

LORRAINE COPPER CORP.

Management Discussion and Analysis For the Year Ended February 28, 2009

The following discussion and analysis of the financial position and results of operations for the Company should be read in conjunction with the audited financial statements and the notes thereto for the year ended February 28, 2009.

The following Management Discussion and Analysis ("MD&A") is for the year ended February 28, 2009 and includes relevant information up to May 19, 2009 ("Report Date"). Additional information relating to the Company is on SEDAR at www.sedar.com.

The accompanying financial statements and related notes relating to Lorraine Copper Corp. ("Lorraine Copper" or the "Company") are presented in accordance with Canadian generally accepted accounting principles. These statements, together with the following MD&A dated May 19, 2009 are intended to provide investors with a reasonable basis for assessing the financial performance of the Company as well as forward-looking statements. These statements are subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those implied by the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks set forth below under "Risks and Uncertainties".

Certain statements made may constitute forward-looking statements. Such statements involve a number of known and unknown risks, uncertainties and other factors. Actual results, performance and achievements may be materially different from those expressed or implied by these forward-looking statements.

General

Lorraine Copper is a single project company. As the development of the Lorraine property proceeds, the common shares of Lorraine Copper have good prospect for growth of value. Overall expenditures and share dilution are expected to be minimal. Assuming completion of earn-in by Teck Resources Limited ("Teck") under the current Participation Agreement, Lorraine Copper will still hold a significant 49% interest. It will have critical mass; it will be focused; and it is hoped that its shares will win growing recognition in the market.

PLAN OF ARRANGEMENT

On April 16, 2008, the Company completed a plan of arrangement with Eastfield Resources Ltd. ("Eastfield") and Lysander Minerals Corporation ("Lysander"). Pursuant to the arrangement, 40,000,000 common shares of the Company were exchanged for reorganization shares of Eastfield and Lysander, which were then redeemed and cancelled by Eastfield and Lysander in exchange for \$300,000 in cash and the Lorraine-Jajay mineral property, recorded at its carrying value to Eastfield and Lysander of \$ 5,113,320. Shareholders of common shares of Eastfield and Lysander now hold common shares of the Company.

Lorraine Copper commenced trading on the Exchange on April 17, 2008 under the symbol "LLC".

BUSINESS OVERVIEW

Lorraine Copper, listed on the Exchange under the symbol "LLC", holds the Lorraine mineral project located in north-central British Columbia.

The property is located within the Quesnel Terrane, which is known for its alkalic copper-gold deposits including Galore Creek (in feasibility with NovaGold/TCL partnership), Mt. Polley (in production with Imperial Metals), Afton (in feasibility with New Gold), Copper Mountain (past producer), Kemess (in production with Northgate Exploration) and Mt. Milligan (in feasibility with Terrane Metals). In the region of the Lorraine property, zones of copper-gold-silver mineralization are related to major rift type faulting and associated alkali metasomatism (alteration).

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CURRENT OPERATIONS

Lorraine Property

On January 14, 2009, the Company announced the results from the 2008 exploration program at the Lorraine project, which is being managed by Teck under a Participation Agreement with the Company.

Teck has informed the Company that it successfully drilled 6,935.5 m in 19 holes and tested eight target areas during the 2008 program. A number of significant new developments have resulted from this drilling, most notably, the discovery of another mineralized zone below the Lower Main Zone. Drill hole L08-120 first intersected 159.2 m grading 0.64% copper and 0.30 g/t gold representing the Lower Main Zone, then intersected 58.8 m grading 0.092% copper including 22.1 m grading 0.16% copper 95.3 m beneath the first interception.

Two holes were drilled to test for a northern extension to the Bishop Zone and also to determine if this zone is connected with the Main Zone. Holes L08-121 and 128 very successfully attained this objective, returning 123.3 m of 0.31% copper and 23.4 m of 0.49% copper, respectively. These holes indicate the potential for significantly increasing resources in this area.

New areas of mineralization were also discovered, including: west of the Boundary Zone in holes JTM08-16 and 17; the All Alone Dome target in hole L08-115; and the first significant intercepts of mineralization at the TooGood target in holes L08-116, 118 and 119 where notable mineralization was seen in a few holes that were cut off by post-mineralization dykes, indicating that mineralization in this large target is potentially very extensive.

Copper-gold mineralization on the Lorraine property is alkalic intrusion-related and is analogous to a deposit style that includes the Galore Creek deposit. Other significant alkalic deposits in British Columbia include the Mt. Polley, Afton and Copper Mountain mines. The Lorraine property is located in an area of active logging and is well served by resource infrastructure including all season roads, the Kemess power-line corridor to the northeast and the Canadian National Railway line to the southwest.

The Lorraine property is located in the Quesnel Terrane approximately 250 km northwest of the city of Prince George, British Columbia. Teck is earning a 51% interest in the Lorraine property by spending \$9.0 million by December 31, 2010 of which approximately \$8,400,000 has been spent to date, and may earn up to a 65% interest by completing a feasibility study and arranging production financing.

To view maps showing the drilling results and IP anomalies as well as other data for the Lorraine Project, go to our website: www.lorrainecopper.com

FINANCIAL RESULTS OF OPERATIONS

The Company's recorded loss for the year and quarter ended February 28, 2009 is comprised mainly of general and administrative expenses. There was no significant variation in the level of administrative expenses from the prior quarter. Further, expenditures are currently at a level which should be sustainable over the longer term. Allocable management costs increased during the year since Wildrose Resources Ltd., which previously contributed to the overhead costs of the Eastfield Group of companies, has now merged with Skygold Ventures Ltd. and no longer pays any such cost share. The largest expense incurred during the year was the non-cash, share-based compensation expense of \$197,000 incurred during the first quarter related to the initial grant of 2,625,000 stock options which are exercisable at \$0.15 per share for a period of five years, expiring on May 26, 2013.

Selected Annual Information

The selected information tabulated below is from year-end or period-end financial statements for the current year and the previous period:

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	Other Income	Net Income/ (Loss)	Earnings (Loss) Per share	Total Assets	Long Term Debt	Cash Dividends
	\$	\$	\$	\$	\$	\$
2009	1,560	(310,214)	0.009	5,256,432	-	-
Partial 2008*	27	(45,796)	22,898	12,834	-	-

Summary of Quarterly Results

Period	Quarter ended February 28, 2009	Quarter ended November 30, 2008	Quarter ended August 31, 2008	Quarter ended May 31, 2008	2008*
Net Sales	Nil	Nil	Nil	Nil	Nil
Net and comprehensive loss	\$ 21,800	\$ 24,226	\$ 26,901	\$ 237,287	\$ 45,796
Basic and diluted net loss per share	\$ 0.001	\$ 0.001	\$ 0.001	\$ 0.014	\$ 0.002
Total Assets	\$ 5,256,432	\$ 4,682,199	\$ 4,698,288	\$ 238,337	\$ 12,834
Total Long-term liabilities	Nil	Nil	Nil	Nil	Nil
Cash dividends per share, common	N/A	N/A	N/A	N/A	N/A

* This represents the period from incorporation on October 23, 2007 to February 29, 2008.

No cash dividends have been declared or paid since the date of incorporation and the Company has no present intention of paying dividends on its common shares. The Company anticipates that all available funds will be invested to finance the growth of its business.

Trends

The Company's general and administrative expenditures are related to the level of financing and exploration activities, which in turn depend on the Company's recent exploration activities and prospects, as well as general market conditions relating to the availability of funding for exploration-stage resource companies. The Company does not acquire properties or conduct exploration work on its properties on a pre-determined basis. Thus, there may not be predictable or observable trends in the Company's business activities and comparisons of financial operating results with prior years may not be meaningful.

Other than as herein disclosed, the Company is not aware of any trends, uncertainties, demands, commitments or events which are reasonably likely to have a material effect upon the Company's revenues, income from continuing operations, profitability, liquidity or capital resources, of that would cause reported financial information not necessarily to be indicative of future operating results or financial condition.

RISKS AND UNCERTAINTIES

The Company's exploration programs and ability to raise finance are driven by expectations of discovery and viability of mineral resources. There is a high degree of uncertainty and market perceptions are highly variable. Major factors that could affect the Company's properties at present include the under-noted.

1. *The business cycle, global demand and commodity prices*

Over the past nine months the unprecedented impact of failing financial markets and collapsing commodities markets has been felt worldwide. There are indications that a bottom has been reached, but the pace of recovery cannot be forecast.

2. *Currency exchange rates*

The appreciation of Canadian currency versus a weakening US dollar adversely and significantly affects the viability of mining operations located in Canada that sell minerals, such as copper and gold, in prices

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denominated in US funds. In the long-term, weakness in the US dollar may be partly or wholly compensated by higher quoted prices, but the immediate adverse impact will affect assessments of Canadian exploration properties.

3. *Operating costs in western and northern Canada*

As a result of intense activity in oil, gas and mining projects in recent years, inflationary pressures were significantly affecting construction and operating costs in the area. This is somewhat abated by the current economic downturn. There is, accordingly, uncertainty in assessing the viability of projects.

4. *Permitting*

There are significant time delays and uncertainties affecting the permitting processes, in Canada and in many other areas of the world.

5. *Economic resources*

The Company has not yet established any reportable economic resources. It is exploring structures that are believed to have economic potential, but there is no assurance that resources or ore reserves will be established.

An investment in the Company's common shares is highly speculative and subject to a number of risks and uncertainties. Only those persons who can bear the risk of the entire loss of their investment should participate. An investor should carefully consider the risks described below and the other information filed with the Canadian securities regulators before investing in the Company's common shares. The risks described herein are not the only ones faced. Additional risks may become important factors that affect the Company's business.

The Company's mineral property interests are in the exploration stage. Development of the Company's properties will only proceed upon obtaining satisfactory exploration results. Mineral exploration and development involve high degree of risk and few properties which are explored are ultimately developed into producing mines. There is no assurance that mineral exploration and development activities on the Company's properties will result in the discovery of economically viable mineral reserves for commercial production.

The recoverability of the amounts shown for resource assets is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties and upon future profitable production or proceeds from the disposition of the properties. The Company's ability to continue its operations is dependent on its ability to secure additional financing and while it has been successful in doing so in the past there can be no assurance it will be able to do so in the future. In order to continue developing its mineral properties, management is actively pursuing such additional sources of financing; however, in the event this were not to occur, there would be doubt about the ability of the Company to continue as a going concern. The audited Financial Statements and the discussion and analysis of the financial condition, changes in financial condition and results of operations of the Company for the period ended February 28, 2009 do not include the adjustments that would be necessary should the Company be unable to continue as a going concern.

Substantial expenditures are required to establish reserves through drilling, to develop processes to extract minerals and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis.

The economics of developing mineral properties are affected by many factors which are beyond the Company's control and which cannot be predicted, including the cost of operations, variations of grade of ore discovered, fluctuations in mineral markets, the proximity and capacity of milling facilities, mineral markets and processing equipment, prices of goods and services and other factors such as government regulations, allowable production and environmental regulations. Depending upon the price of minerals discovered and potentially mined, the Company may determine it is neither profitable nor competitive to acquire or develop properties, or commence or continue commercial production.

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Although the Company believes it has exercised commercially reasonable due diligence with respect to determining title to properties, it owns, controls or have the right to acquire by option, there is no guarantee that title to such mineral property interests will not be challenged or impugned. The Company's mineral property interests may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects. There may be valid challenges to the title of the mineral property interests which, if successful, could impair development and/or operations.

Conflicts of interest

Certain officers and directors of the Company are officers and/or directors of, or are associated with, other natural resource companies that acquire interests in mineral properties. Such associations may give rise to conflicts of interest from time to time. The directors are required by law, however, to act honestly and in good faith with a view to the best interests of the Company and its shareholders and to disclose any personal interest which they may have in any material transaction which is proposed to be entered into with the Company and to abstain from voting as a director for the approval of any such transaction.

Limited operating history: losses

The Company has experienced losses in this first period of its operations. There can be no assurance that the Company will operate profitably in the future, if at all.

Price fluctuations: share price volatility

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility and the market price of securities of many mineral exploration companies have experienced wide fluctuations in price, which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. In particular, during the months of April, 2008 through May, 2009 the per share price of the Company's shares fluctuated between a high of \$0.25 to a low of \$0.035.. There can be no assurance that continual fluctuations in price will not occur.

LIQUIDITY AND CAPITAL RESOURCES

The Company's primary capital assets are mineral property interests, which are discussed in detail in the section Business Overview.

Working capital is sufficient to fund current business plans and should be adequate to permit continued professional administration of the Company. The Company does not derive any revenues from operations and does not expect to generate any revenues from operations in the foreseeable future. It is notable that the Company has no current property maintenance commitments as these are borne by Teck.

TRANSACTIONS WITH RELATED PARTIES

During the year ended February 28, 2009, geological services totaling \$5,524 (2008 - \$5,780) were provided to the Company by Mincord Exploration Consultants Ltd. ("Mincord"), a geological service company owned by two directors of the Company. Mincord's relationship with the Company is non-exclusive and without retainer, and is used on a project by project basis. Services provided include the hiring of field and professional personnel, rental of vehicular, camp and technical equipment, transportation and mobilization costs.

In the normal course of business, the Company enters into transactions with related companies for the use of equipment, services and rental of office space. The Company is related to Eastfield (Note 1) through directors in common. Amounts payable for rent, salaries, telephone, office, consulting, convention and travel costs to Eastfield amounted to \$83,426 for the year ended February 28, 2009. These transactions were measured at the exchange amounts agreed to by the parties.

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CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses for the periods reported. The Company's accounting policies are thoroughly described in Note 2 to the February 28, 2009 audited financial statements. The Company's accounting policies relating to investment in mineral properties and deferred exploration costs are critical accounting policies that are subject to estimates and assumptions regarding future activities and these are fully described in the above mentioned Note 2. Recently promulgated accounting standards which have been adopted by the Company are set out as follows:

On March 1, 2008, the Company adopted three new accounting standards described in Section 1535 *Capital Disclosures*, Section 3862 *Financial Instruments – Disclosures* and Section 3863 *Financial Instruments – Presentation* of the Handbook of the Canadian Institute of Chartered Accountants (the "CICA"). The requirements of these new standards are:

Capital Disclosures

Section 1535 requires the disclosure of an entity's objectives, policies and processes for managing capital, quantitative data about what the entity regards as capital, whether the entity has complied with any external capital requirements and, if it has not complied, the consequences of such non-compliance.

As a result of the adoption of this standard, additional disclosure on the Company's capital management has been included in Note 9 to the financial statements.

Financial Instruments - Disclosures and Financial Instruments – Presentation

Sections 3862 and 3863 replace Handbook Section 3861 *Financial Instruments - Disclosure and Presentation*, revising its disclosure requirements and carrying forward its presentation requirements. These new sections place increased emphasis on disclosure about the nature and extent of risks arising from financial instruments and how the entity manages those risks.

Section 3862 requires disclosure which enable users to evaluate the significance of financial instruments for the entity's financial position and performance, the nature and extent of and exposure to risks arising from financial instruments and how the entity manages those risks. As a result of the adoption of this standard, additional disclosure on these risks has been included in Note 10 to the financial statements.

Section 3863 establishes standards for the presentation and classification of financial instruments and non-financial derivatives. The adoption of this standard did not have any impact on the classification or presentation of the Company's financial instruments.

Future Accounting Changes

The Accounting Standards Board of the CICA ratified a strategic plan in 2006 that will result in Canadian GAAP, as used by the Company, evolving and being converged with International Financial Reporting Standards ("IFRS") over a transitional period to be completed by 2011. The International Accounting Standards Board also has projects currently under way that should result in new pronouncements which will be included in the convergence process. The Company is conducting a detailed assessment of the requirements of IFRS, with the intention of identifying differences, if any, in accounting policies, selecting the policies which are appropriate for the Company, identifying the appropriate disclosure in financial statements prepared under IFRS and developing an implementation plan to complete the transition to IFRS by January 1, 2011.

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OUTSTANDING SHARE DATA AS AT June 1, 2009:

(a) Authorized and issued share capital:

Class	Par Value	Authorized	Issued Number
Common	No par value	Unlimited	40,000,002

(b) Summary of options outstanding:

Security	Number	Exercise Price	Expiry Date
Options	2,625,000	0.15	May 26, 2013

(c) Summary of warrants outstanding: Nil

(d) There are no escrowed or pooled shares.

OTHER INFORMATION

The Company's web site address is www.lorrainecopper.com. Other information relating to the Company may be found on SEDAR at www.sedar.com.

INTERNAL CONTROL AND DISCLOSURE CONTROLS OVER FINANCIAL REPORTING:

On November 23, 2007, the British Columbia Securities Commission exempted Venture Issuers, such as the Company, from certifying disclosure controls and procedures, as well as internal controls over financial reporting as of December 31, 2007 and thereafter. The Company is now required to file basic certificates. Such certificates have been filed. The Company makes no assessment relating to establishment and maintenance of disclosure controls and procedures as defined under Multilateral Instrument 52-109 as at February 28, 2009.