XEMPLAR ENERGY CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
THREE MONTHS ENDED MARCH 31, 2009

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A) OF THE COMPANY'S FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following MD&A with its effective date of May 29, 2009 for Xemplar Energy Corp. (the "Company") should be read in conjunction with the Company's financial statements for the three month period ended March 31, 2009. The financial information in this MD&A is derived from the Company's financial statements which have been prepared in accordance with Canadian generally accepted accounting principles.

All monetary amounts in this MD&A and in the Company's consolidated financial statements are expressed in Canadian dollars, unless otherwise stated. The Company's financial statements include the results of the operations of the Company's wholly owned subsidiary Namura Mineral Resources (Pty) Ltd. for the three month period ended March 31, 2009.

This MD&A may contain forward looking statements and information based on assumptions and judgments of management regarding events or results that may prove to be inaccurate as a result of factors beyond its control. Actual results may differ materially from the expected results**.**

Description of Business

The Company was incorporated on January 12, 1979 under the laws of British Columbia. On July 11, 2005, the Company changed its name from Consolidated Petroquin Resources Limited to Xemplar Energy Corp. as it changed its business focus from development of oil and gas properties to acquiring, exploring and developing mineral properties. The Company's primarily objective is to develop mineral properties to a stage where they can be operated profitably.

Currently, the main focus of the Company is mining exploration and development in Namibia, a mining friendly country in South Africa, with a view for finding uranium deposits. In addition to the exploration rights in Namibia, the Company has certain mineral interest holdings at the Corhill Property and Otish Property located in the Northwest Territories and Quebec of Canada respectively. These properties have been explored for uranium deposits.

Mineral Properties

Namura Uranium Properties, Namibia

On March 22, 2006, the Company acquired a 100% ownership in Namura Mineral Resources (Pty) Ltd.("Namura"), a private company in the Republic of Namibia, South Africa. At the date of acquisition, Namura was the beneficial holder of three exclusive reconnaissance licenses (ERL) covering uranium exploration properties in Namibia. It was also the registered holder of a fourth pending ERL application. These ERLs cover various uranium occurrences and uranium mineralization types, which include Rossing, Langer Heinrich and sandstone-conglomerate and siltstone hosted epigenetic/diagenetic type deposits. The Rossing uranium mine has been in production for more than 30 years has produced between 2,000 and 4,000 tonnes/annually. Paladin's Langer Heinrich deposit has begun pre-selling future mining production and in January 2006 announced two contracts of more than 2 million pounds of uranium oxide. The Company hopes to take the opportunity to repeat that winning formula with its uranium deposits. Consideration for the purchase is payment of $600,000 cash and issuance of 6,000,000 shares of the Company. Each property is subject to a 3% net smelter return royalty. The Company has the right to reduce the royalty to 1.5% on each property by paying $3,000,000 per property.

Through its subsidiary Namura in Namibia, the Company holds a 100% interest in uranium properties in the Engo Valley, Cape Cross, Aus-Garub and Warmbad regions, whose combined licensed and pending licensed area covers nearly 7,500 KM^2, making it the largest uranium exploration license holder in the country.

The Company's flagship development in Namibia is the Warmbad project, where the Company has been actively engaged in an aggressive exploration and definition drilling program since October 2007.The company had originally identified 14 large, anomalously radiometric alaskitic bodies, which has since been redefined as eight larger bodies as some of the original alaskite bodies overlap each other. Of these, the Aluriesfontein is the largest, covering 36 square kilometres.

With the results from the positive airborne radiometric survey (reported, October 15, 2007) and drilling results (reported February 4, 2008), the Company has achieved the completion of phases 1 and 2 of its planned work programs as set out in the Company's 43-101F1 Technical Report filed on www.sedar.com, dated May 4, 2006 by Roscoe Postle Associates Inc.

In 2008, the Company commenced a Phase 3 exploration program which was comprised of a 40,000 metre definition drilling program over the Company's 14 uraniferous (alaskitic) bodies. This involved the deployment of some 6 drilling rigs, the radiometric logging of all holes drilled, the sampling and chemical analysis of all cores and drill chips. This work was directed at defining a possible resource/reserve estimate and a possible future feasibility study.

Since drilling started on the Warmbad project, 66 drill holes have been completed. Assay results have been received and were reported to shareholders. The most recent one was reported on May 5, 2009. All the Company's news released was filed on www.sedar.com. These results, coupled with previous drill holes of significance that were reported are very encouraging as they confirm (a) wide zones of uraniferous granite (alaskite) at depth and (b) that the geologic model adopted by Charles Johnston, the Company's Chief Geologist and Exploration Manager, and his team is proving highly successful in prioritizing project drill targets. The prioritization of drill targets is founded upon an enhanced understanding of the underlying geology of the Warmbad alaskite bodies.

These early-stage drilling results show that the alaskites are relatively thin-sheeted leucogranites which were layered within the country rocks of the Namaqua metamorphic complex, similar to those as at the Rossing uranium mine which produced about 3,000 tonnes of uranium oxide in 2007. Not all of the alaskites are mineralized, but the geological groundwork and the drilling continue to confirm the widespread uranium mineralization on the property.

In addition to enhancing our geological understanding of the 'alaskite' bodies at Warmbad, significant operational advancements have been made over the past nine months. There are currently eight drill rigs on the property, (these will soon increase to nine), and more than sixty company employees, made up of ten geologists, drillers, samplers, loggers and camp staff all under the direction and leadership of Mr. Charles Johnston, the Company's newly appointed Chief Geologist and Exploration Manager. Year-round drilling at Warmbad will continue in 2009 with the following targets:

- Discovery of new zones of uranium mineralization at the Warmbad Project
- Extending the size of the eight zones of mineralization that has been discovered at the Warmbad Project.
- Conducting definition drilling to define a resource within the next 12 to 18 months at one or more of the eight zones of mineralization discovered at Warmbad.

Corhill Uranium Property, Northwest Territories

By an agreement dated July 7, 2005, the Company acquired a 100-per-cent interest in the Corhill uranium-gold-platinum property located north northwest of Yellowknife, Northwest Territories.

The Corhill property comprises 18 mineral claims and covers 30,628 acres. The claims straddle the NWT / Nunavut border and are approximately 312 miles NNW of Yellowknife and 90 miles SW of Kugluktuk (Coppermine). The property holds significant potential for Athabasca Basin-type unconformity uranium deposits and the genetically related Coronation Hill (Australia) type mineralization with associated gold and platinum group metals. The property geology is structurally controlled and shows the results of unconformity-related mineralization processes. The Company's objective is to discover world-class, high-grade uranium deposits, similar to those found in the Athabasca Basin in Saskatchewan.

In July 2006, the Company farmed out 70% interest of the Corhill Property to Garuda Capital Corp. ("Garuda") The Company had received $50,000 and 2,000,000 common shares of Garuda pursuant to the property option agreement. Garuda was required to incur $1,500,000 exploration expenditures over a three-year period, $300,000 of which must be incurred before January 7, 2007. The Company retains a 2% NSR in the property. In this manner, the Company could reduce its exploration expenditure on the Corhill property, at the same time the Company acquires securities (shares and cash) from its partner in addition to the exploration funding.

Under the terms of the agreement, Garuda was required to incur $300,000 exploration expenditure on the property before January 7, 2007 as its first year commitment. During the year 2006, Garuda paid $100,000 in cash towards the exploration costs incurred by the Company. In June 2007, the Company and Garuda signed another agreement to transfer the Corhill property rights to Canadian Uranium Corp.("CUC"), the Company's newly created subsidiary. This agreement would supersede the earlier property option agreement with Garuda should it be successfully concluded.

On June 25, 2008, the Company and Garuda entered into a rescission agreement to void all agreements involving the Company, CUC and Garuda for Garuda to earn up to 70% of Corhill Property. The Company paid $175,000 in cash to Garuda and returned the 2,000,000 shares of Garuda Capital Corp. received originally. The effect of the rescission agreement is that the Company now holding 100% interest rights in the Corhill property. The Company is currently evaluating the property and considering alternative strategies with respect to the Corhill property.

Otish Uranium Property, Quebec

By an agreement dated September 28, 2005, the Company acquired a 100-per-cent interest in the Otish Uranium Property located north of St-Jean, Otish Basin of Quebec. Upon commencement of commercial production, the vendors will be entitled to a net smelter royalty of 2% of all minerals. The Company can buy down to a 1% net smelter royalty at a cost of $1,000,000. The purchase price of $1,185,000 was paid by issuance of 3,000,000 shares of the Company and payment of $375,000 cash.

The Otish Property is located in Central Quebec, 310 km northeast of the City of Chibougamau. The property consists of 1159 claims in three contiguous blocks, encompassed approximately 147,663 acres. The property is within the Otish Basin that has a rich history of Uranium exploration starting in the late sixties and lasting until 1985. Past exploration for uranium in the Otish Basin, because of its many similarities with the uranium rich Athabasca Basin in Saskatchewan, focused on finding unconformity associated with uranium deposits. In 2006, the Company staked an additional 166 claims contiguous to the Otish properties.

The Company completed an airborne geophysical survey on the property in 2006. The airborne survey was flown by Aeroquest Ltd. The survey covered 1,740 km on 200m spaced lines. The survey detected a 20 km^2 Archean greenstone belt under shallow cover of proterozoic sediments of the Otish Basin. This belt features long linear magnetic and conductive trends and an historic uranium showing (Lorenz Gully) on Xemplar's properties. The airborne survey also mapped long linear fault zones. This included a 6km long fault zone with an historic drill intercept of 0.45% U_2O_8 over 1 m. The Company had reviewed the data and decided it merited further exploration.

In early 2007, the Company considered to transfer the Otish property to Canadian Uranium Corp.("CUC"), the Company's newly created subsidiary, for the purpose of forming joint venture exploration partnerships with other companies. The Company had later changed the plan and made a decision not to transfer the Otish property into CUC (dissolved in 2008) because the Company has got a better proposal from Santoy Resources Ltd.

On July 25, 2008, the Company entered into an option agreement with Santoy Resources Ltd. (TSX-Venture: SAN) ("Santoy") whereby Santoy had the option to acquire up to one hundred percent interest in 1,241 claims totaling approximately 61,194 hectares in four main blocks strategically located on the northwestern margin and in the east-central portion of the Otish Basin, Quebec.

The option terms for Santoy to earn a sixty percent interest in the Properties include a cash payment of $250,000, a work commitment of $1.5 million (of which $500,000 is to be spent prior to January, 2009), and the issuance of 4 million Santoy shares (1 million upon regulatory approval of the Agreement and 3 million shares on the first anniversary of the Agreement). By exercising the option Santoy will have the choice of initiating a 60% Santoy-40% Xemplar joint venture in which Xemplar will be carried for the first $1 million in expenditures, or delivering to Xemplar 6 million shares of Santoy to obtain a 100% interest in the property. If Santoy elects to earn one hundred percent interest, a three percent Net Smelter Return royalty would be reserved for Xemplar and Xemplar's underlying vendor. Santoy would retain the option, at any time, to purchase half of the total royalty payable for $500,000. Santoy will act as the Operator during the term of the Agreement. As at the date of report, Santoy had made the required payments to the Company and incurred the required expenditures.

The Company has been searching for a strategic partner and project that fulfilled its objectives of generating revenue streams and potential for significant mineral discovery. With the Joint Venture Agreement with Santoy, Xemplar's Board of Directors is confident that it has secured an agreement that achieves this objective

Exploration Expenditures by Property

During the quarter, the Company's exploration work has been focused on its Warmbad Project in Namibia. All costs related to the acquisition, exploration and development of mineral properties are capitalized.

A summary of capitalized acquisition and exploration expenditures on the Company's properties for the year ended March 31, 2009 is as follows:

Mineral Properties	**Corhill** $	**Otish** $	**Namibia** $	**Total** $
Acquisition costs				
Balance, Dec 31, 2008	319,657	1,204,397	3,341,172	4,865,226
Additions during the year	-	-	-	-
Balance, March 31,2009	319,657	1,204,397	3,341,172	4,865,226
Exploration costs				
Balance, Dec 31, 2008	248,728	599,665	11,737,971	12,586,364
Additions during the period:				
Accounting and legal	-	-	-	-
Camp, field supplies & transport	-	-	492,626	492,626
Drilling	-	-	293,659	293,659
Equipment rental and repairs	-	-	103,805	103,805
Fees, licenses and permits	-	-	56,050	56,050
Geological and geophysical	-	-	166,105	166,105
Survey, evaluation, mapping	-	-	68,283	68,283
Travel	-	-	21,625	21,625
Total additions during the period	-	-	1,202,153	1,202,153
Balance, March 31,2009	248,728	599,665	12,940,124	13,788,517
Cumulative Mineral Property Expenditures as at March 31, 2009				
Acquisition	319,657	1,204,397	3,341,172	4,865,226
Exploration	248,728	599,665	12,940,124	13,788,517
Disposal and Abandonment (recovery of cost)	(100,000)	(930,000)	-	(1,030,000)
Total:	468,385	874,062	16,281,296	17,623,743

Financing Activities

The Company did not complete any financing during the current quarter whereas in the same quarter last year the Company raised $18,157,822 from the proceeds of a non-brokered private placement financing by issuing 6,550,000 units of common shares at a price of $3 per unit. Each Unit consisted of one common share and one-half of one common share purchase warrant. Each whole warrant will be exercisable into one common share for two years from the closing date at an exercise price of $4.00.The fund raised in last year is sufficient to fund the Company's operation for the remainder of 2009 and through 1010.

Balance Sheet Position

On March 31, 2009, the most recent balance sheet date, the Company had cash and cash equivalents $14,629,672. Cash and cash equivalents represent cash on deposit and term deposits having terms to maturity of 180 days or less when acquired. To increase interest revenue, the Company has placed excess cash into short term flexible GICs. The short term investments are made with a major Canadian Bank and no asset backed investments have been entered into by the Company. The Company does not invest in non-bank asset-back commercial paper.

Results of Operations

The Company has no producing properties, and consequently no sales or revenues. Investment income consists of interest income which is earned on cash balances held on deposit with a major bank. The amount fluctuates from period to period depending on the Company's cash balance and interest rates.

For the three months ended March 31, 2009, the Company incurred a net loss of $1,410,985 or $0.011 per share as compared to a loss of $465,485 or $0.004 per share for the three months ended March 31, 2008. The increase in net loss was chiefly due to a substantial increase in operating expenditures of which the significant component was stock based compensation.

Interest income for the quarter ended March 31, 2009 was $96,052 compared with the quarter ended March 31, 2008 of $79,530, an increase of $16,522 due to higher average cash balances in the current quarter.

Operating expenditures for the quarter ended March 31, 2009 totaled $1,507,037, an increase of $962,022 from the 2008 comparable quarter. The major factors for the increase were:

- stock based compensation (non-cash) was $1,079,200 in current quarter and $nil amount for the comparative quarter. This amount is made up of the expenses relating to the 5,000,000 stock options granted to certain directors and consultants of the Company;

- marketing and promotion increased by $18,050 in the current quarter as a result of more resources being allocated to increasing investor awareness of the Company, major activities included the road show and convention held in Frankfurt, Germany;

- wages and benefits were $56,368 in the current quarter compared to $10,200 in same quarter in 2008 as additional administrative staff was recruited in the Namibia office;

- rent, office and general expenses were higher in the current quarter because the Namibian office moved to a new location and incurred more expenses.

There were no significant changes in other general and administrative expenses.

Summary of Quarterly Results

The following tables summarize information derived from the Company's financial statements for each of the eight most recently completed quarters:

Quarter Ended	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30
Year	2009	2008	2008	2008	2008	2007	2007	2007
Total Revenues	$ Nil	$ Nil	$ Nil	$ Nil	$ Nil	$ Nil	$ Nil	$ Nil
Net Income (Loss)	(1,410,985)	1,638,567	(933,220)	(1,668,184)	(465,485)	(18,624,927)	(1,552,349)	(2,230,295)
Basic Income(Loss) per share	(0.01)	(0.00)	(0.01)	(0.01)	(0.00)	(0.19)	(0.01)	(0.02)

Significant variances in the Company's report loss from quarter to quarter are largely due to the granting of stock options, which results in the recording of amounts for stock-based compensation expense. Other than the impact of the granting of stock options, the level of operating expenditures represents the ongoing corporate activities as discussed above.

The net income recorded in the fourth quarter of 2008 was a result of foreign exchange gains and reclassification of amortization and repair expenses to capital exploration cost from previous quarters.

The loss in the first quarter of 2009 was largely due to recording stock-based compensation expense of $1,079,200.

Liquidity and Capital Resources

At March 31, 2009, the Company reported a net working capital of $14,827,599 compared to a net working capital of $16,132,336 as at December 31, 2008, representing a decrease in working capital by $1,304,737. The Company held $$14,629,672 in its cash account. The Company continues to utilize its cash resources to fund project exploration and administrative requirements. As the Company has no significant income, cash balances, unless replenished by capital fundraising, will continue to decline as the Company utilizes these funds to conduct its operations.

The Company's operations to date have been financed by sales of its common shares. The Company has been successful in raising the funds to enable it to meet the working capital requirements. However, there is no assurance that equity funding will be accessible to the Company at the times and in the amounts required to fund the Company's activities. The Company is dependent on investor sentiment remaining positive towards the mining exploration sector so that funds can be raised through the sale of its securities. Many factors have an influence on investor sentiment, including a positive climate for mineral exploration, a company's track record and the experience of a company's management. The global financial economy has recently experienced significant volatility and uncertainty. The stock market values have plunged. These could negatively affect the accessibility of equity funding. Presently the Company is in good financial conditions and has not planned any changes to its strategy to acquire and explore potential properties. In the environment of global uncertainty, the Company continues to manage and monitor its overheads and ongoing cost.

Off-Balance Sheet Arrangements

The Company has no long term debt, does not have any used lines of credit or other arrangements in place to borrow funds, and has no off-balance sheet arrangements.

Transactions with Related Parties

During the three months ended March 31, 2009, the Company entered into the following transactions with related parties:

a) Professional fees of $7,500 (2008 - $7,500) incurred for accounting services provided by a company owned by one of the directors of the Company.
b) Consulting fees of $50,400 (2008 - $83,000) were paid to the companies owned by the directors of the Company.
c) Rental fees of $4,500 (2008 - $4,500) were paid to a company owned by one of the directors of the Company.

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.

Changes in accounting policies including initial adoption

Effective January 1, 2009, the Company adopted new recommendations of the Canadian Institute of Chartered Accountants (C!CA) under the CICA Handbook sections as follows:

Goodwill and Intangibles

In February 2008, the CICA issued Handbook Section 3064, “Goodwill and Intangible Assets”, replacing Section 3062, “Goodwill and Other Intangible Assets”, and Section 3450, “Research and Development Costs”. This section establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets by profit-oriented enterprises. Standards concerning goodwill are unchanged from the standards included in the previous Section 3062. The adoption of this new section has had no impact on the Company’s financial results.

Future Accounting Changes

International Financial Reporting Standards

In February 2008, the CICA announced that Canadian generally accepted accounting principles (GAAP) for publicly accountable enterprises will be replaced by International Financial Reporting Standards (IFRS) for fiscal years beginning on or after January 1, 2011. Companies will be required to provide IFRS comparative information for the previous fiscal year. Accordingly, the conversion from Canadian GAAP to IFRS will be applicable to the Company’s reporting for the first quarter of 2011 for which the current and comparative information will be prepared under IFRS.

The Company expects the transition to IFRS to impact accounting, financial reporting, and internals control over financial reporting, taxes, IT systems and processes as well as certain contractual arrangements. The Company is currently assessing the impact of the transition to IFRS. Training and hiring additional resources is underway to ensure the timely conversion to IFRS.

Financial Instruments

The Company’s financial instruments consist of cash, receivables and accounts payable. Unless otherwise noted, it is management’s opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial statements. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

Outstanding Share Data as at May 29, 2009

The Company is authorized to issue unlimited common shares without par value. As at May 29, 2009, there were 119,572,469 issued and outstanding common shares compared to 119,572,469 issued and outstanding shares at December 31, 2008. There was no change in the shares capital.

There were a total of 3,736,350 warrants issued and outstanding that had a conversion price of ranging from $3.75 to $4.00. If these warrants were to be converted, it would put an additional $14,830,687 into the Company's Treasury. There were 11,540,000 stock options issued and outstanding under the Company's incentive stock option plan. These stock options are exercisable at prices ranging from $0.2 to $1.15, with expiry dates ranging to March 02, 2014. To reflect the current market conditions, the Company proposed to amend those options with an exercise price of $6.50 per share that were outstanding and held by certain directors and consultants. A total of 1,850,000 options are being amended to decrease the exercise price from $6.50 to $1.15 per share. These options all have an expiry date of December 18, 2012. The options are an important component of the company's executive compensation strategy providing directors and consultants with long-term equity-based performance incentives. The options are being re-priced to bring those more in-line with current market prices and recent grant of the Company's incentive stock options at an exercise price of $1.15 per share. The re-pricing of the options was approved by the Exchange and disinterested shareholders of the Company on May 27, 2009.

Risk Factors relating to the Company's business

The Company is in an industry that is dependent on a number of factors including environmental, legal and political risks, the existence of economically recoverable reserves, the ability of the Company and its subsidiaries to obtain necessary funds to complete the development and future profitable production or the proceeds of disposition thereof.

The Company is exposed to a number of risks, including the financial risks associated with the fact that it has no operating cash flow and must access the capital markets to finance it activities. The Company has been successful in raising the funds. However, there can be no assurance will continue to be able to access the capital markets for the funding necessary to acquire and maintain exploration properties and to carry out its desired exploration programs.

There is intense competition within the minerals industry to acquire properties of merits, and the Company competes with other companies possessing greater technical and financial resources than itself. Even if desirable properties are secured, there can be no assurances that the Company will be able to execute its exploration programs on its proposed schedules and with its cost estimates, whether due to weather conditions in the areas it operates, increasingly stringent environment regulations and other permitting restrictions, or other factors related to exploring in areas that lack infrastructure, such as the availability of essential supplies and services.

Many of the professional technical services, materials and supplies used in uranium exploration are not unique to this section, but are also required in exploring for based and precious metal. Over the past several years, the prices of these commodities have increased substantially, stimulating a rapid growth in exploration expenditures and intensifying the competition for talent and services. These conditions are leading to increased costs and difficulties in scheduling contactors that are optimal from the Company's perspective.

Mineral exploration and development is a speculative business. It involves substantial expenses and a high degree of risks, which even a combination of experience, knowledge and careful evaluation may not be able to mitigate. There is no certainty that the expenditures made or to be made by the Company in the exploration and development of the mineral properties in which it has an interest will result in the discovery of mineralized materials in commercial quantities. While the rewards to an investor can be substantial if an economically viable discovery is made, few properties which are explored are ultimately developed into producing mines.

Even if the Company discovers uranium deposits, the marketability of the products, will be affected by numerous factors beyond the control of the Company. These factors include, but are not limited to, market fluctuations, the proximity and capacity of natural resource markets, processing equipment and government regulations, including regulations relating to price, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection.

The Company, through its subsidiary, is involved in mineral exploration in Namibia, South Africa. There are a number of associated risks over which the Company will have no control, including changes of laws affecting foreign ownership, government participation, taxation, royalties, duties, rates of exchange, repatriation of earnings and civil unrest. There are no assurances that the economic and political conditions in Namibia will continue as they are at the present time.