

LABRADOR TECHNOLOGIES INC.

THREE MONTHS ENDED JANUARY 31, 2009

MANAGEMENT'S DISCUSSION & ANALYSIS

The following Management's Discussion and Analysis ("MD&A") is prepared in accordance with National Instrument 51-102F1, and should be read in conjunction with the audited financial statements of Labrador Technologies Inc. ("LTI" or the "Corporation") for the year ended October 31, 2008. Additional information with respect to LTI can be found on the Corporation's website at www.labradortechnologies.com or on SEDAR at www.sedar.com.

Certain statements in the MD&A constitute forward-looking statements that involve various risks and uncertainties. These risks and uncertainties include, but are not restricted to, the Corporation's continuing ability to promote and license its products, the Corporation's ability to attract and retain key employees, and the Corporation's ability to raise capital on acceptable terms when needed. These uncertainties may cause actual results to differ from information contained herein. There can be no assurance that such statements will prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements. These forward-looking statements are based on the estimates and opinions of management on the dates they are made and are expressly qualified in their entirety by this notice.

This MD&A is dated as of March 31, 2009.

Overall Performance

CEO'S REPORT TO SHAREHOLDERS

As in past years, there is only a matter of a few weeks between our 2008 Annual Report and the reporting of 1st Quarter, 2009, thereby leaving little to report in the interim. However, 2009 is an exceptional year. Having said in the CEO's Report to Shareholders in the 2008 Annual Report that eTrierer™ had finally gotten sales traction in the first calendar quarter of 2009, we are pleased to inform you that eTrierer's SaaS Architecture has also started to pay dividends. SaaS (web software as a service) allows us to Private Label eTrierer to suit (and logo) the respective business/industry.

Thus, after our functionality, and in particular both our Google® and Microsoft® Virtual Earth Map-based interfaces, have met the commercial requirements test of web-based data browsers, we have been singularly aggressive at hunting down businesses which provide us with the opportunity to prove out our variation on the Google model – doing data deals with all kinds of vendors, but none of them exclusively. One new shareholder wants to Private Label eTrierer (eUtilities) as a WebMap-based interface to query and report in the Utilities Sector. Another qualified opportunity for Private Labeling eTrierer is U.S. Oil & Gas data based. eTrierer and the Labrador® Tools Suite provide unparalleled competitive value to businesses/industries that need quick, easy access to complex, inter-related relational databases. And, the light, agile approach of eTrierer's Web-based mapping, querying, and reporting is hitting the centre of the target in today's "**less is more**" economic environment. Timing is everything.

H. Ronald Sterne
President & C.E.O.

Results of Operations

Revenue

Currently, the Corporation has no significant ongoing sources of revenue.

Financial Summary

	Three months ended	
	January 31, 2009	January 31, 2008
Revenue, license fees	\$ 1,875	\$ —
Expenses	381,401	226,131
Net loss	(379,526)	(226,131)
Net loss per share	(0.01)	(0.01)
Outstanding shares	25,237,677	20,831,145

Expenses

General and administrative

This category of expenses is comprised primarily of office rent, office equipment rentals, administrative salaries, corporate expenses related to shareholder reporting, and professional fees. General and administrative expenses for the three month period ended January 31, 2009 were \$115,344 compared to \$82,150 for the three month period ended January 31, 2008, an increase of \$33,194. The increase is primarily due to increased staff salaries, recruitment and general office expenses.

Computer and related costs

Computer and related costs include programmers' salaries, software costs, and telecommunication costs. This category of expenses totaled \$179,480 for the three month period ended January 31, 2009 compared to \$79,812 for the three month period ended January 31, 2008, an increase of \$99,668. The increase is primarily due to the hiring of additional programmers/consultants and the related costs.

Marketing and sales

Marketing and sales expenses include expenses for sales and support salaries/consulting fees, and promotion/advertising. For the three month period ended January 31, 2009, marketing and sales expenses were \$80,057 compared to \$60,601 for the three month period ended January 31, 2008, an increase of \$19,456. The increase is primarily due to the hiring of additional sales department staff.

Stock-based compensation

LTI issued no share during the three month period ended January 31, 2009 (2008 – 60,000). Stock-based compensation expense of \$3,018 was recorded for the three month period ended January 31, 2009, based on an estimate of the fair value of the options calculated using the Black-Scholes option-pricing model.

Amortization

Amortization expense for the three month period ended January 31, 2009 was \$3,510 compared to \$2,134 for the three month period ended January 31, 2008. The increase is primarily due to the additions to property and equipment in the last year.

Working capital

At January 31, 2009, LTI had cash of \$9,372, no debt, and negative working capital of \$163,266. The Corporation has no current sources of ongoing revenue and is relying on future sales to generate additional cash. As a result, the Corporation's ability to maintain its operations in the future is dependent on its ability to generate sufficient revenue, and/or raise sufficient capital to continue to fund its strategic business plan. Please refer to "Subsequent Events" for current details on the success of LTI's private placement announcement.

Financing and Investing

During the three month period ended January 31, 2009, the Corporation's cash position decreased by \$97,867 primarily as a result of the loss from operations. Please refer to "Subsequent Events" for details on the success of LTI's private placement.

Summary of Quarterly Results

Fiscal 2009	1-QTR	2-QTR	3-QTR	4-QTR
Revenue, license fees	1,875	N/A	N/A	N/A
Expenses	\$ 381,401	N/A	N/A	N/A
Net loss	(379,526)	N/A	N/A	N/A
Net loss per share	(0.01)	N/A	N/A	N/A
Outstanding shares	25,237,677	N/A	N/A	N/A

Fiscal 2008	1-QTR	2-QTR	3-QTR	4-QTR
Revenue, license fees	—	—	—	1,458
Expenses	\$ 226,131	264,782	275,810	370,966
Net loss	(226,131)	(264,782)	(275,810)	(369,508)
Net loss per share	(0.01)	(0.01)	(0.01)	(0.01)
Outstanding shares	20,831,145	24,267,922	24,936,037	25,215,010

Fiscal 2007	1-QTR	2-QTR	3-QTR	4-QTR
Expenses	\$ 247,531	332,441	321,049	361,618
Net loss	(247,531)	(332,441)	(321,049)	(361,618)
Net loss per share	(0.01)	(0.02)	(0.02)	(0.02)
Outstanding shares	17,983,837	20,463,247	20,792,803	20,808,872

Liquidity and Capital Resources

At January 31, 2009, LTI had cash of \$9,372, no debt and negative working capital of \$163,266. On February 17, 2009, the Corporation announced the terms of a private placement for between 100,000 and 20,000,000 units at a price of \$0.10 per unit with an expected closing date of on or before April 3, 2009. Each unit consists of one common share and one-half share purchase warrant. Each whole share purchase warrant entitles the holder to purchase one common share of the Corporation at \$0.20 per share and expires one year from the closing date of the private placement. As at March 31, 2009, the Corporation had received signed subscription agreements for 3,000,000 units and had received \$300,000 in proceeds. As at March 31, 2009, the Corporation had a cash balance of \$44,000. The Corporation has no current sources of ongoing revenue and is relying on future sales to generate additional revenue. As a result, the Corporation's ability to maintain its operations in the future is dependent on its ability to generate sufficient cash in the future.

LTI has two contractual obligations: an operating lease for office space and a lease for a vehicle supplied to an officer of the Corporation. The office space lease is for a three-year term ending August 2009 and has a

monthly cost of \$9,063. The vehicle lease is for a three-year term ending January 2010 and has a monthly cost of \$491.

Financial Instruments

As of the date of this MD&A, the Corporation had no financial instruments other than cash, accounts receivable and accounts payable.

Related Party Transactions

On March 10, 2009, a director of the Corporation loaned the Corporation \$62,500 bearing interest at 12% per annum and collateralized by a general security agreement. The loan is repayable on October 10, 2009.

Outstanding Share Data

As of March 31, 2009, LTI had 25,254,097 common shares, 1,803,555 warrants and 1,075,000 options to acquire common shares outstanding.

Subsequent Events

On February 17, 2009, the Corporation announced the terms of a private placement for between 100,000 and 20,000,000 units at a price of \$0.10 per unit with an expected closing date of on or before April 3, 2009. Each unit consists of one common share and one-half share purchase warrant. Each whole share purchase warrant entitles the holder to purchase one common share of the Corporation at \$0.20 per share and expires one year from the closing date of the private placement. As at March 31, 2009, the Corporation had received signed subscription agreements for 3,000,000 units and had received \$300,000 in proceeds.

H. Ronald Sterne

Jeff Howe

“signed”

“signed”

President & Chief Executive Officer
Labrador Technologies Inc.

Chief Financial Officer
Labrador Technologies Inc.