

MOSAM CAPITAL CORP.

MANAGEMENT DISCUSSION AND ANALYSIS
For the nine months ended October 31, 2009

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Management Discussion & Analysis
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General

This management's discussion and analysis of financial position and results of operations is prepared as at December 22, 2009, and should be read in conjunction with the unaudited interim consolidated financial statements of Mosam Capital Corp. (the "Company" or "Mosam") for the nine months ended October 31, 2009 and the related notes thereto. Those interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles for interim financial statements and, as a result, do not contain all disclosure required under generally accepted accounting principles for annual financial statements. Accordingly, readers may want to refer to the Company's January 31, 2009 annual consolidated financial statements and accompanying notes. All dollar amounts included therein and in the following management's discussion and analysis ("MD&A") are expressed in Canadian dollars except where otherwise noted. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

Forward Looking Information

This MD&A may contain "forward looking statements" that reflect the Company's current expectations and projections about its future results. When used in this MD&A, words such as "estimate", "intend", "expect", "anticipate" and similar expressions are intended to identify forward-looking statements, which, by their very nature, are not guarantees of the Company's future operational or financial performance, and are subject to risks and uncertainties and other factors that could cause Mosam's actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward-looking statements.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this MD&A or as of the date otherwise specifically indicated herein. Due to risks and uncertainties identified elsewhere in this MD&A, actual results may differ materially from current expectations. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Company Overview

The Company was incorporated under the provisions of the Business Corporations Act (British Columbia) on February 1, 2006.

On October 10, 2008 the Company entered into a letter of intent with Full Metal Minerals (USA) Inc. ("Full Metal") to acquire an option to earn an undivided 60% interest in and to the mineral properties comprising Full Metal's "Mount Andrew Property" located approximately 48 km west north-west of Ketchikan, Alaska (the "Acquisition"). The Acquisition constituted the "Qualifying Transaction" of the company as such term is defined in the policies of the TSX Venture Exchange (the "Exchange"). The company obtained the final acceptance of the TSX Venture Exchange for the qualifying transaction on June 8, 2009.

The Company is currently exploring its mineral properties and has not yet determined whether its mineral properties contain reserves that are economically recoverable. The recoverability of amounts capitalized for

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mineral properties is dependent upon the discovery of sufficient economically recoverable ore reserves, confirmation of the Company's interest in the underlying mineral properties, the ability of the Company to arrange appropriate financing or seek joint venture partners to complete the development of the mineral properties and upon future profitable production or proceeds from the sale of the mineral properties

Exploration Review

Mount Andrew Property

During the period, the Company carried out a program of geological mapping and sampling at Mt. Andrew at a cost of \$253,343 and is awaiting the results of the program. The Company will make a decision about further exploration based on the results of the interpretation by Zonge of geophysical data generated during the recent exploration program. Full Metal Minerals Ltd. is the operator under the Company's option agreement with Full Metal.

Property Highlights

The Mount Andrew copper-iron deposit is located on the Kasaan Peninsula on the east side of Prince of Wales Island. The property is comprised of 15 patented federal mining claims totaling 101.5 hectares. The patented mining claims are owned by a private group, the Mount Andrew Mining Company ("MAMC"), which have no encumbrances to the title. All lands in the area of interest are privately owned through either patented mining claims or by Alaskan Native Corporations.

The historic surface workings at Mount Andrew are at the 410-meter to 435-meter elevations although there are other prospects and workings at lower elevations on the patented claims. Copper ore was first discovered on the Kasaan Peninsula by the Russians about 1865, and the first lode claims in Alaska were allegedly staked in 1867 on the Copper Queen prospect, a mile southeast of the present location of Kasaan village. The Mamie and Mount Andrew mines in the Mount Andrew's area were discovered in 1898-99 with eventual production from these two mines and the Stevenstown mine located between them totaling 5729 mt copper, 1.74 mt silver and 216 kg gold. The last production at each property was in 1918.

The Mount Andrew deposit was drilled extensively by Utah Construction & Mining (later Utah International, and now part of BHP-Billiton) (Utah) in 1957, 1958, 1960 and 1961. In 1962 Utah conducted geologic and geophysical surveys in the area, and in 1971-1972 Kaiser Resources (Kaiser) drilled the property under option from Utah. 2006 work by Full Metal Minerals included limited confirmation drilling (5 holes) in the compound mineralized zone and confirmation and exploration drilling in the North Zone. In 2007 an additional 13 holes were drilled, two in the compound mineralized zone, seven in the North Zone, one at the Peacock prospect, and three at the Rico prospect.

Exploration potential at Mount Andrew is found in the compound mineralized zone and the North Zone as presently defined, and at depths below 100 meters in both the compound mineralized zone and the North Zone. Additional potential may be present in untested or minimally tested zones near the historic Rico, Good Luck-Mayflower, Commonwealth, and Glory and North Star prospects.

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The foregoing technical disclosure, including results of the previous exploration conducted by Full Metals, has been reviewed and compiled by Robert McLeod, M.Sc., P. Geo., who is the Vice-President, Exploration of Full Metals and is a "Qualified Person" for the purpose of NI 43-101. All geological information provided on the Mt. Andrew Property, has been provided by management of Full Metal.

The Company carried out a Phase 1 drilling program of approximately CA\$200,000, including core drilling, mapping, soil sampling and additional gravity, with a second phase contingent on the results of Phase 1.

The terms of the option are as follows:

	<i>Payments</i>	<i>Shares</i>	<i>Expenditures</i>
First Year	\$50,000 (completed)	250,000 (completed)	\$ 200,000 (completed)
Second Year	\$25,000	250,000 shares	\$ 400,000
Third Year	\$25,000	250,000 shares	\$1,000,000
Fourth Year	\$25,000	250,000 shares	\$1,400,000

Following the exercise of the option by the Company, the Company and Full Metals will continue under a joint venture.

Full Metal acquired an option to purchase a 100% interest in the Mt. Andrew Property in October 2006 from MAMC by completing exploration programs totaling US\$800,000 over four years, paying US\$210,000 in cash followed by annual US\$50,000 in Advanced Royalty payments until the commencement of Commercial Production. Upon commencement of commercial production, Full Metal will pay MAMC a Net Smelter Return Royalty (NSR) of 2% of net revenues for five years, after which, the NSR will increase to of 4% of net revenues. Full Metal shall have the right to purchase one percent (1%) of the NSR at any time for US\$ 1,000,000 at any time (resulting in a NSR of 1% and/or 3% of net revenues). Reference is made to Full Metal's news release dated October 13, 2006 for details of the acquisition of its interest in the Mt. Andrew property.

Results of Operations

Three Months Ended October 31, 2009

The Company recorded a loss of \$236,417 for the three months ended October 31, 2009 compared to a loss of \$29,973 for the same period in the prior year. While general and administrative expenses remained constant over the comparative periods, the increase in loss is mainly due to exploration expenditures of \$213,190 that were incurred during the current quarter (2008 - \$nil) on its Phase 1 program at the Mount Andrew project. Office costs increased from \$381 to \$8,621 as the Company is now paying for office rent and overhead costs whereas in the prior year, no direct rental costs were incurred.

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Nine Months Ended October 31, 2009

The Company recorded a loss of \$318,727 for the nine months ended October 31, 2009 compared to a loss of \$66,694 for the nine months ended October 31, 2008. General and administrative costs were comparable for the period. As with the current quarter, the increase in loss was mainly due to \$213,190 in exploration expenditures on the Phase 1 program at Mount Andrew and \$40,153 pursuant to the option agreement with Full Metal, whereby the Company, upon final acceptance of its Mount Andrew option as its Qualifying Transaction, reimbursed Full Metal for exploration expenditures incurred between October 10, 2008 (the date of signing of the LOI) and the closing of the transaction which occurred in the second quarter.

Summary of Quarterly Results

Quarter ended	Interest Income \$	Income (Loss) \$	Basic and Diluted Earnings (Loss) per share \$
October 31, 2009	1,638	(236,417)	(0.02)
July 31, 2009	1,738	(60,912)	(0.01)
April 30, 2009	784	(21,398)	-
January 31, 2009	37,077	197,015	0.01
October 31, 2008	1,017	(29,973)	-
July 31, 2008	1,750	(16,354)	-
April 30, 2008	1,690	(20,367)	-
January 31, 2008	7,867	(107,703)	(0.01)

The fluctuation in Income/Loss for the quarters ended January 31, 2008 and January 31, 2009 is mainly due to the Company's previously held asset-backed commercial paper. The Company incurred an impairment charge of \$100,000 during each of the quarters ended October 31, 2007 and January 31, 2008. However during the quarter ended January 31, 2009, the Company was able to reverse the \$200,000 impairment charges and receive in cash all of its asset-backed commercial paper. The increase in loss as for the two most recent quarters is due to the closing of the Mount Andrew option and completion of the Phase 1 work program.

Liquidity and Capital Resources

The Company reported working capital of \$960,429 at October 31, 2009 compared to \$1,340,956 at January 31, 2009. The decrease in working capital of \$388,527 due to a loss from operations of \$318,727, \$50,000 incurred for the option payment on the Mount Andrew option, which was capitalized, and \$4,060 of interest income.

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All the Company's cash and cash equivalents at October 31, 2009 are held in interest bearing accounts and highly liquid short-term interest bearing investments.

Management believes that its financial resources will be sufficient to cover the likely requirements for the next twelve months.

Off-Balance Sheet Arrangements

The Company does not utilize off-balance sheet arrangements.

Changes in Accounting Policies

Adopted

Goodwill and intangible assets

Effective January 1, 2009, the Company adopted CICA Handbook Section 3064, "Goodwill and Intangible Assets", which replaced Section 3062, "Goodwill and Other Intangible Assets". The new standard establishes revised standards for the recognition, measurement, presentation and disclosure of goodwill and intangible assets. The new standard also provides guidance for the treatment of pre-production and start-up costs and requires that these costs be expensed as incurred. Adoption of this new accounting standard did not affect the Company's consolidated financial statements.

Credit risk and the fair value of financial assets and liabilities

On January 20, 2009, the CICA issued EIC abstract 173 which establishes that an entity's own credit risk and the credit risk of the counterparty should be taken into account in determining the fair value of financial assets and financial liabilities, including derivative instruments. The adoption of this abstract did not have a significant impact on the Company's financial statements.

To be adopted

Business Combinations, Consolidated Financial Statements and Non-Controlling Interests

In January 2009, the CICA issued CICA Handbook Section 1582, Business Combinations, Section 1601, Consolidations, and Section 1602, Non-Controlling Interests. These sections replace the former Handbook Section 1581, Business Combinations and Section 1600, Consolidated Financial Statements and establish a new section for accounting for a non-controlling interest in a subsidiary. CICA Handbook Section 1582 revises standards for the accounting for a business combination, and states that all assets and liabilities of an acquired business will be recorded at fair value. Obligations for contingent considerations and contingencies will also be recorded at fair value at the acquisition date. The standard also states that acquisition-related costs will be expensed as incurred and that restructuring charges will be expensed in the periods after the acquisition date. It provides the Canadian equivalent to IFRS 3, Business Combinations (January 2008). The section applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011.

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CICA Handbook Section 1601 revises standards for the preparation of consolidated financial statements.

CICA Handbook Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in the preparation of consolidated financial statements subsequent to a business combination. It is equivalent to the corresponding provisions of IFRS International Accounting Standards ("IAS") 27, Consolidated and Separate Financial Statements (January 2008).

CICA Handbook Section 1601 and Section 1602 apply to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011. Earlier adoption of these sections is permitted as of the beginning of a fiscal year. All three sections must be adopted concurrently. The Company is currently evaluating the impact of the adoption of these sections.

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 generally accepted accounting principles with IFRS over an expected five year transitional period.

In February 2008, the AcSB confirmed that Canadian GAAP for publicly accountable enterprises will be converged with IFRS effective in calendar year 2011, with early adoption allowed starting in calendar year 2009. IFRS uses a conceptual framework similar to Canadian GAAP, but there are significant differences on recognition, measurement and disclosures. In the period leading up to the changeover, the AcSB will continue to issue accounting standards that are converged with IFRS, thus mitigating the impact of adopting IFRS at the changeover date. The International Accounting Standards Board (IASB) will also continue to issue new accounting standards during the conversion period, and as a result, the final impact of IFRS on the Company's consolidated financial statements will only be measured once all the IFRS applicable at the conversion date are known.

For the Company, the changeover to IFRS will be required for interim and annual financial statements beginning on January 1, 2011. As a result, the Company will continue to develop a plan to convert its consolidated financial statements to IFRS. The Company has completed a scoping study which identifies the mandatory and optional exemptions from retrospective application of IFRS accounting policies and provides a comparison of the Company's current accounting policies with those prescribed under IFRS. The Company will provide training to key employees and will be monitoring the impact of the transition on its business practices, systems and internal controls over financial reporting.

Risks and Uncertainties

The business of mineral deposit exploration and extraction involves a high degree of risk. Few properties that are explored ultimately become producing mines. At present, none of the Company's properties has a known commercial ore deposit. The main operating risks include: securing adequate funding to maintain and

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advance exploration properties; ensuring ownership of and access to mineral properties by confirmation that claims and leases are in good standing and obtaining permits for drilling and other exploration activities.

The market prices for silver, gold and other metals can be volatile and there is no assurance that a profitable market will exist for a production decision to be made or for the ultimate sale of the metals even if commercial quantities of precious and other metals are discovered.

Mosam is currently earning an interest in its properties through an option agreement and acquisition of title to the properties is only completed when the option conditions have been met. These conditions generally include making property payments, incurring exploration expenditures on the properties and can include the satisfactory completion of pre-feasibility studies. If the Company does not satisfactorily complete these option conditions in the time frame laid out in the option agreements, the Company's title to the related property will not vest and the Company will have to write-off the previously capitalized costs related to that property.

Outstanding Share Data

Authorized and issued common shares:

(a) Authorized:

Unlimited number of common shares without par value.

(b) Issued and fully paid:

	Number of Shares	Amount
		\$
Common shares issued for cash	4,264,000	668,542
Initial public offering	5,000,000	1,000,000
Common shares issued for option payment	250,000	40,000
Share issue costs		210,952)
Balance, December 22, 2009	9,514,000	\$ 1,497,590

(c) Stock options and charitable options outstanding as at December 22, 2009

	Number of Shares	Exercise Price	Expiry Date
Stock options	559,000	\$0.20	November 30, 2011
Charitable options	87,000	\$0.20	November 30, 2016