brecciation within favourable volcanic stratigraphy along a 7.5 km strike length of the eastern side of the property. Background gold values were returned from rock samples collected from this alteration. Based on the results of the 2007 property evaluation it was determined that further exploration of the trend is not warranted and in December 2007 the Company returned the property to the Goldpan Vendor.

PIMA Property

The 4,800 hectare PIMA property covers prospective geology on the eastern edge of the Spences Bridge volcanic belt, approximately 10 km east of the Skoonka Creek property. The Company maintains a 100% interest in the property; however, no work was completed on the property in 2007 due to priorities elsewhere in the SBGB. A brief property evaluation is planned for the 2008 field season.

Silk Property

The Silk property covers 15,460 ha of prospective stratigraphy located between the Skoonka Creek property to the northwest, and the Prospect Valley property of Consolidated Spire Ventures Ltd. to the southeast. The property was acquired by staking and the Company maintains a 100% interest. Limited bedrock mapping and prospecting programs completed in 2006 and 2007 have confirmed that most of the property area is underlain by volcanic stratigraphy that is not prospective for epithermal gold mineralization similar to that seen elsewhere in the SBGB. All of the claims that comprise the property have therefore been relinquished by the Company.

Ponderosa Property

During the year ending January 31, 2008 the Company acquired an option from Almaden to earn a 60% interest in the 6,950 ha Ponderosa property. The property is located within the SBGB, approximately 30 km southwest of the city of Merritt in southern British Columbia. Under the terms of the agreement with Almaden, Strongbow can earn a 60% interest in the property by issuing to Almaden 1,050,000 shares (200,000 shares issued) and completing exploration expenditures of $4 million prior to December 31, 2012. Under certain conditions, Strongbow may elect to pay Almaden $500,000 in cash in lieu of the final 200,000 share payment. The agreement includes a commitment to spend $150,000 exploring the property prior to December 31, 2007. The cost of the drilling program described below was sufficient to meet this expenditure requirement.

In October 2007 the Company completed a six hole, 960 m drilling program that was intended to test the Axel Ridge showing located in the south central portion of the property. The showing is defined by a north trending zone of banded epithermal quartz veining and brecciation, hosted within strongly silicified and clay altered andesite. Prior to commencing the drilling program the Company completed bedrock mapping, ground magnetic surveys and mechanized trenching to better define drill targets. The drilling program tested the Axel Ridge vein system approximately 50 m down dip from surface. Significant gold mineralization was not encountered in any of the six drill holes. The Company notified Almaden in December 2007 of its election to not proceed with further exploration of the Ponderosa property.

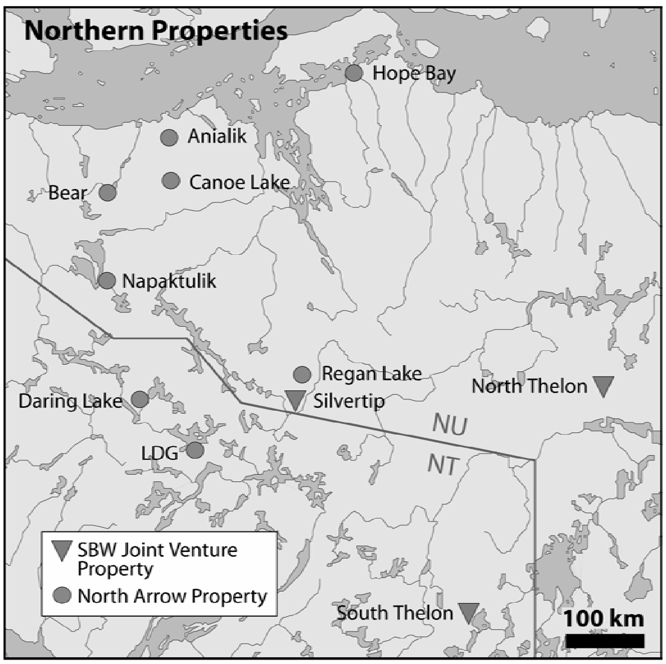
Inn and Manning Properties

The Inn and Manning properties are strategically located covering prospective geology within the central SBGB. The Inn property consists of three mineral claims covering 1,400 ha adjacent to the western boundary of the Ponderosa property. The Manning property consists of five mineral claims located to the north of Consolidated Spire's Prospect Valley gold occurrence. Due to priorities elsewhere in the SBGB, very little work has been completed on these properties to-date. Brief property evaluations are planned for the 2008 field season.

Other Exploration Properties

Silvertip Project – Nunavut (Ag-Au-Zn-Pb)

The 7,284 hectare (18,000 acre) Silvertip property is located in the Back River area of Nunavut and covers two silver/gold showings, as well as 15 km of prospective volcanic stratigraphy. Exploration of the property is currently funded by North Arrow Minerals Inc. under the terms of an option agreement signed in May 2007.



Subsequent to the end of the year ending January 31, 2008, the Company and North Arrow announced that a drill program was to start during the first week of April 2008. The drilling program will focus on further defining the Pale showing, which consists of quartz veining and locally significant sulphide mineralization, hosted within a thick northwest striking sequence of variably silicified and carbonate altered felsic volcanic rocks. During 1977 and 1978, Cominco Ltd. tested the showing with thirteen drill holes (2,541 m), with twelve of the holes intersecting significant polymetallic mineralization over a strike length of approximately 300 m and up to a depth of 200 m. Highlight intercepts from Cominco's work include 60.1 m grading 40 g/t Ag, 3.3 g/t Au, 1.04% Pb and 3.05% Zn and 12.9 m grading 943 g/t Ag, 2.2 g/t Au, 0.87% Pb and 2.17% Zn.

In July and August 2007, North Arrow completed an exploration program consisting of geophysical surveys over the Pale showing and a regional prospecting and sampling program. A total of 39.4 km of total field magnetic, 4.0 km of horizontal electromagnetic (HLEM) and 15.05 km of induced polarization surveys were carried out. Results of the geophysical surveys indicate the Pale showing has an associated total field magnetic low response over an area with a strike length of approximately 200 metres and width varying from 35 to 100 metres. There was no HLEM response associated with the Pale mineralization. The IP data was inverted to produce 2 dimensional sections of the chargeability and resistivity using DCIP2D software developed by the University of British Columbia. Model parameters incorporated the fact that the mineralization is known from historical drilling to be steeply dipping. The inversion was carried out to resolve mineralization associated with the Pale showing from a flanking non economic mineralized iron formation which produces a strong chargeability response. The inversion data shows a moderate chargeability response for the Pale showing over a strike length approximately 80 metres and widths of 40 to 60 metres. The depth of the target response increases in a north-westerly direction to the point that known mineralization occurs below the depth of investigation of the survey (75 metres). The results from ground geophysical surveys and bedrock mapping completed in 2006 and 2007 support the interpretation of a northwest plunging mineralized zone at the Pale showing and the current drill program will test this interpreted extension and better define the Pale showing.

The Silvertip project area consists of seven mineral claims covering 15 km of prospective volcanic stratigraphy. The Company maintains a 100% interest in six of the claims, including the Minou showings. A portion of these claims are subject to a 1% net smelter returns royalty (NSR) that can be purchased by the Company at any time for $1,000,000. The Company further maintains the right to earn a 100% interest in the seventh mineral claim that covers the Pale showing (the "Pale" claim). The Company may earn its interest in the Pale claim by making staged cash payments totaling $80,000 over four years and incurring an aggregate of $317,500 in exploration expenditures over a four year period. Subsequent to the year-end, the Company delayed making a required $15,000 cash payment at the request of the claim owners. Once the Company has earned its interest in the Pale claim, the claim will be subject to a 2% NSR, of which one half (1%) may be purchased at any time for $1,000,000.

Further, the Company maintains a Memorandum of Understanding ("MOU") with Nunavut Tunngavik Incorporated ("NTI") relating to an additional area of prospective geology within Inuit Owned Land parcel CO-03. This MOU contemplates a formal Mineral Exploration Agreement ("MEA"), the terms of which have been negotiated. The Company is currently waiting on receipt of the final MEA from NTI for signature. Once complete, the MEA will be included as part of the Silvertip Project.

Under the terms of the option agreement with North Arrow, North Arrow may earn a 60% interest in the property from the Company by incurring $5,000,000 in exploration expenditures over a 5 year period, including a firm commitment to spend $300,000 by December 30, 2007. North Arrow must also meet the terms of the underlying Pale option agreement.

A 43-101 technical report on the Silvertip project was prepared as part of the Plan of Arrangement and is available for viewing under the Company's profile at www.sedar.ca.

Uranium Properties (Canada Uranium Joint Venture) – Nunavut/Northwest Territories

The Company currently maintains an interest in two uranium exploration properties in the Thelon Basin of Nunavut. The **North Thelon** and **South Thelon** uranium properties are explored as part of the Canada Uranium Joint Venture (the "CUJV") with Bayswater. The CUJV was formed in January 2006 with the intention of identifying and acquiring uranium exploration opportunities in Canada. Under the terms of the CUJV, Bayswater funds the first $500,000 of property acquisition costs over a five year period. The Company is required to offer to the CUJV all of its uranium project ideas. Every property acquired by the CUJV is explored as a 50/50 joint venture, subject to the Company's right to select three Earn-in Properties, on which Bayswater must fund the first $600,000 in exploration expenditures prior to earning its 50% interest. The Company has elected to make both the North Thelon and South Thelon properties Earn-in Properties as allowed by the CUJV.

The North Thelon uranium project consists of ten prospecting permits covering 144,868 hectares (330,794 acres) over the northern part of the Thelon Basin in Nunavut, whereas the South Thelon project consists of 66,363 hectares (164,000 acres) of mineral claims in two blocks in the southern portion of the Thelon Basin, Northwest Territories. The Thelon Basin represents an under explored, major Proterozoic sandstone basin that shares many geological characteristics with the Athabasca Basin located in Saskatchewan, approximately 300 km to the south. Numerous high grade unconformity style uranium deposits have been identified within the Athabasca Basin, and mining of these deposits currently generates approximately one third of the world's uranium production. Similarities between the Athabasca and Thelon Basins include the presence of favourable host and basement rocks, major structural features, Hudsonian aged intrusive rocks and known occurrences of uranium mineralization, including the Kiggavik, Andrew Lake and END deposits (the Kiggavik trend), host to approximately 131 million pounds of contained U_3O_8 and located approximately 250 km to the northeast and 105 km to the southeast of the South Thelon and North Thelon Project areas, respectively.

During the year ending January 31, 2008 Bayswater completed the 2007 exploration program of the North Thelon property. Investigations included prospecting and geological mapping surveys intended to follow up priority targets defined by airborne radiometric and magnetic surveys flown during the summer of 2006. Bayswater reported the discovery of a small (<0.5 m), subangular, granodiorite boulder which assayed 3,300 ppm U (0.389% U_3O_8) from one of the North Thelon permits. Further exploration of the North Thelon property is anticipated in 2008 and will focus on identifying the bedrock source for this float discovery. Exploration expenditures incurred to date by Bayswater on the North Thelon property are approximately $300,000. The Company has not received a formal exploration budget for 2008 however it does not anticipate the 2008 exploration budget will exceed $300,000. Total cumulative exploration expenditures should therefore not exceed $600,000 and the Company does not anticipate being required to participate in funding any portion of the 2008 field program.

South Thelon project consists of 66,363 hectares (164,000 acres) of mineral claims in two blocks in the southern portion of the Thelon Basin, Northwest Territories. During the period ending January 31, 2008 Bayswater completed a helicopter-borne VTEM geophysical survey in an effort to detect conductive zones that may be related to structures beneath sandstone cover. In planning for further exploration, two land use permit applications to cover camp establishment and diamond drilling activities have been filed by Bayswater with the Mackenzie Valley Land and Water Board for the South Thelon Project. These applications have since been referred to the Mackenzie Valley Environmental Impact Review Board ("MVEIRB") for further assessment. Due to this delay, Bayswater has successfully applied for relief from filing exploration expenditures from the Federal Government while the land use permit is being considered. However, a recent decision by the MVEIRB to deny a land use permit for another uranium exploration company working within the Thelon watershed in the Northwest Territories has cast considerable uncertainty on whether Bayswater will be successful in its application for land use permits in this area. Further exploration work on the South Thelon property has therefore been deferred and there is considerable risk that further exploration work will not be possible for the foreseeable future.

Spin out of North Arrow Minerals Inc.

On March 2, 2007 the Company announced a proposed arrangement to re-organize the Company's exploration assets to divide them between the Company and a newly incorporated subsidiary that will be a northern Canadian focused exploration company named North Arrow Minerals Inc. ("North Arrow"). During planning for the 2007 field season, Management determined that the Company's resources were best focused on the Nickel King property, Snowbird Nickel project and the Spences Bridge gold belt properties, including Skoonka Creek. However, Management also believed that the Company's diversified portfolio of northern exploration properties retains significant technical merit and the best way for the Company' shareholders to benefit from the advancement of these properties was through the spin out of North Arrow. The spin out made further sense because the Company had sufficient financial resources to complete the Arrangement without an initial public offering and new, experienced management had been recruited to take on the daily operations of North Arrow.

The Company received shareholder approval of the Plan of Arrangement on April 30, 2007 and the Arrangement closed on May 9, 2007. On Closing, the Company transferred to North Arrow $800,000 and its interests in certain of its northern exploration properties (with a carrying value of $3,561,248) in exchange for 15,000,000 shares of North Arrow. The Company then distributed 10,170,261 shares of North Arrow to the Company's shareholders of record on May 9, 2007 through a reduction of capital of $3,390,000. The difference between the legal reduction of capital and the carrying value of the North Arrow shares of $433,000 has been credited to contributed surplus. Each shareholder, other than small lot holders, received one share of North Arrow for every five shares of the Company held by them. The Company retained the balance of the North Arrow shares not distributed and, as a result of the Arrangement, the Company owned and controlled 4,829,739 common shares of North Arrow, representing approximately 32.4% of the outstanding shares of North Arrow at the time of the transaction. This percentage ownership was subsequently reduced to approximately 22.1% following a private placement financing completed by North Arrow in July 2007.

North Arrow's management is led by Mr. Gordon Clarke, President and CEO. Mr. Clarke is a Professional Geologist with over 25 years of northern exploration and development experience and will direct the day to day operations of North Arrow from an office in Yellowknife. Grenville Thomas, Chairman and Director of the Company, is also Chairman and Director of North Arrow. Other directors of North Arrow are Kenneth Armstrong, President and CEO of the Company, and Louis Covello.

North Arrow holds a diversified portfolio of gold, base metal and diamond exploration properties in Nunavut and the Northwest Territories, including the Anialik and Regan Lake properties, and North Arrow has an option to earn a 60% interest in the Company's Silvertip Project in Nunavut. In addition to the option on the Silvertip Project, the table below shows the names, sizes and North Arrow's ownership interest in the mineral properties that were transferred from the Company as a result of the Arrangement. Several additional minor mineral properties were also transferred that are considered of lesser priority.

Property	Commodity	Location	Interest (%)	Maximum Interest (%)	Partner
Silvertip	Silver / Gold / Base Metals	NU	0	60	Strongbow / (NTI)[1]
Anialik	Base Metals / Gold	NU	100	100	(NTI)[1]
Regan Lake	Gold	NU	100	100	NTI
BB-13	Gold	NU	100	100	NTI
Napaktulik	Base Metals / Diamond	NU	100	100	NTI
Canoe Lake	Base Metals / Gold	NU	0-100	100	Various

Property	Commodity	Location	Interest (%)	Maximum Interest (%)	Partner
CO-29	Base Metals	NU	100	100	NTI
Ulu South	Gold	NU	100	100	NTI
Blue Lake	Diamond	NU	100	100	NTI
Tree River	Gold	NU	100	100	NTI
Hope Bay	Gold	NU	100	100	
Nowyak	Gold	NU	100	100	
Butterfly / Pan	Gold	NU	100	100	Barrenlands
Lac de Gras properties	Diamond	NT	100	100	Stornoway
Bear	Diamond	NU	25	25	Stornoway
Wales Island	Diamond	NU	33.3	33.3	Stornoway / BHPB
Bugow / SP	Gold	NT	100	100	
Snowfield	Gold	NU	100	100	
Fry Inlet	Diamond	NT	100	100	

(1) Partners in parentheses ( ) are partners on only a portion of the property.

The formation of North Arrow creates a northern-focused, northern-based exploration company that will have the business objective of financing and completing the continued exploration of the North Arrow Properties, as well as identifying and acquiring new mineral exploration properties in northern Canada.

Investor Relations

During the period ending January 31, 2008, the Company terminated an investor relations services agreement with Longview Strategies Incorporated ("Longview"). Under the terms of the agreement, the Company paid Longview $10,000 per month for investor relations services. Subsequent to the termination of the agreement Longview exercised 100,000 options at $0.44 per share. The remaining 100,000 options granted by the Company to Longview under the services agreement were cancelled as of March 31, 2007 as the options had not vested as of the date the agreement was terminated by the Company.

In March 2008, the Company entered into an investor services arrangement with Contact Financial Corporation ("Contact"). Under the terms of the agreement, the Company is to pay Contact a monthly fee of $8,000 for investor relations services commencing March 1, 2008. The contract has a guaranteed period of three months, beyond which the agreement may be terminated by either party on one month's notice. As part of the agreement, the Company granted to Contact 200,000 incentive stock options at an exercise price of $0.54 per share, representing a 20% premium to the closing price of the Company's shares on the day of signing the agreement. The Company intends that Contact will assist in introducing the Company's business plan to a wider investment audience. Management will review the effectiveness of Contact's services on a quarterly basis.

Results of Operations

The Company's principal business activity is the acquisition and exploration of mineral properties. The Company currently has mineral property interests in British Columbia, Saskatchewan, the Northwest Territories and Nunavut.

During the year ended January 31, 2008, the Company incurred a net loss of $620,129 or net loss per share of $0.01 as compared to a net income of $7,357,265, or a net income of $0.15 per share for 2007. Total assets increased to $18,096,269 as at January 31, 2008 as compared to total assets of $18,038,981 as at January 31, 2007. Administrative expenses were $1,549,120 for the year ended January 31, 2008, as compared to $1,161,120 for the year ended January 31, 2007 and included stock-based compensation expense of $599,461 (January 31, 2007 - $346,620).

The Company's administrative expenses, excluding stock-based compensation, increased slightly for the current year as compared to the year ended January 31, 2007 due primarily to an increase in investor relations activities and salaries and benefits. Mineral property costs, capitalized as assets, increased to $10,772,589 as at January 31, 2008 from $7,529,320 as at January 31, 2007. During the current year, the Company wrote-off accumulated acquisition and exploration expenses of $578,577, as compared to a write-off of $2,698,924 in the prior year. The change in size of the mineral property write-off between years and a gain on the sale of investments totaling $9,420,009 in the previous year had the most significant impact on the Company's net loss of $620,129 for the year (2007 - $7,357,265 net income for the year).

Administrative expenses increased from year-to-year (2008 - $1,549,120; 2007 - $1,161,120) with the most significant increases being salaries and benefits (2008 - $388,038; 2007 - $276,835), stock-based compensation (2008 - $599,461; 2007 - $346,620), advertising and promotion (2008 - $197,076; 2007 - $150,398), and office, miscellaneous and rent (2008 - $180,642; 2007 - $165,410). These increases in administrative expenses were offset by a decrease in professional fees (2008 - $68,878; 2007 - $95,820), insurance (2008 - $50,471; 2007 - $56,052), and regulatory and filing fees (2008 - $20,547; 2007 - $24,835). Amortization (2008 - $44,007; 2007 $45,150) did not change significantly from year to year.

The Company recorded a net loss of $620,129 (2007 – net income of $7,357,265) due to increases in stock-based compensation, salaries and expenses, and arrangement expenses (2008 - $365,512; 2007 - $nil). These expenses were offset by a gain on the termination of the Ulster Acquisition Agreement. In February 2007, the Company and Tournigan agreed to terminate the remaining terms of the Ulster Acquisition Agreement, thereby eliminating Tournigan's future cash and share issuance obligations to the Company. In consideration, Tournigan issued 500,000 common shares to the Company resulting in a gain of $1,400,000. During the prior fiscal year, the Company sold 4,000,000 Tournigan common shares for a $9,420,009 gain. The proceeds from the Tournigan share sales are not expected to re-occur. As a consequence of having additional cash available for short-term investment, interest income increased to $221,233 from $71,443 in the prior year.

During the year ended January 31, 2008, the Company wrote-off capitalized mineral property costs totaling $578,577 (2007 - $2,698,924) mostly for gold and base metal properties in British Columbia. The most significant write-off in the BC region related to the termination of the option agreement and return of the Ponderosa property to Almaden, which resulted in a write-off of $412,219 in accumulated acquisition and exploration costs. During the current year, the Company also wrote-off accumulated acquisition and exploration expenses of $25,417 (2007 - $2,066,653) relating to its gold and base metal properties in NWT and Nunavut and $1,621 (2007 - $400,765) of accumulated acquisition and exploration costs for its diamond properties in the NWT and Nunavut.

Summary of Exploration Expense

	January 31, 2007	Expended During The Year	Write-off of Costs and Recoveries	Transferred to North Arrow	January 31, 2008
Gold and Base Metal Properties, British Columbia					
Exploration costs	$ 1,740,878	$ 1,780,244	$ (311,426)	$ -	$ 3,209,696
Acquisition costs	300,245	169,789	(213,897)	-	256,137
Geological and assays	297,674	181,019	(17,456)	-	461,237
Office and salaries	961,567	636,420	(83,350)	-	1,514,637
	3,300,364	2,767,473	(626,129)	-	5,441,707
Gold and Base Metal Properties, NWT, NU and Sask.					
Exploration costs	1,184,179	3,951,192	(3,297)	(859,782)	4,272,292
Acquisition costs	1,161,248	149,987	(6,780)	(914,931)	389,524
Geological and assays	264,792	75,005	-	(261,685)	78,113
Office and salaries	818,312	505,401	(15,340)	(743,350)	565,022
	3,428,531	4,681,585	(25,417)	(2,779,748)	5,304,951
Uranium Properties, Generative					
Exploration costs	-	-	-	-	-
Acquisition costs	45,495	-	(35,205)	-	10,290
Geological and assays	-	-	-	-	-
Office and salaries	7,100	304	-	-	7,404
	52,595	304	(35,205)	-	17,694
Diamond Properties, NWT and Nunavut					
Exploration costs	5,054	-	-	(5,054)	-
Acquisition costs	300,522	33,496	(1,016)	(333,002)	-
Geological and assays	204,812	481	-	(205,293)	-
Office and salaries	237,442	1,311	(605)	(238,148)	-
	747,830	35,288	(1,621)	(781,497)	-
Other	-	8,520	(283)	-	8,237
TOTAL	$ 7,529,320	$ 7,493,170	$ (688,655)	$ (3,561,246)	$ 10,772,589

Selected Annual Information

Unless otherwise noted, all currency amounts are stated in Canadian dollars.

The following table summarizes selected financial data for Strongbow Exploration Inc. for each of the three most recently completed financial years. The information set forth below should be read in conjunction with the consolidated audited financial statements, prepared in accordance with Canadian generally accepted accounting principles, and their related notes.

		YEAR ENDED	
	January 31, 2008	**January 31, 2007**	**January 31, 2006**
Total revenue	$ 221,233	$ 71,443	$ 30,037
General and administrative expenses, net	$ 1,549,120	$ 1,161,120	$ 1,206,955
Write off of mineral properties	$ 578,577	$ 2,698,924	$ 3,176,208
Income (loss) from continuing operations:			
- In total	$ (843,190)	$ 6,644,265	$ (3,834,747)
- Basic and diluted income (loss) per Share	$ (0.02)	$ 0.14	$ (0.09)
Net income (loss):			
- In total	$ (620,129)	$ 7,357,265	$ (3,122,747)
- Basic and diluted loss per Share	$ (0.01)	$ 0.15	$ (0.07)
Total Assets	$18,096,269	$18,038,981	$8,763,729
Total long-term financial liabilities	Nil	Nil	Nil

The Company's revenue consisted of interest income earned on short-term investments. The amount of interest income earned varies depending upon the excess cash available to be invested and on current interest rates in Canada.

The Company has no long-term debt and raises funds for exploration programs and general working capital purposes from equity financings. During the year ended January 31, 2007, the Company financed a significant portion of its exploration programs and administrative expenses from the sale of investments. There is no guarantee that the Company will be able to achieve similar returns from future investment sales. The changes in the Company's loss between 2006 and 2008 can be attributed primarily to gains on the sale of investments and write-offs of mineral property interests, the details of which are outlined in the "Results from Operations" above. The Company writes-off capitalized mineral property costs when exploration results indicate that no further work is warranted and when the Company no longer holds an interest in a property. The size and timing of these write-offs cannot typically be predicted and affect the Company's quarterly results. The Company regularly reviews its mineral properties to determine whether or not a write-off of capitalized mineral property costs is required.

Summary of Quarterly Results

The following table sets out selected unaudited quarterly financial information of Strongbow Exploration Inc. and is derived from the Company's unaudited quarterly financial statements prepared by management. The Company's interim financial statements are prepared in accordance with Canadian generally accepted accounting principles and are expressed in Canadian dollars.

Quarter Ending	Revenues	Income or (Loss) from Continued Operation and Net Income (Loss)	Basic Earnings (Loss) per share(1) from Continued Operation and Net Income (Loss)	Fully Diluted Earnsing (Loss) per share(1) - from Continued Operation and Net Income (Loss)
January 31, 2008	$ 29,542	$ (1,121,351)	$ (0.02)	$ (0.02)
October 31, 2007	$ 61,906	$ (309,287)	$ (0.01)	$ (0.01)
July 31, 2007	$ 48,486	$ (354,002)	$ (0.01)	$ (0.01)
April 30, 2007	$ 81,299	$ 1,164,511*	$ 0.02	$ 0.02
January 31, 2007	$ 40,046	$ 5,415,852	$ 0.11	$ 0.11
October 31, 2006	$ 11,225	$ 314,880	$ 0.01	$ 0.01
July 31, 2006	$ 10,526	$ (758,460)	$ (0.02)	$ (0.02)
April 30, 2006	$ 9,646	$ 2,384,993*	$ 0.05	$ 0.05

(1) Based on the treasury share method for calculating diluted earnings.

*includes a future income tax recovery of $223,061 (2007 - $713,000) due to the application of EIC-146, "Flow-through Shares", during the current period. This is a non-cash item recorded in compliance with Canadian GAAP.

Fourth Quarter

The Company's net loss of $1,121,351 (2007 - $5,415,852 net income) during the fourth quarter of 2008 was due to slight increases in expenses. In comparison, the majority of net income in the comparative quarter ended January 31, 2007 of $5,415,852 can be attributed to the sale of certain investments. Quarterly results will vary in accordance with the Company's exploration and financing activities. The Company's legal fees will increase in periods where property option and joint venture agreements are in development and negotiation, and investor relations activities increase in proportion to shareholder inquiries, communications and as a result of the Company's periodic investor and shareholder presentations. Stock-based compensation expense varies, and is dependent upon the size, timing and estimated fair value of the stock option grants.

Another factor that affects the Company's reported quarterly results are write-offs of capitalized mineral property costs. The Company writes off capitalized resource property costs when exploration results indicate that no further work is warranted. The size and timing of these write-offs cannot typically be predicted in advance and can significantly affect the Company's quarterly results. The Company regularly reviews its mineral properties to determine whether or not a write-off of capitalized mineral property costs is required.

Liquidity and Capital Resources

Working capital as at January 31, 2008 was $5,173,937 as compared to $9,592,441 at January 31, 2007. Cash and cash equivalents decreased by $5,522,660 in the current year, to $3,402,291 as at January 31, 2008. This compares to an ending cash balance of $8,924,951 for the year ending January 31, 2007. Cash flow used for operations was $1,236,843 (2007 - $713,742) while cash flows from financing activities increased the Company's cash position by $3,972,300 (2007 - $1,977,112). During the current year, the Company completed one private placement for gross proceeds of $4,003,500 and received $166,847 from the exercise of options and warrants, before a fair value reallocation of $65,153. During the prior year, the Company completed one private placement for gross proceeds of $1,000,000 and received $986,715 from the exercise of options and warrants, before a fair value reallocation of $71,614.

The Company's primary investing activity is the acquisition and exploration of mineral properties. During the current year, the Company spent $7,493,170 (net of recoveries of $688,655) to acquire and explore its mineral property interests. The Company's expenditures on its northern properties totaled $4,717,177 before write-offs and recoveries. In BC, in the current year exploration expenditures totaled $2,767,473 before write-offs and recoveries of $626,129. During the comparative year, the Company spent $3,891,662 to acquire and explore its property interests before recoveries of $339,663. Also during the current year, the Company spent $27,155 to acquire property and equipment (2007 - $40,357) and the Company received proceeds of $nil (2007 - $10,580,009) from the sale of investments. This gain from the sale of investments is not expected to re-occur. The Company currently has sufficient financial resources to meet its administrative overhead expenses for the next twelve months.

The Company may require additional financing from time to time to further planned and proposed exploration programs. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration activity and the Company's ability to raise additional funds at favourable terms. Management believes it will be able to raise equity capital as required in the long term, but recognize there will be risks involved that may be beyond their control. The Company intends to continue to use various strategies to minimize its dependence on equity capital, including the securing of joint venture partners where appropriate. The Company will also consider the sale of its remaining investments and marketable securities as a further method of raising capital without incurring further shareholder dilution.

Share capital information for the year ended January 31, 2008

In May 2007, pursuant to the terms of the Plan of Arrangement with North Arrow and upon closing of the North Arrow arrangement on May 9, 2007, the exercise price of the Company's stock options was adjusted to 84% of the original exercise price.

In July 2007, the Company completed a brokered private placement of 4,710,000 flow-through units at a price of $0.85 per flow through unit for gross proceeds of $4,003,500. Each flow through unit consists of one flow through share and one-half of one common share purchase warrant. Each whole share purchase warrant can be exercised for one common share at a price of $1.10 until January 12, 2009.

The Company paid a finders' fee of $56,251 in cash and 263,522 compensation units valued at a price of $0.85 per unit. Each compensation unit consisted of one non-flow-through common share and one half of one common share purchase warrant, with each whole common warrant having the same terms as the warrants in the private placement. The Company also issued agent warrants to purchase 376,800 shares of the Company at $0.85 per common share exercisable until January 12, 2009. The estimated fair value of the agent warrants is $66,288 and has been recorded in contributed surplus.

In August 2007, the Company issued 200,000 common shares with a value of $106,000 to Almaden pursuant to the Ponderosa property option agreement (Note 7).

As at January 31, 2008, the Company had 5,423,500 outstanding stock options with exercise prices that range from $0.294 to $0.84 and 2,863,561 warrants with exercise prices that range from $0.85 to $1.10 that expire on January 12, 2009.

Share capital information to May 25, 2008

On May 13, 2008, the Company appointed Canaccord Capital Corporation as its lead agent, in a syndicate with Haywood Securities Inc. (together, the "Agents") to offer, on a private placement basis, up to 7,500,000 flow through units at a price of $0.40 per flow through unit for gross proceeds of up to $3,000,000. In addition, the Company arranged for a non-brokered private placement of an additional 750,000 flow through units for further proceeds of $300,000 (completed May 15, 2008). The lead agent has an over-allotment option to place a further 1,750,000 flow-through units, exercisable up to 48 hours prior to completion of the offering. Each flow through unit, whether brokered or non-brokered, will consist of one flow through share and one-half of one common share purchase warrant. Each Warrant will be exercisable into one common share at a price of $0.45 for a period of twelve months from Closing.

The Company has agreed to pay the Agents a fee of 7% of the gross proceeds from the sale of the flow-through units sold through them, payable in cash or non-flow-through units at the option of the Agents. If paid in units, the units will be issued at $0.40 per unit and will consist of one common share of the Company and one half of one common share purchase warrant, with such warrants having the same terms as the Warrants issued to the subscribers.

As additional compensation, the Agents will be issued broker's warrants entitling the Agents to subscribe for that number of common shares of the Company equal to 7% of the number of flow-through units sold by the Company through the Agents exercisable at $0.40 per share for a period of twelve months from the date of the closing of the offering. In addition, the lead agent will be paid a corporate finance fee.

The brokered private placement is subject to regulatory approval.

As at May 25, 2008, the Company has 5,415,000 outstanding stock options with exercise prices that range from $0.2898 to $0.84 and 3,238,561 warrants with exercise prices that range from $0.85 to $1.10 that expire between January and May 2009.

Transactions with Related Parties

The Company entered into the following transactions with related parties during the year ended January 31, 2008:

a. Charged rent of $73,589 (2007 - $78,097) to Stornoway Diamond Corporation ("Stornoway"), a company with a common director.

b. Charged rent of $nil (2007 - $12,383) to Helio Resource Corp., a company with a common director.

Included in receivables are amounts due from Stornoway totaling $71,099 (January 31, 2007 - $195,570) for exploration, administrative costs and rent paid by the Company on Stornoway's behalf.

Included in accounts payable is $16,052 (January 31, 2007 –$11,598) payable to a company controlled by a director.

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

Changes in Accounting Policies

Effective February 1, 2007, the Company prospectively adopted the Canadian Institute of Chartered Accountants ("CICA") recommendations pertaining to financial instruments (Section 3855 and 3861), which establishes standards for the recognition, measurement, disclosure and presentation of financial assets, financial liabilities and non-financial derivatives. Available-for-sale instruments are measured at fair value with unrealized gains and losses recognized in other comprehensive income. Instruments classified as held for trading are measured at fair value with unrealized gains and losses recognized on the statement of operations and deficit. The Company has classified its cash and equivalents as held for trading. This change in accounting policy had no material effect on the Company's previous financial statements. The Company has classified its marketable securities as available-for-sale and therefore carries them at fair market value, with the unrealized gain or loss recorded in shareholders' equity as a component of other comprehensive income. These amounts will be reclassified from shareholders' equity to net income when they are sold. Previously, investments in public companies were carried at cost, less provisions for other than temporary declines in value. This change in accounting policy resulted in a $1,730,992 increase in the carrying value of marketable securities as at January 31, 2007, representing the aggregate cumulative unrealized gains at that time as disclosed in Note 11. The Company's investments are classified as held-to-maturity and are measured at amortized cost.

Effective February 1, 2007, the Company prospectively adopted the CICA recommendations pertaining to hedges (Section 3865), which establish standards for the identification, designation, documentation and effectiveness of hedging relationships for the purpose of applying hedge accounting. The purpose of hedge accounting is to ensure that gains, losses, revenues and expenses from effective hedging relationships are recorded in earnings in the same period. This change in accounting policy had no effect on the consolidated financial statements for the year ended January 31, 2008 as the Company has not designated any hedging relationships.

Effective February 1, 2007, the Company prospectively adopted the CICA recommendations regarding the reporting and disclosure of comprehensive income (Section 1530). Comprehensive income consists of changes in the equity of the Company from sources other than the Company's share owners, and includes earnings of the Company, the foreign currency translation adjustment relating to self-sustaining foreign operations and unrealized gains and losses on changes in fair values of available for sale assets and effective cash flow hedging instruments. Other comprehensive income comprises revenues, expenses and gains and losses that are recognized in comprehensive income but are excluded from earnings for the period. Comprehensive income is required to be disclosed in a separate statement in the consolidated financial statements.

Effective February 1, 2007, the Company prospectively adopted the CICA recommendations regarding the presentation of equity and changes in equity (Section 3251). These recommendations require separate presentation of the components of equity, including retained earnings, accumulated other comprehensive income, contributed surplus, share capital and reserves, and the changes therein.

Recent accounting pronouncements

Assessing going concern

The Accounting Standards Board ("AcSB") amended CICA handbook Section 1400, to include requirements for management to assess and disclose an entity's ability to continue as a going concern. This section applies to interim and annual financial statements relating to fiscal years beginning on or after January 1, 2008.

Financial instruments

The AcSB issued CICA Handbook Section 3862, Financial Instruments – Disclosures, which requires entities to provide disclosures in their financial statements that enable users to evaluate (a) the significance of financial instruments for the entity's financial position and performance; and (b) the nature and extent of risks arising from financial instruments to which the entity is exposed during the period and at the balance sheet date, and how the entity manages those risks. The principles in this section complement the principles for recognizing, measuring and presenting financial assets and financial liabilities in Section 3855 – Financial Instruments – Recognition and Measurement, Section 3863, Financial Instruments – Presentation, and Section 3865, Hedges. The section applies to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007.

The AcSB issued CICA Section 3863, Financial Instruments – Presentation, which is to enhance financial statement users' understanding of the significance of financial instruments to an entity's financial position, performance and cash flows. This section establishes standards for presentation of financial instruments and non-financial derivatives. It deals with the classification of financial instruments, from the perspective of the issuer, between liabilities and equity, the classification of related interest, dividends, losses and gains, and the circumstances in which financial assets and financial liabilities are offset. This section applies to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007.

Capital disclosures

The AcSB issued CICA Handbook Section 1535, which establishes standards for disclosing information about an entity's capital and how it is managed. This section applies to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007.

Goodwill and intangible assets

CICA Handbook Section 3062 replaces the current standard for goodwill and intangible assets and establishes revised standards for the recognition, measurement, presentation and disclosure of goodwill and intangible assets. The new standard also provides guidance for the treatment of pre-production and start-up costs and requires that these costs be expensed as incurred.

The company will adopt the requirements commencing in the interim period ending March 31, 2008 and is currently considering the impact this will have on the Company's financial statements.

International financial reporting standards

In addition to the above accounting pronouncements the Canadian Accounting Standards Board ("AcSB") in 2006 published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with International Financial Reporting Standards ("IFRS") over an expected five-year transition period. In February 2008 the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended December 31, 2010. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

Off-Balance Sheet Arrangements

Not applicable.

Financial Instruments

The Company's financial instruments consist of cash and equivalents, marketable securities, receivables, investments and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from the financial instruments. The fair value of these financial instruments approximates their carrying value due to their short-term maturity or capacity of prompt liquidation.

Commitments

The Company is committed to minimum future lease payments for premises and equipment leases through to January 31, 2011 as follows:

Fiscal year ending January 31, 2009	$ 165,376
Fiscal year ending January 31, 2010	$ 165,376
Fiscal year ending January 31, 2011	$ 151,460

The Company's lease costs may be reduced due to recoveries through sub-leases.

Outstanding Share Data

The Company's authorized capital is unlimited common shares without par value. As at May 25, 2008, there were 56,995,963 common shares issued and outstanding.

As at May 25, 2008, the Company had the following options and warrants outstanding:

	Number of Shares		Exercise Price (post North Arrow arrangement)	Expiry Date
Options	43,750		0.8400	December 10, 2008
	150,000		0.8232	June 2, 2009
	1,098,750		0.6300	July 30, 2009
	545,000		0.2898	February 2, 2010
	237,500		0.2940	June 13, 2010
	10,000		0.2940	September 23, 2010
	675,000		0.6636	March 16, 2011
	590,000		0.3696	September 15, 2011
	40,000		0.5040	February 16, 2012
	1,015,000		0.6552	March 29, 2012
	1,010,000		0.4600	December 21, 2012
	5,415,000			
Warrants	2,486,761	$	1.10	January 12, 2009
	376,800		0.85	January 12, 2009
	2,863,561			

Additional Disclosure for Venture Issuers Without Significant Revenue

Additional disclosure concerning the Company's general and administrative expenses and mineral property costs is provided in the Company's Consolidated Statement of Operations and Deficit and the Mineral Properties Notes contained in its Consolidated Financial Statements for January 31, 2008 and January 31, 2007. These statements are available on its SEDAR Page Site accessed through www.sedar.com

Additional Information

Additional information relating to the Company is on SEDAR at www.sedar.com and is available on the Company's website at www.strongbowexploration.com.

Approval

The Board of Directors of the Company has approved the disclosure contained in this annual MD&A. A copy of this annual MD&A will be provided to anyone who requests it.