

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **3<sup>RD</sup> QUARTER ENDED SEPTEMBER 30, 2008**

*This Management Discussion and Analysis ("MD&A") is intended to supplement the Company's interim consolidated financial statements and notes thereto for the three months ended September 30, 2008. This report is as at **November 17, 2008**.*

*The Company prepares and files its financial statements and MD&A in accordance with Canadian Generally Accepted Accounting Principles ("GAAP"). All amounts presented in this MD&A are in Canadian dollars unless otherwise indicated.*

*The above referenced financial statements and the Company's other public filings can be found on SEDAR at ([www.sedar.com](http://www.sedar.com)).*

**November 17, 2008**

#### **OVERVIEW**

Skeena Resources Limited ("the Company") is a mineral exploration stage corporation with one exploration property in British Columbia, Canada; an option to acquire a 90% working interest in the advanced Malpica copper-gold molybdenum project in Mexico; an option to acquire a 60% interest in the Tropic copper-platinum-palladium-gold project, also in Sinaloa State, Mexico; and an option to acquire 50% of a gold exploration property at El Corazon, Ecuador. The Company is a reporting issuer in British Columbia, Alberta, and Saskatchewan and trades on the TSX Venture Exchange under the symbol SKE.

The Company was unable to make the \$2,000,000 payment to Grupo Mexico nor the \$500,000 payment to Reyna Mining both due in October 2008. Discussions are underway to renegotiate the terms of the Malpica project. ***No assurances can be given at this time that these will be successful and thus allow the Company to re-finance and continue advancing the project.*** Nor are there any assurances that in these difficult economic and market conditions that a financing can be achieved. The Tropic project has ongoing obligations that will be considered after Malpica negotiations are resolved.

The Company is obligated to complete approximately \$185,000 of flow through commitments on eligible expenditures prior to December 31, 2008. The funds were raised to work the Blackhorn property, which has proved difficult to access with a limited window of opportunity because of the recent years of excessive snow cover. Alternative properties are being investigated.

#### **HIGHLIGHTS AND OVERALL PERFORMANCE**

On May 2, 2007, the Company entered into an agreement to acquire a 90% interest in Skeena Mexico S.A. de C.V. which in turn has the option to earn a 100% interest in the Malpica copper-gold project located 30 km. east of Mazatlan in Sinaloa State, Mexico. Further details and a table of payments and share issuances are included in a section later in this MD&A. Refer to News Release dated May 8, 2007 for project description and historical details.

**SKEENA RESOURCES LIMITED***Management Discussion and Analysis*

September 30, 2008

The Company entered into an agreement to earn up to 60% interest in the Tropico Property, a copper-platinum-palladium-gold project in Sinaloa State, Mexico, that includes the technical database. The Company also entered into an option to purchase 100% interest in the interior San Pablo concession internal to the Tropico Property and also acquired two other concessions contiguous with Tropico by direct application to the government and a third concession was acquired from the government by lottery.

Both of the Malpica and Tropico Projects are well situated with respect to infrastructure, being located 30 km east and 20 km north, respectively, of the deep-water port of Mazatlan in Sinaloa State, Mexico. Both properties are crossed by paved highways, by major power lines and both are situated proximal to a regional rail line.

The Company's wholly owned subsidiary, Alphec Alpha Ecuador S.A., ("Alphec") holds the option interest and is the operator of the El Corazon gold property in Ecuador. On April 17, 2008, the Constitutional Assembly of Ecuador passed a new Mining Mandate. The full impact of this legislation, which included an immediate suspension of exploration and development work, is not yet fully understood. In view of the unilaterally imposed work suspension, directly after the announcement, the Company invoked *force majeure* with respect to its Option Agreement. In light of the political uncertainty, the Company has written off capitalized acquisition costs and expenditures totaling \$5,707,193 of which \$7,470 were written off this quarter and \$5,699,723 last quarter.

**MINERAL PROPERTIES AND EXPENDITURES**

At June 30, 2008, the Company's mineral properties and expenditures thereon were as follows:

	<b>BLACKHORN</b>	<b>RONOKE</b>	<b>EL CORAZON</b>	<b>MALPICA</b>	<b>TROPICO</b>	<b>TOTAL</b>
<b>BALANCE, DEC. 31, 2006</b>	\$ 128,087	\$ 7,403	\$ 5,441,787	\$ -	\$ -	\$ 5,577,277
<b>ANALYTICAL SERVICES</b>	-	-	9,791	26,129	-	35,920
<b>DRILLING / TRENCHING</b>	-	-	-	109,029	47,776	156,805
<b>FIELD SUPPORT</b>	-	-	12,286	39,396	-	51,682
<b>GEOLOGY / GEOPHYSICS</b>	64,209	-	27,167	332,244	-	423,620
<b>LAND COSTS</b>	5,343	-	104,719	992,866	-	1,102,928
<b>LOCAL OFFICE</b>	-	-	66,832	5,179	-	72,011
<b>LEGAL</b>	-	-	14,002	4,324	-	18,326
<b>STOCK-BASED COMPENSATION</b>	-	-	-	167,985	-	167,985
<b>TRAVEL COSTS</b>	-	-	7,602	3,232	-	10,834
<b>COSTS FOR YEAR</b>	69,552	-	242,399	1,680,384	47,776	2,040,111
<b>TOTAL COSTS</b>	197,639	7,403	5,684,186	1,680,384	47,776	7,617,388
<b>OPTION PAYMENTS RECEIVED</b>	-	(15,000)	-	-	-	(15,000)
<b>BALANCE, DEC.31, 2007</b>	\$ 197,639	\$ (7,597)	\$ 5,684,186	\$ 1,680,384	\$ 47,776	\$ 7,602,388

**SKEENA RESOURCES LIMITED**  
*Management Discussion and Analysis*  
September 30, 2008

	BLACKHORN	RONOKE	EL CORAZON	MALPICA	TROPICO	TOTAL
<b>BALANCE, DEC.31, 2007</b>	\$ 197,639	\$ (7,597)	\$ 5,684,186	\$ 1,680,384	\$ 47,776	\$ 7,602,388
<b>ANALYTICAL SERVICES</b>	-	-	-	185,543	-	185,543
<b>DRILLING / TRENCHING</b>	-	-	19	800,722	-	800,741
<b>FIELD SUPPORT</b>	-	-	6,690	65,915	-	72,605
<b>GEOLOGY/ GEOPHYSICS</b>	(106)	-	-	462,554	121,154	583,602
<b>LAND COSTS</b>	15,000	-	-	1,650,642	178,941	1,844,583
<b>LOCAL OFFICE</b>	-	-	12,007	26,901	4,046	42,954
<b>LEGAL</b>	-	-	3,972	4,570	-	8,542
<b>TRAVEL COSTS</b>	-	-	319	42,210	-	42,529
<b>COSTS FOR YEAR</b>	14,894	-	23,007	3,239,057	304,141	3,581,099
<b>TOTAL COSTS</b>	212,533	(7,597)	5,707,193	4,919,441	351,917	11,183,487
<b>WRITE-DOWN OF MIN. PROPERTY INTERESTS</b>	-	-	(5,707,193)	-	-	(5,707,193)
<b>SALE OF MINERAL PROPERTY</b>	-	7,597	-	-	-	7,597
<b>BALANCE, JUN.30, 2008</b>	\$ 212,533	\$ -	\$ -	\$ 4,919,441	\$ 351,917	\$ 5,483,891

***Malpica copper gold project, Mexico***

In May 2007, the Company entered into an agreement with Reyna Mining & Engineering S.A. de C.V. (“Reyna Mining”) to jointly acquire an option from Grupo México S.A. de C.V. (“Grupo México”) to earn a 100% interest in the Malpica copper-gold-molybdenum property located in the Sinaloa State, Mexico. A newly formed private Mexican corporation, Skeena Mexico S.A de C.V. (“Skeena Mexico”), holds the option as its sole asset. The Company has the option to acquire 90% of the shares of Skeena Mexico, pursuant to which the Company paid US\$25,000 (CAD\$26,690), issued 1,000,000 common shares of Skeena Resources valued at \$400,000 and granted 1,000,000 warrants valued at \$137,172 to acquire 1,000,000 common shares of Skeena Resources exercisable at \$0.75 per share expiring May 29, 2009. In addition, the Company paid finders fees consisting of 150,000 common shares of Skeena Resources valued at \$60,000 and 200,000 warrants valued at \$30,813 to acquire 200,000 common shares of Skeena Resources exercisable at \$0.65 per share. Total consideration to December 31, 2007 of \$654,675 together with a future income tax liability of \$254,000 totalling \$908,675 was accounted for as the acquisition cost of the mineral property.

To complete the acquisition of Skeena Mexico, the Company is required to make additional staged cash payments of US\$725,000 and issue 4,000,000 of its common shares, of which 3,000,000 were issued.

Skeena Mexico paid US\$250,000 to Grupo México, the vendor of the Malpica property, to begin a 12-month due diligence period during which Skeena Mexico conducted a US\$1,500,000 exploration program, including the required minimum 5,000 metres of drilling. Skeena Mexico is required to make additional staged cash payments by the end of year 3, of US\$10,250,000. Reyna Mining, the owner of 10% of Skeena Mexico, is carried during the first US\$7,500,000 of expenditures and shall become a pro rata contributing party thereafter. If Reyna Mining elects not to contribute, the Company retains the right to purchase its 10% shareholding in Skeena Mexico for US\$2,000,000. The Company must attempt to place Malpica into commercial production, on a “best efforts” basis, at a rate of 1.5 million tonnes of ore per annum, within 36 months of the date of the Final Purchase Agreement. If commercial production is delayed, then a reduced pre-production royalty may be payable. Grupo México retains a first right of refusal on purchase of

## SKEENA RESOURCES LIMITED

### Management Discussion and Analysis

September 30, 2008

concentrates from the property, at prevailing market prices, and retains a sliding-scale royalty interest on production from the property. **No field activities were undertaken on Malpica during the quarter, and the project is on a care and maintenance basis pending on-going negotiations with the vendor, Grupo Mexico, to restructure the terms and conditions of the original Purchase Agreement.** An “inferred resource” calculation is in its final stages. This would form the basis for a scoping study going forward.

Skeena Mexico’s Agreements with Grupo México and the Company’s Agreement with Reyna Mining are as follows:

	SKEENA MEXICO CASH PAYMENTS TO GRUPO MÉXICO US\$	SKEENA MEXICO EXPENDITURES (EXPLORATION COMMITMENTS) US\$	SKEENA RESOURCES CASH PAYMENTS TO REYNA MINING US\$	SKEENA RESOURCES SHARE ISSUANCES TO REYNA
On signing	\$ 250,000 paid	-	\$ 25,000 paid	1,000,000 issued <sup>(1)</sup>
1 year anniversary	\$ 1,000,000 paid	\$ 1,500,000 <sup>(2)</sup>	\$ 500,000 <sup>(3)</sup>	2,000,000 issued
1.5 year anniversary	\$ 2,000,000 <sup>(3)</sup>	-	-	-
2 year anniversary	\$ 3,750,000	-	\$ 225,000	2,000,000
3 year anniversary	\$ 3,500,000	-	-	-
	<u>\$ 10,500,000</u>	<u>\$ 1,500,000</u>	<u>\$ 750,000</u>	<u>5,000,000</u>

(1) includes 1 million 2-year warrants exercisable at \$0.75;

(2) expenditure commitments met; and

(3) terms and timing of cash payment are under negotiations.

### **Tropico, Mexico**

The Company entered into an agreement with the Santoy Resources (60%) – Almaden Minerals (40%) Joint Venture (“the Joint Venture”) to earn up to 60% interest in the Tropico Property, a copper-platinum-palladium-gold project in Sinaloa State, Mexico, which includes all of the historical technical database, by incurring a work commitment of \$3 million over 5 years (\$100,000 in year one - expended) and issuing 1,250,000 Skeena shares over 5 years (250,000 issued). A 2% NSR interest is reserved for the Joint Venture, with half of that interest purchasable for fair market value at the time of presentation of a feasibility study.

The Company has also entered into an option to purchase 100% interest in the interior San Pablo concession internal to the Tropico Property, from Minera Cascabel SA de CV for cash payments totaling US\$500,000 over 4 years (US\$85,000 paid), a work commitment of two times the minimum required under Mexican mining law during the period of the agreement (expended), and the issuance of 500,000 shares of Skeena over 4 years (100,000 issued).

The Company also acquired two other concessions in the Tropico Property area by direct application to the government and a third, from the government by lottery. These last acquired claims and the above noted San Pablo concession will be included in the Santoy-Almaden JV by virtue of an Area of Influence clause. This may result, under certain circumstances, in a Net Smelter Return royalty payable to the JV on lands 100% owned by Skeena.

No field activities were undertaken on Tropico during the quarter.

### **El Corazon gold project, Ecuador**

On April 17, 2008, the Constitutional Assembly of Ecuador passed a new Mining Mandate. The full impact of this legislation, which included an immediate suspension of exploration and development work, is not yet fully understood.

**SKEENA RESOURCES LIMITED**  
*Management Discussion and Analysis*  
September 30, 2008

In light of the unilaterally imposed work suspension, the Company has invoked *force majeure* with respect to its Option Agreement with AgroIndustrial. In light of the political uncertainty, the Company has written down capitalized acquisition costs and expenditures totaling \$5,707,193 in this quarter.

There are no outstanding work commitments or option payments due until after revocation of the *force majeure* (ie., after the next due anniversary date of December 11, 2008) plus the number of months that the force majeure is in effect.

**RESULTS OF OPERATIONS**

Being in the exploration stage, the Company does not have revenues from operations, and relies on equity funding for its continuing financial liquidity.

**SUMMARY OF QUARTERLY RESULTS**

The following tables report selected financial information of the Company for the past eight quarters.

Quarter ended	30-Sep-08	30-Jun-08	31-Mar-08	31-Dec-07
Capitalized property acquisition and exploration costs	\$ 374,892	\$ (3,429,105) <sup>(1)</sup>	\$ 935,716	\$ 1,214,495
Revenue <sup>(5)</sup>	-	-	-	-
Gain (loss) for the quarter	\$ 2,140	\$ (5,906,877) <sup>(2)</sup>	\$ (56,373)	\$ (134,192)
Gain (loss) per share	\$ 0.00	\$ (0.10)	\$ (0.00)	\$ (0.00)

Quarter ended	30-Sep-07	30-Jun-07	31-Mar-07	31-Dec-06
Capitalized property acquisition and exploration costs	\$ 284,545	\$ 468,207	\$ 57,864	\$ 705,999
Revenue <sup>(5)</sup>	-	-	-	-
Loss for the quarter	\$ (410,694) <sup>(3)</sup>	\$ (117,586)	\$ (160,050) <sup>(4)</sup>	\$ (55,029)
Loss per share	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.01)

<sup>(1)</sup> includes writeoff of mineral property interests of \$5,699,724.

<sup>(2)</sup> includes writeoff of mineral property interests of \$5,699,724

<sup>(3)</sup> includes \$277,932 stock based compensation.

<sup>(4)</sup> includes \$82,904 stock based compensation.

<sup>(5)</sup> this being an exploration stage company, there are no revenues from operations.

**Loss for the quarter**

During the quarter, the Company reported a gain of \$2,140 (2007 – loss of \$410,694). An adjustment to the tock-based compensation of \$50,457 and a gain of foreign exchange of \$29,120 contributed to the small gain.

**SKEENA RESOURCES LIMITED***Management Discussion and Analysis*

September 30, 2008

There were consulting fees of \$32,400 (2007 - \$34,260) for accounting, geological and management services and office and administration costs of \$12,606 (2007 - \$25,635).

***Cash flows for the quarter***

During the quarter, operations used net cash of \$7,202 with cash expenditures on resource properties, of \$594,357 (2007 - \$284,545), essentially all in Mexico. Private placement funds of \$390,000 were collected in the quarter on the \$1,031,500 private placement subscription closed in the previous quarter. These transactions resulted in a decrease in cash of \$266,034 (2007 - \$681,017) for total cash of \$69,070 (2007 - \$2,570,112).

***Capitalized property expenditures for the quarter***

During the quarter, the Company capitalized \$374,892 (2007 - \$284,545) in property expenditures and acquisition costs.

**LIQUIDITY AND CAPITAL RESOURCES**

The Company had a working capital deficit of \$21,312 as at September 30, 2008. The Company must raise funds or secure financing in order to advance its exploration programs and meet its financial commitments. The Company has been successful raising funds in the past but current economic uncertainty and poor market conditions have challenged the Company's ability to secure private placement financing.

The functional currency of the Company is the Canadian dollar and to date most new funding has been raised in Canadian dollars. Although Mexico currency is in pesos, much business, particularly with international contractors, is transacted in US dollars and funds are advanced to Mexico in US dollars where they are converted to pesos.

**TRANSACTIONS WITH RELATED PARTIES**

The Company has monthly consulting service arrangements with two of its officers, one of whom is also a director. The director is paid \$9,000 per month by an agreement that can be terminated at any time by the Company by paying one year's compensation. Fees accrued pursuant to these arrangements for the quarter, were \$27,000 for geological and management services, and \$5,400 due to an officer for the quarter was accrued for accounting and corporate administrative services.

**FORWARD LOOKING STATEMENTS**

This information may contain forward-looking statements that involve inherent risks and uncertainties. The Company's actual results may differ significantly from those anticipated in the forward-looking statements and readers are cautioned not to place undue reliance on these forward-looking statements. The Company undertakes no obligation to publicly release the results of any revisions to forward-looking statements that may be made to reflect events or circumstances after the above-stated date or to reflect the occurrence of unanticipated events.

**RISK FACTORS AND MANAGEMENT'S RESPONSIBILITY OVER FINANCIAL REPORTING*****Risk Factors***

**SKEENA RESOURCES LIMITED**  
*Management Discussion and Analysis*  
September 30, 2008

Development-stage mineral exploration companies face a variety of risks and, while unable to eliminate all of them, the Company aims at managing and reducing such risks as much as possible.

Few exploration projects successfully achieve development due to factors that cannot be predicted or anticipated, and even one such factor may result in the economic viability of a project being detrimentally impacted such that it is neither feasible nor practical to proceed. The Company closely monitors its activities and those factors that could impact them, and employs experienced consulting to assist in its risk management and to make timely adequate decisions.

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 conveyance history characteristic of many mineral properties.

The price of the commodities being explored is also a significant risk factor, as a substantial decline in their price could result in a decision to abandon a specific project.

Environmental laws and regulation could also impact the viability of a project. The Company has ensured that it has complied with these regulations, but there can be changes in legislation outside the Company's control that could also add a risk factor to a project.

Finally, operating in a specific country has legal, political and currency risks that must be carefully considered to ensure their level is commensurate to the Company's assessment of the project.

***Management's responsibility for financial information***

The Company's management is responsible for presentation and preparation of the interim consolidated financial statements and the Management's Discussion and Analysis ("MD&A"). The interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP").

The MD&A has been prepared in accordance with the requirements of securities regulators, including National Instrument 51-102 of the Canadian Securities Administrators

The consolidated financial statements and information in the MD&A necessarily include amounts based on informed judgments and estimates of the expected effects of current events and transactions with appropriate consideration to materiality. In addition, in preparing the financial information we must interpret the requirements described above, make determinations as to the relevancy of information to be included, and make estimates and assumptions that affect reported information. The MD&A also includes information regarding the impact of current transactions and events, sources of liquidity and capital resources, operating trends, risks and uncertainties. Actual results in the future may differ materially from our present assessment of this information because future events and circumstances may not occur as expected.

All relevant information related to the Corporation is filed electronically at [www.sedar.com](http://www.sedar.com) and on the Company's website at [www.skeenaresources.com](http://www.skeenaresources.com).

**RECENT ACCOUNTING PRONOUNCEMENTS**

**SKEENA RESOURCES LIMITED**  
*Management Discussion and Analysis*  
September 30, 2008

The Canadian Institute of Chartered Accountants (“CICA”) has issued four new standards, which may affect the financial disclosures and results of operations of the Company for interim and annual periods beginning January 1, 2008. The Company adopted the requirements January 1, 2008.

***Assessing Going Concern***

The Canadian 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***

Effective January 1, 2008, the Company adopted 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*. This section applies to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007.

Effective January 1, 2008, the Company adopted CICA Handbook 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***

Effective January 1, 2008, the Company adopted 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.

***International Financial Reporting Standards (“IFRS”)***

In 2006, the Canadian Accounting Standards Board (“AcSB”) 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 IFRS over an expected five year transitional 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.

**CHANGES IN ACCOUNTING POLICY**

### ***Financial instruments***

Effective January 1, 2007 the Company adopted the new recommendations of the Canadian Institute of Chartered Accountants ("CICA") under CICA Handbook Section 1530 "Comprehensive Income" ("Section 1530"), Section 3251 "Equity", Section 3855 "Financial Instruments – Recognition and Measurement" ("Section 3855"), Section 3861 "Financial Instruments – Disclosure and Presentation" and Section 3865 "Hedges". These new sections, which apply to fiscal years beginning on or after October 1, 2006, provide requirements for the recognition and measurement of financial instruments and on the use of hedge accounting. Section 1530 establishes standards for reporting and presenting comprehensive income which is defined as the change in equity from transactions and other events from non-owner sources. Other comprehensive income refers to items recognized in comprehensive income but that are excluded from net income calculated in accordance with Canadian generally accepted accounting principles.

Under Section 3855, all financial instruments are classified into one of five categories: held-for-trading, held-to-maturity investments, loans and receivables, available-for-sale financial assets or other financial liabilities. All financial instruments and derivatives are measured in the balance sheet at fair value except for loans and receivables, held-to maturity investments and other financial liabilities which are measured at amortized cost. Subsequent measurement and changes in fair value will depend on their initial classification as follows: (1) held-for-trading financial assets are measured at fair value and changes in fair value are recognized in net income; (2) available-for-sale financial instruments are measured at fair value with changes in fair value recorded in other comprehensive income until the instrument is derecognized or impaired; and (3) all derivative instruments, including embedded derivatives, are recorded in the balance sheet at fair value unless they qualify for the normal sale normal purchase exemption and changes in their fair value are recorded in income unless cash flow hedge accounting is used, in which case changes in fair value are recorded in other comprehensive income.

As a result of the adoption of these new standards, the Company is required to classify its cash, marketable securities, receivables, and accounts payable and accrued liabilities as financial instruments.

### **OTHER MANAGEMENT'S DISCUSSION AND ANALYSIS**

1. Additional disclosure for venture issuers without significant revenue:

#### ***Capital Stock and Distributed Surplus as November 17, 2008:***

Authorized:

Unlimited common shares without par value

Issued:

62,020,838 common shares

Warrants:

- 1,000,000 exercisable at \$0.75 for 2 year, date of expiry May 29, 2009
- 200,000 exercisable at \$0.65 for 2 years, date of expiry May 29, 2009
- 3,791,000 exercisable at \$0.75 for 2 years, date of expiry June 29, 2009
- 4,126,000 exercisable at \$0.45 for 2 years, date of expiry June 26, 2010
- 122,500 exercisable at \$0.45 for 1 years, date of expiry June 26, 2009

**SKEENA RESOURCES LIMITED**  
*Management Discussion and Analysis*  
September 30, 2008

Total warrants:

9,239,500

Stock options:

Number	Exercise Price	Date of Expiry
600,000	\$0.30	November 21, 2008
650,000	\$0.52	February 18, 2010
100,000	\$0.54	April 15, 2010
300,000	\$0.25	December 21, 2010
200,000	\$0.25	June 28, 2011
850,000	\$0.37	September 02, 2011
280,000	\$0.33	March 19, 2012
1,970,000	\$0.40	September 26, 2012
<u>1,200,000</u>	\$0.30	June 26, 2013
6,150,000		

Total stock options:

6,150,000

Fully diluted:

77,410,338

**OTHER INFORMATION**

***List of Directors and Officers***

***Directors***

J. Rupert Allan, *Vancouver, BC*  
Ronald K. Netolitzky, *Victoria, BC*  
Peter N. Tredger, *Vancouver, BC*  
Alan Lee Barker, *Whitby, Ontario*

***Officers***

J. Rupert Allan, P.Geol., President & CEO  
Karen A. Allan, CMA, Corporate Secretary

***Auditors:***

Davidson & Company

***Company solicitors:***

DuMoulin & Black

***Company banker:***

HSBC Bank of Canada