MAWSON RESOURCES LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE SIX MONTHS ENDED NOVEMBER 30, 2007

Background

This discussion and analysis of financial position and results of operation is prepared as at January 18, 2008 and should be read in conjunction with the interim consolidated financial statements and the accompanying notes for the six months ended November 30, 2007 of Mawson Resources Limited ("Mawson" or the "Company"). Those consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP"). Except as otherwise disclosed, all dollar figures included therein and in the following management discussion and analysis ("MD&A") are quoted in Canadian dollars. Additional information relevant to the Company's activities, can be found on SEDAR at www.sedar.com .

Company Overview

The Company's common shares trade on the TSX Venture Exchange ("TSXV") under the symbol "MAW" and on the Frankfurt Stock Exchange under the trading symbol "MRY".

The Company holds significant uranium resources in the nuclear energy reliant countries of Spain, Sweden and Finland. As the European Union reduces its reliance on carbon-based energy sources, the Company is well placed as it develops its exploration portfolio towards the sustainable production of uranium in the shortest possible time frame.

The Company is exploring an extensive uranium portfolio of 19 projects in three European countries, including five 100% owned resource-status projects.

The Company is firmly focused on the exploration and development of its advanced European uranium assets. The Company will continue to expand on its current uranium resource base through drilling, new acquisitions and potential corporate growth opportunities.

The Company completed two agreements during the period, purchasing joint venture partner, North Atlantic Natural Resources AB's ("NAN" - a subsidiary of Lundin Mining AB) equity interests in the Company's gold projects for $250,000 and subsequently vending these gold projects plus additional base metal projects to Hansa Resource Limited ("Hansa"), a publicly traded company listed on the TSXV. In consideration, the Company will receive 6,000,000 common shares and $250,000 cash. The equity holding represents approximately 19% of Hansa's share capital. In addition, the Company retains a 2% NSR on all properties not included in the agreement with NAN. Completion of the agreements are subject to receipt by Hansa of final regulatory approvals.

Corporate Update

Effective December 17, 2007, Mr. Gil Leathley was been appointed as a director of the Company. Mr. Leathley brings over 50 years of senior experience encompassing all aspects of international mining operations. Between the periods of 1975 to 2000, Mr. Leathley was the driving force in overseeing the development of six major operating mines on behalf of Noranda Mining, Corona Resources and Homestake Mining. Strategic development included the Golden Giant, Jolu, Eskay Creek, Santa Fe, Ruby Hill and Nickel Plate mines. During his tenure, he held various senior management and operating positions, ranging from Mine Superintendent and General Manager to Senior Vice President, and Chief Operating Officer. His responsibilities included overseeing mine development and operations with work forces of up to 2,500 employees. As a noted specialist in operational economics and company finances, he also played a key leadership role in the evaluation of acquisitions and the integration of acquisitions with the various parent companies.

Effective December 19, 2007 Mr. Nick DeMare, a director of the Company since its incorporation, was appointed Chief Financial Officer.

Project Update

Sweden

The Company currently has three principal properties located in Sweden, the Kläppibäcken, Duobblon and Tåsjö Properties (the "Principal Properties"). In addition the Company has a number of non-principal properties in Sweden including the Flistjårn, Åsnebogruvan, Nörr Döttern, Harrejokk, Sjaule, Stensjödalen, Stensjödalen South, Långvattnet and Tresjöarna uranium projects and the Storbodsund nickel, copper cobalt project. The Company holds the uranium rights to 34 exploration permits for 37,020 hectares in Sweden.

Field work activities continued at full pace in Sweden. One hundred kilometres of EM geophysical surveying was completed at Tåsjö, covering 20 kilometres of strike of the uranium host horizon. At Hotagen, 700 radon caps and 400 line kilometres of ground scintillometer surveying were completed.

Drill results from the Kläppibäcken during the period gave significant near-surface and high-grade uranium mineralization. Best results, calculated with a lower cut-off of 200ppm U_3O_8, included:

KLÄDD0703:	56 metres at 0.10% U_3O_8 from 20 metres;
including	5 metres at 0.24% U_3O_8 from 25 metres, and
including	24.7 metres at 0.12% U_3O_8 from 46.3 metres;
KLÄDD0702:	23.1 metres at 0.12% U_3O_8 from 18.6 metres; and
	8.6 metres at 0.10% U_3O_8 from 51.5 metres;

At Tåsjö final results were released from a 53-drill hole program. Uranium was drill tested in a mineralized sedimentary horizon from surface to typically 40 metres vertical depth, across an area covering 1,100 metres in strike and 250 metres in width. Drilling was performed on a grid of 25 or 50 metre spacing, on sections separated by 100 metres. Forty-one of the 53 drill holes intersected significant uranium mineralization, with the uranium host sequence ranging from 0.9 metres to 13 metres thickness and grading between 100 ppm to 442 ppm U_3O_8. The mineralized unit averaged 5.0 metres at 246 ppm U_3O_8.

The Company added the Långvattnet uranium prospect to its portfolio during the period. The project lies 4.2 kilometres west of Mawson's Kläppibäcken prospect and is contained within the Company's 100%-owned Långvattnet nr 1 exploration permit, which forms part of the contiguous 8,315 hectare Hotagen project area.

At Långvattnet, three areas of uranium mineralization have been discovered over an area approximately 450m by 200m. The first area consists of a linear array of mineralized outcrops, while the other two are comprised of glacial boulder trains. In the outcrop area, mineralization is associated with an east-west trending fluorite bearing fracture zone, developed in fine grained foliated granite. The fracture zone has a maximum width of 3 metres and a strike in outcrop of 70 metres. One of the radiometric outcrops has been sampled, which returned a value of 0.26% U_3O_8.

The western boulder train lies 150 metres south of the outcrop area and consists of more than 50 radioactive boulders over an area of approximately 60 metres by 80 metres. A fluorite veined and brecciated granite is the typical host to uranium mineralization. Ten radiometric boulders have been analyzed, which returned values ranging from 0.02 to 0.55% U_3O_8 and averaged 0.22% U_3O_8. The boulders are angular, fissile and well clustered, suggesting they are very proximal to the source outcrop.

The eastern boulder train lies 400 metres west of the outcrop area and is comprised of at least 60 radioactive boulders over a 75 metre by 50 metre area. Thirteen radiometric boulders have been analyzed, which returned values ranging from 0.08 to 1.06% U_3O_8 and averaged 0.37% U_3O_8. Uranium mineralized boulders at this location are fine grained, foliated felsic intrusive with abundant uranium bearing fluorite veins and breccias, and again are interpreted to be very close to the bedrock source of the mineralization.

At all three sites, the host rock to uranium mineralization is a foliated to mylonitic granite or fine grained felsic intrusive. Uranium mineralization consists of pitchblende within fluorite veins or breccias and is geologically similar to Mawson's Kläppibäcken uranium prospect. Mawson has completed geological mapping, geochemical sampling, radon cup surveys, gridded ground scintillometer measurements and ground magnetics to determine the extent of the mineralized area and to search for buried mineralization associated with the boulder trains. There has been no previous drilling within 1.5km of the Långvattnet prospect.

Radon cup anomalies lie slightly offset from the locally sourced uranium mineralized boulders which suggests bedrock mineralization may lie very close to the boulder trains. The location of mineralized outcrops and boulders suggest that east-west striking zones of uranium-bearing mylonite and breccia may exist in the area. The results from ground magnetic and radon cup surveys support this interpretation. As of December 31, 2007, a request for permission to drill the Långvattnet prospect was under preparation.

Other Developments

The Company continues to refocus on exploring and developing its advanced resource uranium projects in Sweden and Spain. To this end, the Company signed a letter of intent with a private, arm's length Australian company to farm out four non-core, early stage uranium projects in Sweden - namely the Åsnebogruvan, Nörr Döttern, Harrejokk and Sjaule projects. Pursuant to the Letter of Intent, and in consideration for a cash payment of US$50,000, the third party entered into a binding agreement during the period. The third party may earn an initial 51% interest in the projects by incurring US$1 million in-ground expenditure by April 2011, with certain minimum expenditures that are required to be met annually. The third party may move to a 75% interest by fully funding any project to successful feasibility. The Company's free-carried interest shall remain at 49% until completion of a bankable feasibility study.

Spain

The Company's Spanish team has been active during the period, securing additional uranium permits and continuing the compilation of the historic database from the Don Benito project. The Company holds 11 exploration permit applications for 82,056 hectares in Spain, further information about which will be released as it is compiled. The Don Benito project is particularly significant due to the recent uranium mining history, the presence of substantial infrastructure including power and roads and the 30 kilometers of resource and reserve drilling.

The Company continues to digitize the database from more than 30 kilometres of drilling, and all previous mining information from the Don Benito project. Andrew Browne, Mawson's independent qualified person, visited the site in November 2007 in preparation for publication of a NI43-101 report when permitting advances. During the period, the Spanish Mining Authorities ("Junta de Extremadura") requested the "Guarantee Payment" for granting ("Admisión Definitiva") of the uranium Investigation Permits that cover the Don Benito uranium project. Mawson lodged this Guarantee Payment on June 27, 2007.

Finland

Saramäki Uranium Project

The Company staked three claims applications within its initial claim reservations at the Saramäki prospect in October 2007. The Saramäki 1-3 uranium claim applications in the Nilsiä district of eastern central Finland. These claim applications cover 200 hectares.

Saramäki was discovered by private prospectors in 1963, when radioactive outcrops and boulders were located within a five kilometre long northeast-southwest trending magnetic anomaly. Follow up work by Outokumpu Oy included various geophysical and geochemical methods, including 1,425 rock chip samples which averaged 0.009% U_3O_8 from 131 pits within a 4000 metre x 200 metre area.

The radioactive outcrops were drill tested with eight diamond drill holes by both the Outokumpu Oy and the Geological Survey of Finland between 1965 and 1977. The uranium mineralized horizon was intersected in each drill hole. Mawson has access to all publicly available exploration data and drill core from the Geological Survey of Finland and Outokumpu. Historic drill intersections included:

M19/52/3333/77/R304:	21.9m @ 0.04% U_3O_8 from 82m,
including	3.9m @ 0.05% U_3O_8
and	4.4m @ 0.08% U_3O_8;
Mv/Te-1:	5.6m @ 0.07% U_3O_8 from 62m,
including	2.8m @ 0.10% U_3O_8

Uranium at Saramäki is hosted within a breccia along a 4,000 metre long and up to 200 metre wide apatite bearing gneiss and is similar in style to uranium mineralization at Mawson's 100%-owned claim application Nuottijärvi 1, located 150 kilometres away. During summer 2007 field programs, Mawson conducted ground scintillometer traverses which confirmed the scale and size of the uranium mineralized magnetic trend.

Nuottijärvi Uranium Project

In February 2007, the Company staked the Nuottijärvi uranium project in central Finland, one of that nation's largest known uranium deposits.

The Company's 100%-owned claim application "Nuottijärvi 1" is approximately 100 hectares in size and has been confirmed to hold priority by the Finnish state mining authority, the Ministry of Trade & Industry (MTI).

Nuottijärvi was identified in 1959 from the discovery of a radioactive outcrop, and was followed up with various geochemical and geophysical methodologies, with drill testing by Outokumpu Oy between 1965 and 1969. The Company gained has access to all previous publicly available exploration data and drill core from the Geological Survey of Finland and Outokumpu Oy. Better drill intersections included:

PLT-NU-017:	40.7m for 0.08% U_3O_8 from 59.9m;
PLT-NU-011:	33.4m for 0.06% U_3O_8 from 17.8m,
including	3.8m @ 0.13% U_3O_8;
PLT-NJ-033:	40.3m for 0.05% U_3O_8 from 23.0m;
PLT-NU-004:	179.8m for 0.04% U_3O_8 from 18.1m

Uranium at Nuottijärvi is present as uraninite associated with fluorapatite, within a 40-metre wide mineralized breccia, hosted by a carbonate-apatite horizon at the contact between quartzite and graphite-bearing phyllite.

In 1969, Outokumpu Oy reported a historical resource at Nuottijärvi of 2.9 million tonnes at 0.044% U_3O_8 (2.9 million pounds of U_3O_8) based on 43 diamond drill holes for 6,679 metres, drilled on a 50-metre-by-50-metre drill pattern. The mineralized body is approximately 40 metres in thickness, extends from surface to a vertical depth of 80 metres, trends over a strike length of more than 400 metres, and remains open along strike and at depth.

The historical resource estimates quoted above are based on a report titled "Paltamo Nuoti Resource Calculation" by Aarto Huhma in 1969 of Outokumpu Oy. The resource was calculated using a polygonal method and is roughly analogous to CIM definitions "Indicated" and "Inferred". Data is historical in nature and was compiled prior to the implementation of NI 43-101 reporting standards. Mawson has not completed sufficient exploration to verify the estimates. Mawson is not treating them as National Instrument defined resources or reserves verified by a Qualified Person, and the historical estimate should not be relied upon. The Company does not have, and is not aware of, any more recent resource estimates that conform to the standards set out in National Instrument 43-101.

Other Uranium Projects

The Company also staked the Paukkanjanvaara 1 and Mustamma 1 claims in February and May 2007 respectively, and the Saramäki 1, 2, and 3 claims in November 2007.

Past Exploration Claim Reservations in Finland

The Company was granted six claim reservations in Finland in late 2006, covering three areas of known uranium mineralization in the north and east of the country. These were the Simonkorpi 1 and 2 claim reservations, the Saramäki 1 and 2 claim reservations and the Joensuunkylä 1 and 2 claim reservations. These claim reservations gave the Company the sole right to apply for exploration claims in the area for 1 year and allow exploration to be undertaken up to the point of ground disturbance. Each claim reservation area was approximately 9 square kilometers in dimension. Following Mawson's first phase of exploration, Mawson allowed the Simonkorpi 1 and 2 and Joensuunkylä 1 and 2 claim reservations to lapse without exploration claims being lodged.

Future Developments

On November 26, 2007, the Company mobilized a diamond drill rig to the Kläppibäcken project. A second diamond drill rig was mobilized on December 19, 2007. By December 31, 2007 the first rig had completed three drill holes for 711 metres. This first rig is drilling the immediate extensions to mineralization, while the second will focus on previously reported radon cup anomalies to identify new sites of mineralization within a 1 kilometre radius of the Kläppibäcken resource area. The Company plans to complete 4,000 drill metres in the first quarter of 2008.

The Company has been granted further permission to drill the Tåsjö project over a 20 kilometre strike to the northeast and southwest of the current drill area. A drill rig will commence a 2000 metre program from February 2008.

Drilling is also planned to commence at the Norr Döttern uranium project (5 holes) and Storbodsund nickel projects (500 metres) in February 2008.

Gold Exploration Projects

Mawson is focused on the exploration and development of its advanced European uranium assets. The Company will continue to expand on its current uranium resource base through drilling, new acquisitions and potential corporate growth opportunities. To this end, the Company finalized two agreements which are described in detail in "Corporate Update" in this MD&A.

Forward Looking Statements

Certain information included in this discussion may constitute forward-looking statements. Forward-looking statements are based on current expectations and entail various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different than those expressed or implied. The Company disclaims any obligation or intention to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

Selected Financial Data

The following selected financial information is derived from the unaudited interim consolidated financial statements of the Company.

	Fiscal 2008		Fiscal 2007				Fiscal 2006	
	Nov 30 2007 $	Aug 31 2007 $	May 31 2007 $	Feb 28 2007 $	Nov 30 2006 $	Aug 31 2006 $	May 31 2006 $	Feb 28 2006 $
Operations:								
Revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Expenses	(562,795)	(339,659)	(2,083,764)	(530,336)	(224,603)	(591,131)	(277,400)	(920,362)
Other items	193,652	162,832	147,679	61,284	116,822	44,308	41,320	(5,595)
Net income (loss)	(369,143)	(176,827)	(1,936,085)	(469,052)	(107,781)	(546,823)	(236,080)	(925,957)
Basic and diluted loss per share	(0.01)	(0.00)	(0.06)	(0.02)	(0.00)	(0.02)	(0.01)	(0.04)
Dividends per share	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Balance Sheet:								
Working capital	14,870,000	15,694,641	16,342,362	17,210,627	7,915,700	8,488,907	8,925,959	2,204,494
Total assets	20,305,960	20,544,237	20,667,308	20,763,728	11,031,635	11,015,708	10,991,315	3,916,264
Total long-term liabilities	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Results of Operations

During the six months ended November 30, 2007 (the "2007 period"), the Company reported a net loss of $545,970 ($0.02 per share), a decrease of $108,634 from the net loss of $654,604 ($0.02 per share) for the six months ended November 30, 2006 (the "2006 period"). The decrease in loss is mainly attributed to the $377,690 reduction in the recognition of stock based compensation of $455,615 in the 2006 period versus $77,925 in the 2007 period and partially offset by an increase of $196,468 in interest income from cash deposits held.

Total expenses increased by $86,720 from $815,734 during the 2006 period to $902,454 during the 2007 period. Specific expenses of note during the 2007 and 2006 periods are as follows:

- incurred $17,000 in the 2007 period (2006 - $13,600) for accounting and administration services charged by Chase Management Ltd. ("Chase"), a private corporation controlled by Mr. Nick DeMare, a director of the Company;
- incurred general exploration expenditures of $192,436 in the 2007 period (2006 - $93,714) relating to ongoing costs of the Company's exploration offices in Sweden. Fluctuations in general exploration is affected by the level of general exploration and allocations to direct property costs;
- incurred corporate development costs of $17,786 in the 2007 period (2006 - $18,473) for promotional materials, coverage of the Company in industry publications and newsletters and participation in investment conferences;
- incurred $82,936 for travel expenses in the 2007 period (2006 - $54,860), primarily for increased travel between Canada/Europe/Australia by the Company's President and Vice-President of Exploration to oversee the Company's expanded property acquisitions and exploration programs. In addition, during the 2007 period management of the Company incurred increased travel to Europe and the United States to identify and review numerous potential acquisitions of mineral interests;
- incurred legal fees of $43,888 (2006 - $1,552), primarily for services in preparing and reviewing property agreements and the Company's application to upgrade its common share listing to the TSX Exchange;
- incurred shareholder costs of $21,497 (2006 - $4,726) due to increased news dissemination activities in Canada, USA and Europe;
- the Company has retained Mr. Nick Nicolaas to provide market awareness and investor relation activities. Mr. Nicolaas is paid a monthly fee of $5,000 through his company, Mining Interactive Corp. During the 2007 period, the Company paid $32,000 (2006 - $18,000) to Mr. Nicolaas. During the 2006 period, the Company had retained Pascal Geraths Gesellschaft Für Presse ("Pascal Geraths") to provide market awareness and investor relation activities in Europe for a fee of €7,500 per month. During the 2006 period, the Company paid Pascal Geraths $32,471;
- incurred due diligence costs of $199,579 relating to a potential property acquisition in Africa. The Company has determined not to pursue this opportunity;
- incurred audit fees of $25,096 (2006 - $9,260) for the audit of the Company's year-end financial statements. The increase in fees is attributed to the timing of the billings;
- paid $82,680 in the 2007 period (2006 - $43,482) to consultants for professional services and general financing services. The Company also reimbursed $6,000 (2006 - $6,000) to Tumi Resources Limited, a public company with common directors, for shared administration and other costs;
- during the 2007 period, the Company incurred in total $126,000 (2006 - $112,000) for management and professional fees charged through Sierra Peru Pty ("Sierra") for remuneration of Mr. Michael Hudson, the Company's President and CEO, and Mr. Mark Saxon, the Company's Vice-President of Exploration. The Company has capitalized $61,383 (2006 - $69,334) to unproven mineral interests and expensed $64,617 (2006 - $42,606) as management fees; and
- during the 2007 period, the Company granted 65,000 (2006 - 770,000) stock options and recorded non-cash stock-based compensation expense of $12,000 (2006 - $384,900). During the 2007 period, the Company recorded $65,925 (2006 - $70,715) compensation expense relating to the vesting of stock options which had been granted in prior periods.

As the Company is in the exploration stage of investigating and evaluating its unproven mineral interests, it has no revenue. Interest income is generated from cash held with the Company's financial institution. During the 2007 period, the Company reported interest income of $340,855 as compared to $144,387 during the 2006 period. The increase is attributed to higher levels of cash held during the 2007 period as a result of financings conducted.

During the 2007 period, the Company incurred a total of $997,579 (2006 - $948,672) on acquisition costs and exploration activities on its unproven mineral interests. In total, the Company spent $898,210 on its Uranium Projects and $99,369 on its other projects. Details of the exploration activities conducted in the 2007 period are described in "Exploration Projects" in this MD&A.

Financial Condition / Capital Resources

As at November 30, 2007, the Company had working capital of $14,870,000. The Company believes that it currently has sufficient financial resources to conduct anticipated exploration programs and meet anticipated corporate administration costs for the upcoming twelve month period. However, exploration activities may change due to ongoing results and recommendations, or the Company may acquire additional properties, which may entail significant funding or exploration commitments. In the event that the occasion arises, the Company may be required to obtain additional financing. The Company has relied solely on equity financing to raise the requisite financial resources. While it has been successful in the past, there can be no assurance that the Company will be successful in raising future financing should the need arise.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Proposed Transactions

The Company has no proposed transactions.

Critical Accounting Estimates

A detailed summary of all the Company's significant accounting policies is included in Note 2 to the May 31, 2007 audited consolidated financial statements.

Changes in Accounting Policies

Recent Accounting Pronouncements

Effective June 1, 2007 the Company has adopted two new accounting standards related to financial instruments that were issued by the Canadian Institute of Chartered Accountants. These accounting policy changes were adopted on a prospective basis with no restatement of prior period financial statements. The new standards and accounting policy changes are as follows:

Financial Instruments - Recognition and Measurement (Section 3855)

In accordance with this new standard, the Company now classifies all financial instruments as either held-to-maturity, available-for-sale, held-for-trading, loans and receivables, or other financial liabilities. Financial assets held-to-maturity, loans and receivables and financial liabilities other than those held-for-trading are measured at amortized cost. 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 loss.

Upon adoption of this new standard, the Company has designated its cash and cash equivalents as held-for-trading, which are measured at fair value. Exploration advances and other receivables are classified as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost. As at November 30, 2007, the Company did not have any financial assets classified as available-for-sale and therefore the adoption of the standards noted above had no effect on the presentation of the Company 's financial statements.

Comprehensive Income (Section 1530)

Comprehensive income is the change in shareholders' equity during a period from transactions and other events and circumstances from non-owner sources. In accordance with this new standard, the Company now reports a statement of comprehensive income and a new category, accumulated other comprehensive income, in the shareholders' equity section of the balance sheet. The components of this new category will include unrealized gains and losses on financial assets classified as available-for-sale.

Transactions with Related Parties

During the six months ended November 30, 2007, the Company:

(i) incurred a total of $43,000 (2006 - $13,600) for accounting, administration and professional fees provided by certain directors of the Company;

(ii) incurred $126,000 (2006 - $112,000) for management and professional fees provided by Sierra Peru, of which $61,383 (2006 - $69,394) was capitalized to unproven mineral interests and $64,617 (2006 - $42,606) charged to management fees; and

(iii) incurred $6,000 (2006 - $6,000) for shared administration and other costs with Tumi Resources Limited, a public company with common directors and officers.

As at November 30, 2007, $40,500 (2006 - $3,820) was outstanding to the related parties and was included in accounts payable and accrued liabilities.

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

Risks and Uncertainties

The Company competes with other mining companies, some of which have greater financial resources and technical facilities, for the acquisition of mineral concessions, claims and other interests, as well as for the recruitment and retention of qualified employees.

The Company is in compliance in all material regulations applicable to its exploration activities. Existing and possible future environmental legislation, regulations and actions could cause additional expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted. Before production can commence on any properties, the Company must obtain regulatory and environmental approvals. There is no assurance that such approvals can be obtained on a timely basis or at all. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations.

The Company's material mineral properties are located in Sweden and Spain and consequently the Company is subject to certain risks, including currency fluctuations which may result in the impairment or loss of mining title or other mineral rights, and mineral exploration and mining activities may be affected in varying degrees by governmental regulations relating to the mining industry.

Investor Relations Activities

The Company provides information packages to investors; the package consists of materials filed with regulatory authorities. The Company updates its website (www.mawsonresources.com) on a continuous basis. Effective November 1, 2004, the Company retained Mr. Nick Nicolaas to provide market awareness and investor relations activities. Mr. Nicolaas' services are provided through his company, Mining Interactive Corp. The Company pays $5,000 per month for such services and during the 2007 period, the Company paid a total of $32,000 (2006 - $18,000). The arrangement may be cancelled by either party on 15 days notice.

Outstanding Share Data

The Company's authorized share capital is unlimited common shares without par value. As at January18, 2008, there were 36,500,555 issued and outstanding common shares. In addition, there were 3,548,250 stock options outstanding, at exercise prices ranging from $0.40 to $2.10 per share, and 5,510,692 warrants outstanding, at exercise prices ranging from $0.50 to $2.75 per share.

Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that material information is gathered and reported to senior management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to permit timely decisions regarding public disclosure.

Management, including the Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures. Based on this evaluation, the Chief Executive Officer and Chief Financial Officer has concluded that the Company's disclosure controls and procedures, as defined in Multilateral Instrument 52-109 - Certification of Disclosure in Issuer's Annual and Interim Filings ("52-109"), are effective to ensure that the information required to be disclosed in reports that are filed or submitted under Canadian Securities legislation are recorded, processed, summarized and reported within the time period specified in those rules. In conducting the evaluation it has become apparent that management relies upon certain informal procedures and communication, and upon "hands-on" knowledge of senior management. Management intends to formalize certain of its procedures. Due to the small staff, however, the Company will continue to rely on an active Board and management with open lines of communication to maintain the effectiveness of the Company's disclosure controls and procedures. Lapses in the disclosure controls and procedures could occur and/or mistakes could happen. Should such occur, the Company will take whatever steps necessary to minimize the consequences thereof.

Internal Controls and Procedures over Financial Reporting

Management is also responsible for the design of the Company's internal control over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian generally accepted accounting principles. During the process of management's review and evaluation of the design of the Company's internal control over financial reporting, it was determined that certain weaknesses existed in internal controls over financial reporting. As is indicative of many small companies, the lack of segregation of duties and effective risk assessment were identified as areas where weaknesses existed. The existence of these weaknesses is to be compensated for by senior management monitoring which exists. The Company is taking steps to augment and improve the design of procedure and controls impacting these areas of weakness over internal control over financial reporting. It should be noted that a control system, no matter how well conceived or operated, can only provide reasonable assurance, not absolute assurance, that the objectives of the control system are met.