

STROUD RESOURCES LTD.

FORM 51-102FI

MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2008

April 23, 2009

1. Date

This Management Discussion and Analysis (“MD&A”) for the financial year ended December 31, 2008 is dated April 23, 2009 and should be read in conjunction with the Company’s consolidated financial statements. All financial information is prepared in accordance with Canadian generally accepted accounting principles (“GAAP”) and is expressed in Canadian dollars

2. Overview

Stroud Resources Ltd. (the “Company” or “Stroud”) is a junior resource company involved in the acquisition, exploration and development of mineral properties. Stroud has focused its exploration activities on the Santo Domingo epithermal silver-gold project in central Mexico and its Hislop gold property in northern Ontario.

During the 2008 fiscal year, an 11 hole, 2,250 metres drill program was completed on the Santo Domingo property. These drill holes have demonstrated that wide zones of silver and gold mineralization are present on the property. Stroud has been drilling the Rayas zone and a portion of the Guadalupe zone at the 1,000 metre elevation. Stroud typically drills sections at 50 metre intervals along the strike of the mineralized zone. Each section is usually made up of three to four holes drilled at minus 6 degrees to minus 85 degrees in order to test the continuity of the mineralization downdip. Approximately 500 metres of strike length of the Rayas has been tested to date and the mineralization appears to be continuous. The mineralized area is open to the north, south and updip as well as downdip. Lead and zinc values are higher in the southern portion of the Rayas zone although the zone appears to get wider along the strike to the north. Consistent silver and gold values have also been encountered in the Guadalupe zone. Stroud’s geologist and drillers live onsite during the drilling program. Stroud has living quarters for 13 people, a cookhouse and dining area as well as onsite core logging and core cutting facilities. Electrical power is provided by a 22,000 volt power line with a back up generator. Potable water is trucked in.

Subject to financing, Stroud intends to continue to drill the Santo Domingo Property in 2009. The Rayas Zone is open along strike to the North and South and up dip as well as down dip. Stroud intends on drilling the up dip section of the Rayas Zone first. The mineralization outlined by this drilling program would potentially be open pit mineable. Also subject to financing, an updated NI-43-101 report estimating the silver and gold resources on the Santo Domingo Property will be completed.

Due to difficult market conditions for raising equity capital and to conserve working capital, the Company ceased exploration activities on the Santo Domingo property in October, 2008. Exploration work will recommence when sufficient funding has been obtained. The Company is actively exploring various alternatives for the raising of additional capital.

Stroud acquired an option on the Santa Cruz silver-gold property in Mexico in 2007. The Company can acquire a 100% interest in the 4,800 hectare property by making cash payments to the optioners of US\$145,000 (of which US \$70,000 has been paid to date) and by issuing 145,000 shares (of which 35,000 shares have been issued to date) over a three year period. Numerous adits are present on the property. Prior silver production on the property was reported to be 70,000 ounces per month in the late 1800's. The Santa Cruz property has at least five sets of veins. These veins have never been drilled and the existing workings have penetrated only part way along the vein system. Sampling by Stroud's geologists demonstrated that these veins contain silver and gold mineralization.

The Company incurred a net loss of \$1,166,308 for the year ended December 31, 2008 compared to net loss of \$166,211 for 2007. A future income tax expense of \$372,667 in 2008 compared to a future income tax recovery of \$101,451 in 2007 accounted for a significant portion of the increase in net loss. Stock-based compensation expense increased from \$188,272 to \$441,380 in 2008. Cash used in operating activities in 2008 was \$134,606 compared to \$461,129 in 2007.

3. Selected Annual Information

The following table sets out selected financial information of the Company for the past three years ended December 31, 2008, 2007 and 2006. The following summary of selected financial information is derived from, should be read in conjunction with, and is qualified in its entirety by reference to the Company's financial statements, including the notes thereto, which can be viewed at www.sedar.com.

	Year Ending December 31, 2008	Year Ending December 31, 2007	Year Ending December 31, 2006
	\$	\$	\$
Revenue	251,426	222,658	189,490
Net Loss	(1,116,308)	(166,211)	(912,421)
Net Loss per Share	(0.0079)	(0.0013)	(0.0085)
Working Capital (Deficiency)	(152,488)	415,475	2,229,604
Mineral Properties and Deferred Costs	10,795,338	9,472,900	7,814,165
Total Assets	11,556,815	10,916,830	10,834,488
Current Liabilities	235,951	179,241	348,309
Shareholders' Equity	9,201,392	8,932,098	9,027,830

The Company's working capital has decreased from \$415,475 in 2007 to a deficiency of \$57,646 in 2008 with the majority of funds being used to further exploration at the Santo Domingo property. The Company is actively pursuing financing to fund exploration and operations for 2009.

4. Results of Operations

Revenue from oil and gas operations has increased by 13% to \$251,426 in 2008, compared to \$ 222,658 for 2007. Higher production volumes in 2008 were offset by lower prices. Stock based compensation expense for 2008 increased by \$224,108 from 2007 levels. Other administrative expenses were down about 2% in 2008 from 2007.

During the year, the Company issued stock options to directors, officers and consultants for 3,775,000 shares. The fair market value of the stock options was computed to be \$ 407,250 of which \$ 359,634 has been charged to stock-based compensation expense for the year. The Company also recorded stock-based compensation expense of \$ 52,746 during 2007, for previously issued stock options that vested during the year.

A description of the Company's mineral properties can be found in Note 5 to its 2008 financial statements which have been filed on SEDAR and are also available at www.stroudresourcesltd.com.

Nature of Business

The Company was incorporated on March 18, 1983 and is considered to be in the development stage. The Company is in the process of exploring its mineral properties and has not yet determined whether these properties contain ore reserves that are economically recoverable.

The recoverability of the carrying values of these interests is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development thereof and the future profitable production therefrom or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs of the carrying values.

Mining Industry

The exploration for and development of mineral deposits involves significant risk, which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of a mineral deposit may result in substantial rewards, few properties that are explored are ultimately developed into producing mines. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration programs planned by the Company will result in a profitable commercial mining operation. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, permitting, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted but the combination of these factors may result in the Company not receiving an adequate return on investment.

Forward-Looking Statements

This management's discussion and analysis may contain statements that are "Forward-looking Statements". These include statements about the Company's expectations, beliefs, plans, objectives and assumptions about future events or performance. These statements are often, but not always, made through the use of words or phrases such as "will likely result", "are expected to", "will continue". "anticipate", "believes", "estimate", "intend", "plan", "would", and "outlook" or statements to the effect that actions, events or results "will", "may", "should" or "would" be taken, occur or be achieved. Statements and estimates concerning mineral resources may also be deemed to be forward-looking statements in that they involve estimates, based on certain assumptions, regarding the mineralization that would be encountered if and when a mineral deposit were to be developed and mined. Forward-looking statements are not historical facts, and are subject to a number of risks and uncertainties beyond the Company's control. Accordingly, the Company's actual results could differ materially from those suggested by these forward-looking

statements for various reasons discussed throughout this analysis. Forward-looking statements are made on the basis of the beliefs, opinions and estimates of the Company's management on the date the statements are made and the Company does not undertake any obligation to update forward-looking statements if the circumstances or management's beliefs, opinions or estimates should change. Readers should not place undue reliance on forward-looking statements.

5. Summary of Quarterly Results

The following table sets forth, for the quarter indicated, information relating to the Company's revenue, net loss and loss per common share as prepared under generally accepted accounting principles in Canada.

	Revenues	Net Loss	Basic and Diluted Net Loss / Share
March 31, 2007	58,190	179,191	0.0009
June 30, 2007	60,380	(120,697)	(0.0010)
September 30, 2007	57,545	(215,817)	(0.0018)
December 31, 2007	46,543	(8,888)	(0.0001)
March 31, 2008	50,198	(197,760)	(0.0014)
June 30, 2008	71,517	(486,421)	(0.0038)
September 30, 2008	77,874	(229,059)	(0.0018)
December 31, 2008	51,837	(253,068)	(0.0012)

Revenue generated from the oil and gas properties fluctuated from quarter to quarter, affected by seasonal demand and price, as well as production levels. Changes in net losses reflect primarily the recognition of stock based compensation expense and future income tax liabilities.

For further annual and quarterly financial information, please refer to the Company's financial statements that have been filed on SEDAR.

6. Fourth Quarter

Revenue from oil and gas for the last quarter of 2008 increased by 11.6% from the same quarter of 2007, largely due to higher prices for gas and gas condensates in the early part of 2008. Production from oil and gas fell in the fourth quarter of 2008 compared to the previous quarter of 2008 by 12%. Together with falling prices, revenue in the fourth quarter of 2008 decreased by 33% from the previous quarter.

Stock-based compensation expense of \$ 151,628 and future income tax expense of \$34,896 increased the loss for the quarter.

7. Liquidity

The Company had a working capital deficiency of \$57,646 at December 31, 2008. In the last quarter of 2008, the Company initiated a financing plan to raise up to \$1,200,000 by way of private placement to fund operations and further exploration activities.

On February 19, 2008, the Company completed a private placement for 9,581,000 units at a price of \$0.105 per unit raising gross proceeds of \$1,006,005. Each unit consisted of one common share and one-half of one common share purchase warrant. Each full warrant entitles the holder to acquire one common share at an exercise price of \$0.15 until February 19, 2010. The Company paid finders' fees of \$4,040 in cash and issued 38,480 broker warrants exercisable at \$0.15 for a 12-month period.

During the year, the Company reduced the exercise price of 11,666,667 warrants expiring on May 4, 2008 from \$0.30 to \$0.15. Gross proceeds of \$24,927 were received for the exercise of 166,182 warrants, and the balance of 11,500,485 warrants expired unexercised.

8. Capital resources

The Company does not have sufficient capital resources to meet its desired exploration programs and general and administrative expenses for fiscal 2009. Financing plans have been delayed with the collapse in financial markets. The Company continues to search for financing, and remains hopeful that a financing transaction can be completed in the second quarter of 2009.

9. Off-Balance Sheet Arrangements

As of the date of this filing, the Company does not have any off-balance sheet arrangements that have, or reasonably likely to have, a current or future effect upon the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity and capital resources.

10. Transactions with Related Parties

During the year ended December 31, 2008, the Company paid to the President of the Company \$85,000 in salary of which \$31,500 has been deferred and capitalized within mineral properties as they directly relate to the further development of the sites. The Company incurred legal fees of \$66,828 to a law firm in which a director of the Company is a partner. The legal services, which are in the normal course of operations, have been measured at the exchange amount.

11. Proposed Transactions

The Company has not entered into any significant transaction, nor is it currently reviewing any such transaction, which requires board approval, shareholder approval or regulatory approval that has not been discussed within this MD&A.

12. Shareholder Rights Plan

During the year, the Company adopted a shareholder rights plan (the "Plan") similar to those adopted by many other Canadian corporations. The Plan was adopted to address the board's concerns that current legislation does not provide sufficient time for the board and shareholders of the Company to properly evaluate an unsolicited bid for control or to pursue alternatives with a view to maximizing shareholder value. The Plan seeks to ensure that all shareholders of the Company have an equal opportunity to participate in the benefits of a takeover bid.

13. Critical Accounting Estimates

The Company's significant accounting policies are presented in Note 2 of the financial statements for the year ended December 31, 2008.

14. Changes in Accounting Policies

Effective January 1, 2008, the Company adopted three new accounting standards: Handbook Section 1535, Capital Disclosures; Handbook Section 3862, Financial Instruments – Disclosures; Handbook Section 3863, Financial Instruments – Presentation. These standards are effective for interim and annual financial statements for the Company's reporting period beginning on January 1, 2008. Section 1535 specifies the disclosure of (i) an entity's objectives, policies and processes for managing capital; (ii) quantitative data about what the entity regards as capital; (iii) whether the entity has complied with any capital requirements; and (iv) if it has not complied, the consequences of such non-compliance. The new Handbook Sections 3862 and 3863 replace Handbook Section 3861, Financial Instruments – Disclosure and Presentation, revising and enhancing its disclosure requirements, and carrying forward unchanged its presentation requirements. These new sections place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how the entity manages those risks.

RECENT ACCOUNTING PRONOUNCEMENTS

International Financial Reporting Standards

In May 2007, the CICA published an updated version of its “Implementation Plan for Incorporating International Financial Reporting Standards (“IFRS”) into Canadian GAAP”. This plan includes an outline of the key decisions that the CICA will need to make as it implements the Strategic Plan for publicly accountable enterprises that will converge Canadian generally accepted accounting principles with IFRS. The changeover date from Canadian GAAP to IFRS is for annual and interim financial statements relating to fiscal years beginning on or after January 1, 2011.

Goodwill and Intangible Assets

In February 2008, the CICA issued Section 3064, “Goodwill and Intangible Assets”, which replaces Section 3062, “Goodwill and Other Intangible Assets”, and Section 3450, “Research and Development Costs”. The purpose of this Section is to establish recognition, measurement, and disclosure of goodwill and intangible assets and to provide more specific guidance on the recognition of internally developed intangible assets and requires that research and development expenditures be evaluated against the same criteria as expenditures for intangible assets. The Section substantially harmonizes Canadian standards with International Financial Reporting Standards and applies to annual and interim financial statements relating to fiscal years beginning on or after October 1, 2008. It is not expected to have a material impact on the Company’s financial statements.

15. Financial Instruments and Other Instruments

The Company is not involved in any hedging program, nor is it party to any financial instruments that may have an impact on its financial position

16. Other MD&A Disclosure

Additional information relating to the Company, including its financial statements, and analysis for each period therein, where required, is available on SEDAR at www.sedar.com, and on the Company's website at www.stroudresourcesltd.com.

Mineral Properties and Deferred Costs

	Year Ending December 31, 2008 \$	Year Ending December 31, 2007 \$	Year Ending December 31, 2006 \$
Hislop Property	1,418,095	1,402,009	583,988
Santo Domingo Property	9,288,855	8,024,038	7,230,177
Santa Cruz Property	88,388	46,853	-
Oil and Gas Properties (net)	142,614	174,614	143,279
	10,937,952	9,647,514	7,957,444

Hislop Property

In 2007, the Company initiated an exploration program in the Hislop region to further qualify, quantify and extend known zones of mineralization. Previous drill programs have extended the known strike length of the mineralization to 650 metres. The 25-hole, 8000 metre drilling program discovered new gold zones and a number of deep mineralized intersections on the Hislop property (greater than 400 metres of depth). A recalculation of the resources is required using data from the current

drilling program and historical data. While it is uncertain that future exploration will result in additional resources being discovered, the continuity of the gold zones located on the Hislop property indicates that it is likely that a number of these gold zones will continue at depth.

The Company will consider further exploration on the Hislop property if financing opportunities become available.

Santo Domingo Property

Geological mapping, sampling of adits and outcrops was carried out over the first three months of 2007 on the Santo Domingo project. The Company purchased its own drill rig to ensure that drilling could be carried out on an ongoing basis at the property. The rig, pumps, assorted drill rods and equipment were acquired at a cost of approximately \$675,000. The drill rig, a high performance Model A5 Diamond drill, gives Stroud the versatility to drill in the challenging conditions at Santo Domingo.

The Company hired its own drillers and commenced drilling on the property with its own acquired drill in October 2007. A total of 6 holes were drilled in 2007, and an additional 16 holes were drilled in 2008. These holes demonstrated that wide zones of silver and gold mineralization are present on the property. Subject to financing, the Company plans to continue the drill program in 2009.

Santa Cruz project

On June 14, 2007, the Company entered into an agreement under which it may acquire a 100% interest in the Santa Cruz silver gold property, by making cash payments to the optionors of US \$145,000 and by issuing to the optionors 145,000 shares of the Company over a 3 year period. The optionors will retain a 1.5% net smelter return royalty on the property of which 1.25% can be purchased for US \$1,250,000 at any time by the Company. The Company has made an initial payment of US \$70,000 and issued 35,000 common shares. Subject to financing, the Company plans to carry out exploration work on the property consisting of geological mapping of the property and where possible, mapping and sampling of the adits, followed by diamond drilling, if the exploration results continue to be positive.

Oil and Gas Properties

The Company holds an approximately 3.75% interest in six oil and gas producing wells in Alberta. The properties are operated by Talisman Energy Inc. The Company's proportionate share of the revenue from these properties, net of operating expenses, is received from the operator on a monthly basis. During the year, two wells stopped producing, and another two wells were brought into production.

Disclosure of Outstanding Share Data as at April 23, 2009

	Number or Principal Amount Outstanding	Maximum Number of Common Shares Issuable, if Convertible, Exercisable or Exchangeable
Common Shares	137,154,534	N/A
Stock Options	7,725,000	7,725,000
Warrants outstanding	8,065,500	8,065,500
Maximum common shares outstanding		152,945,034

On April 15, 2008 the Company granted options to acquire an aggregate of 3,575,000 common shares to directors, officers and consultants of the Company under Stroud's stock option plan. Each option is exercisable to acquire one common share at a price of \$0.15 per share for a three-year period. The options vest as to one-third immediately and one-third on each of the 7 and 13 month anniversaries of the date of grant. On June 16, 2008, the Company granted options to acquire 200,000 common shares to an investor relations consultant under Stroud's stock option plan. Each option is exercisable to acquire one common share at a price of \$0.25 per share for a two-year period. The options vest as to one-quarter on each of the 3, 6, 9 and 12-month anniversaries of the date of grant.

17. Approval

The Directors of the Company have approved the disclosure contained in this MD&A and a copy will be provided to anyone who requests it.