

## MANAGEMENT'S REPORT

Management's discussion and analysis (MD&A) should be read in conjunction with the interim financial statements of the Company as at March 31, 2006. The Company's financial statements were prepared in accordance with generally accepted accounting principles in Canada. The reporting currency is the Canadian dollar (CAD) and all amounts presented in the MD&A are in Canadian dollars.

This MD&A, dated May 8, 2006, was prepared in compliance with the provisions of Form 51-102F1 and approved by the Company's Board of Directors.

### Forward-looking information

The MD&A contains forward-looking statements that reflect, at the date of the MD&A, the Company's expectations, estimates and projections with regard to its operations, the mining industry in general, and the economic environment in which it operates. Although reasonable, the statements entail a certain amount of risk and uncertainty and there is no guarantee that they will prove to be accurate. Consequently, actual results could be materially different from those implied or expressed by these forward-looking statements.

### OVERALL PERFORMANCE

*Radisson* is a mineral exploration company engaged in the acquisition, exploration and development of mineral properties in northwestern Québec and northwestern Ontario.

In light of the current price of gold and positive drilling results identifying the 36 East gold zone, the Company is re-evaluating the O'Brien/Kewagama project to determine whether it is better to go ahead with underground bulk sampling from the existing mine shafts on the O'Brien and Kewagama properties or to continue diamond drilling on surface to increase known gold resources. To this end, a scoping study will be carried out in 2006 by an independent consulting firm.

Over the past few years, exploration work has focused on the 36 East Zone and its extensions. The zone lies inside the volcanic rocks of the Piché Group, south of the Cadillac fault. However, the new gold zones discovered by the Globex-Queenston joint venture on the Wood-Pandora project, which lies due east of the O'Brien / Kewagama project, are located either in (8.5 g/t gold over 28.0 metres, D Zone) or north (68.2 g/t gold over 1.5 metres, Mudstone Zone) of the Cadillac Fault. The Company will therefore undertake a compilation and integration of existing data for the entire project to develop new exploration targets.

In early 2006, Globex and Queenston reported a new discovery north of the fault (22.6 g/t over 45.8 m). This new discovery results from drill testing an electromagnetic anomaly obtained by an airborne electromagnetic survey.

The Company will be carrying out an airborne survey, in 2006, over the entire O'Brien/Kewagama area. The results of this airborne survey will be integrated into the compilation to generate new drilling targets.

As already mentioned in the Annual Report, the Company has been evaluating its portfolio of properties to effectively target future projects. The first result of this operation was the identification of the Douay and Massicotte properties as highly prospective for the discovery of gold deposits.

The Douay property is located in northwestern Québec, about 35 kilometres southwest of the town of Matagami. It is wholly owned by Radisson and originally consisted of 24 mineral titles with a total area of 825 hectares, in Douay and Veza townships. Additional staking was carried out and should increase the total area of the project to about 1,245 hectares, once government confirmations have been obtained, in addition to covering the Casa-Bérardi / Douay / Cameron gold corridor over a strike length of more than 4 kilometres.

The Company also expanded the Massicotte property, located about 185 kilometres north of Rouyn-Noranda, in northwestern Québec. In fall 2005, Radisson acquired 47 claims by map designation, increasing the area of the property from 864 to 3,824 hectares. It now covers more than fourteen lithologically favourable kilometres along the Massicotte deformation zone (MDZ). Several gold showings have been discovered along the latter, the most significant of these being the Lynx and Rambo zones.

From February 28 to April 27, 2006, the Company increased the total area to 4,192 hectares, to consolidate its land position. The new claims made it possible to cover the eastern extension of the Sunday Lake deformation zone, which hosts the Detour Lake Mine (1.7 million ounces of gold) and the recently reported discoveries by Pelangio and Trade Winds Ventures.

Compilation work is currently underway to select the most prospective sectors. Exploration work will be proposed for selected targets, depending on the Company's financial capability, and an airborne survey is being considered for this year.

During the last quarter, the Company's management decided to diversify the portfolio of mineral exploration properties to increase shareholder value. It identified molybdenum as a very valuable metal and acquired five properties in northwestern Ontario. It therefore successfully diversified the Company's activities, both geographically and in terms of commodities sought.

Radisson therefore acquired the Highway, Harper Lake, Olsen Bay, Grave Lake and Grave Lake Option properties, which contain several molybdenum showings and a few gold showings. These properties are located in the Dryden area, in northwestern Ontario. A preliminary prospecting program was already completed in 2005.

An airborne electromagnetic survey will begin shortly; it will guide upcoming exploration work.

More generally, on March 23, 2006, the Company retained Bay Street Connect Ltd. as its investor relations consultant.

On April 11, 2006, the Company granted Bay Street Connect Ltd. an option entitling it to purchase 250,000 shares, at a price of \$0.33 per share until April 2011.

The Company was present at the Cordilleran Roundup and the Cambridge House Investment Conference in Vancouver, in January 2006, and also organized a road show, visiting brokers in Montréal, in February 2006.

### **Equity financing**

In the quarter ending March 31, 2006, the Company did not engage in any equity financing. However, on April 26, 2006, the Company completed a private placement for \$500,000. Eighty percent (80%) of this amount, amounting to \$400,000, was in the form of flow-through shares. The 20% in non-flow-through financing, totalling \$100,000, will mainly be used to pay the costs related to any financing (commissions, legal documents, press releases, regulatory and TSX fees) and the balance will be used to fund the Company's working capital. The proceeds from the flow-through financing will be used for exploration work on the O'Brien/Kewagama properties, in northwestern Québec, and on properties in the Dryden area, in northwestern Ontario.

The Company will shortly announce the closing of another placement for nearly \$1,200,000, which will be directed towards development of the O'Brien/Kewagama properties and for working capital.

### **Exploration program**

During the quarter ending March 31, 2006, there was little exploration work, amounting to \$6,335. However, in accordance with its recent \$400,000 flow-through financing, the Company made a commitment to carry out exploration work for assessment purposes in that amount. An airborne survey will begin shortly on the Dryden area properties; it will guide the future exploration program. As for the O'Brien/Kewagama properties, a compilation and integration of existing data for the entire project is underway to develop new exploration targets. An airborne survey is also being planned on the properties in the short term, in conjunction with the data compilation, to guide the 2006 exploration program.

### **Stock market**

The Company's shares have been listed on the stock market since 1986 and are currently listed on the TSX Venture Exchange under the symbol RDS, in the "early-stage company" category.

## SELECTED ANNUAL INFORMATION

Highlights of the last three financial years  
(in thousands of dollars except for amounts per share)

	Financial year ending December 31st		
	2005	2004	2003
	\$	\$	\$
Total assets	4,418	4,625	3,760
Revenue	10	13	1
Net loss	543	197	1,156
Net loss per share	0.02	0.01	0.04
Long-term debt	0	1	2

## SUMMARY OF QUARTERLY RESULTS

(in thousands of dollars, except for amounts per share)

Quarter	Total Income	Net Income (Net Loss)	Earnings (Loss)
			per Share Basic and Diluted
	\$	\$	\$
June 2004	1	(68)	(0.00)
September 2004	7	(68)	(0.00)
December 2004	3	7	0.00
March 2005	3	(107)	(0.00)
June 2005	-	(138)	(0.00)
September 2005	3	(133)	(0.00)
December 2005	4	(165)	(0.00)
March 2006	2	(112)	(0.00)

In the quarter ending March 31, 2006, the net loss was \$111,731. This amount corresponds to Radisson's operating expenses and is due to costs related to being a public company. Salaries and benefits, professional fees, expenditures for experts and subcontractors, as well as other costs related to administering the Company also contributed to this loss. No stock-based compensation was recorded during the three-month period ending March 31, 2006. The net loss for the three-month period ending December 31, 2005, is higher, considering year-end adjustments, which are mostly related to stock-based compensation. The stock-based compensation amounted to \$37,250 for the three-month period ending June 30, 2005, which contributed to the net loss for this period.

Analyzing the details of expenses for these four quarters leads to the conclusion that most of Radisson's expenses are stable and predictable. Compared with the corresponding periods in 2004, professional fees rose considerably in the last three quarters of 2005. The increase in these fees is accounted for by an increase in auditing fees, an increase in accounting fees, as well as the cost of the services of a geology professional.

Comparing the three-month period ending March 31, 2005, with the three-month period ending March 31, 2006, the "Experts and Sub-contractors" expense increased by more than \$10,000. This is due to the fact that part of the geology fees were not charged to exploration projects. Salaries and benefits varied from 2005 to 2006 because, in 2005, an employee received vacation pay, which was already included in payables. Moreover, professional fees were relatively stable over these comparable periods. Expenses related to information for shareholders have decreased considerably as a result of the significant drop in the number of annual reports printed on paper; they have been replaced by electronic versions, which shareholders can read on the Internet. The decline in the number of shareholders also contributed to this decrease. The "Insurance, Taxes and License Fees" item increased considerably, because, in 2005, certain expenses had been charged to the exploration project while, during the same quarter in 2006, they were charged to the Statement of Income.

The Company's management continues to optimally manage the funds available for its operating expenses and is confident of maintaining a sound financial position throughout the 2006 financial year.

## **LIQUIDITY AND CAPITAL RESOURCES**

The Company recently issued \$500,000 in shares. It intends to use much of this money (\$400,000) to continue exploration work on the O'Brien and Kewagama properties and on properties in Ontario. After deduction of issuance fees from the remaining portion (\$100,000), the balance will be used to fund the Company's working capital.

As at March 31, 2006, the Company had a cash balance of \$13,861 and \$155,000 in a term deposit. As at December 31, 2005, the cash balance was \$34,036 and the term deposit was \$254,033. As at March 31, 2006, the Company's working capital amounted to \$48,744, compared to \$164,174 as at December 31, 2005. As at March 31, 2006, the Company had to spend \$3,665 in exploration expenditures related to flow-through financing completed in August 2005. On the date of this MD&A, Radisson has a greater amount of working capital as a result of completing a \$500,000 placement. The Company's financial position is therefore sound; there are sufficient funds available to continue operations for a period of about 6 months.

The Company's principal source of financing is equity financing, which depends on venture capital markets, the attractiveness of exploration companies to investors, and metal prices.

To continue its exploration activities and be able to support ongoing operations, Radisson will need to continue its work with the financial community to obtain further equity financing.

The Company could shortly announce the closing of another placement for nearly \$1,200,000, which will be used for the development of the O'Brien/Kewagama properties and for working capital.

The Company's management anticipates that an amount of about \$100,000 per quarter will be necessary to meet its administrative expenses.

Outstanding warrants, if exercised, represent potential financing of about \$1.2 million. Outstanding stock options, if exercised, represent additional potential financing of about \$900,000.

## **CONTRACTUAL OBLIGATIONS AND COMMITMENTS**

The only contractual obligation related to the two option agreements signed in 2005 for the molybdenum properties is to duly maintain the claims; should the options be abandoned, the Company has committed to carrying out exploration work to ensure that said claims are valid for an additional period of at least six months. The monetary obligations for 2006 related to the options include an \$8,000 cash payment coming to term on September 1st and another of \$4,000 coming to term on December 8th as part of the second option. In both cases, 10,000 shares are to be issued.

As at March 31, 2006, the Company must spend \$3,665 in exploration expenditures related to flow-through financing completed in 2005.

Following its recent placement, the Company has an obligation to spend a minimum of \$400,000 in exploration work in 2006. As already mentioned, \$100,000 will be spent on the properties in Ontario, while \$300,000 will be used to advance exploration work on the O'Brien and Kewagama properties in Québec.

## **RELATED PARTY TRANSACTIONS**

In the course of its administrative activities, the Company rents office space from the president of Radisson Mining Resources Inc. During the three-month period ending March 31, 2006, the rental amounted to \$1,050.

These operations occur in the ordinary course of business and were recorded at the exchange value, which is the consideration determined and agreed upon by the related parties.

## **ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE**

The Company provides information about deferred exploration expenditures in Note 3 of its interim financial statements ending March 31, 2006.

The Company has no research and development expenditures.

The Company has no deferred expenses other than mineral properties and deferred exploration expenditures.

### **GENERAL ADMINISTRATIVE COSTS**

Following are the details of general administrative costs for the three-month period ending March 31, 2006:

Telecommunications	\$1,493
Rental costs	\$251
Stationery and office supplies	\$172
Claim management	\$10,551
Water, electricity and heating	<u>\$553</u>
Total	<u>\$13,020</u>

### **CRITICAL ACCOUNTING POLICIES AND ESTIMATES**

The critical accounting policies and those that require more judgment and estimations when establishing the Company's financial statements are detailed as follows:

#### **Mineral properties and deferred exploration expenditures**

Mineral properties are recorded at cost. Exploration and development expenses, minus related government assistance, are deferred. When a production decision is made, the costs related to the deposit, recorded in "Mineral Properties" and "Deferred Exploration Expenditures", are capitalized. These costs will then be amortized using the unit-of-production method for the financial year based on probable and proven ore reserves. However, when a project is abandoned, the corresponding costs are written off.

These assets are written down when the Company does not plan to carry out other work in the foreseeable future or in the absence of work over a period exceeding three years.

#### **Stock-based compensation**

The Company uses the fair value method for recording stock-based compensation on the income statement. Using this method, the Company distributes the expense over the vesting period of the options. The expected life of the options used to calculate their fair value is based on Management's experience and judgment.

#### **Income and mining taxes**

The Company uses the asset and liability method of accounting for income taxes. Under this method, future tax assets and liabilities are determined based on differences between the financial reporting and tax bases of assets and liabilities and are measured using the substantially enacted tax rates and laws that will be in effect, at the date of the financial statements, for the financial year during which the differences are expected to reverse. The Company establishes a valuation allowance with regard to future tax assets if, according to available information, it is more likely than not that all or part of future income tax assets will not be realized.

### **RISK FACTORS**

Risks related to exploration

Mineral exploration involves a high degree of risk. Few of the properties explored are put into production. Unusual or unexpected rock formations, fires, power outages, labour disputes, floods, explosions, cave-ins,

landslides, and problems in obtaining qualified workers and appropriate or adequate machinery or equipment are other risks involved in carrying out exploration programs.

The economics of developing resource properties are affected by many factors, including operating costs, variations in the grade of ore mined, fluctuations in metal markets, processing equipment costs and other factors such as Native land claims, government regulations, especially regulations relating to royalties, allowable production, importing and exporting natural resources, and environmental protection. Depending on the price of the natural resources produced, the Company can determine that it is not appropriate to begin or continue commercial production. There is no certainty that amounts spent by the Company in exploring its mineral properties will lead to the discovery of commercial quantities of ore. Most exploration projects do not result in the discovery of commercially mineable ore deposits.

#### Environmental and other regulations

Existing and future environmental legislation, regulations and measures could give rise to additional costs, capital expenditures, restrictions and delays in the Company's activities that are unpredictable in scope. The requirements of environmental regulations and standards are under constant evaluation and can be increased considerably, which could seriously affect the Company's business or its ability to develop its properties economically. Before production can begin on a property, the Company must obtain regulatory and environmental approvals; there is no assurance that these approvals will be obtained or can be obtained in a timely manner. The costs of changes in government regulations can also reduce the profitability of operations or completely preclude the economic development of a property.

#### Risks related to financing and development

The development of the Company's properties therefore depends on its ability to obtain the necessary additional financing. There is no assurance that it will be successful in obtaining the required financing. Furthermore, putting resource properties into production depends on obtaining the services of experienced personnel or of coming to agreements with other large resource companies that can provide the expertise.

#### Market forces

Factors beyond the Company's control can influence the marketability of the gold or any other mineral discovered. The price of resources has fluctuated considerably, especially over the past few years. The impact of these factors cannot be accurately predicted.

#### Uninsured risks

The Company can be held liable for the results of cave-ins, pollution, or other risks against which it cannot or may elect not to insure because of the high cost of premiums or for other reasons. The payment of these liabilities could reduce or eliminate the funds available for exploration and mining activities.

### **OTHER MD&A REQUIREMENTS**

Additional information about the Company is available on SEDAR ([www.sedar.com](http://www.sedar.com)).

### **NATIONAL INSTRUMENT 51-102**

Disclosure, as at April 8, 2006, of data relating to outstanding securities

Outstanding category A shares: **35,092,851**

Warrants: **3,094,299**

Number of Warrants:	Exercise Price	Expiry Date
546,875	\$0.45	December 2006
700,000	\$0.29	August 2007
33,333	\$0.39	August 2007
434,783	\$0.30	April 2008
1,379,308	\$0.40	April 2008

Broker Warrants for units consisting of one common share and one warrant: **181,409**  
These Broker Warrants expire in April 2008.

- 43,478 A units at \$0.23 per unit (each A unit consists of one common share and one warrant entitling its holder to subscribe to one share at a price of \$0.30 per share).
- 137,931 B units at \$0.29 per unit (each B unit consists of one common share and one warrant entitling its holder to subscribe to one share at a price of \$0.40 per share).

Outstanding options: **2,692,830**

Number of options:	Exercise price	Expiry Date
310,000	\$0.40	June 27, 2007
500,000	\$0.42	August 27, 2007
150,000	\$0.38	August 15, 2007
300,000	\$0.27	March 30, 2008
250,000	\$0.41	April 24, 2008
500,000	\$0.34	October 21, 2009
257,830	\$0.15	March 2, 2010
175,000	\$0.30	October 31, 2010
250,000	\$0.33	April 11, 2011

*Donald Lucas*