CARTIER RESOURCES INC.
Management's Discussion and Analysis
For the second quarter ended June 30, 2009

The objective of this Management's Discussion and Analysis ("MD&A") released by Cartier Resources Inc. (the "Company" or "Cartier") is to allow the reader to assess our operating and exploration results as well as our financial position for the three and six month periods ended June 30, 2009 compared to the same periods ended June 30, 2008. This report, dated August 18, 2009, should be read in conjunction with unaudited financial statements for the period ended June 30, 2009 and with the audited financial statements for the year ended December 31, 2008 as well as with the accompanying notes, prepared in accordance with generally accepted accounting principles ("GAAP") in Canada. Unless otherwise indicated, all amounts are expressed in Canadian dollars. This MD&A has been prepared by management and has not been reviewed by Company's external auditors.

The Company discloses, on a regular basis, additional information on its operations, which is recorded on the System for Electronic Document Analysis and Retrieval ("SEDAR") in Canada at www.sedar.com.

FORWARD-LOOKING STATEMENT

This document may contain forward-looking statements that reflect management's current expectations with regards to future events. Such forward-looking statements are subject to certain factors and involve a number of risks and uncertainties. Actual results may differ from expected results. Factors that could cause our results, our operations and future events to change materially compared to expectations expressed or implied by the forward-looking statements include, but are not limited to, volatility in the gold price, risks inherent to the mining industry, uncertainty regarding the mineral resource estimation and additional funding requirements and the Company's ability to obtain such funding particularly in the context of the existing global recession and worldwide credit crisis.

NATURE OF ACTIVITIES

The Company, incorporated on July 17, 2006 under Part 1A of the Québec *Companies Act*, is a junior mining exploration company. Its activities include the acquisition, exploration and development of mining properties in Canada. The Company specializes in searching for auriferous deposits, primarily in north-western Quebec. This region stands out as a result of its mineral potential, its accessibility, its clear existing agreements on claims, and the access to services and a qualified workforce near the Company's properties.

The Company does not have a producing property. Recovery of the cost of mining assets is subject to the discovery of economically recoverable reserves, the Company's ability to obtain the financing required to pursue the exploration and development of its properties, and profitable future production or the proceeds from the sale of its properties. The Company must from time to time obtain new funds in order to pursue its activities. While it has always succeeded in doing so to date, there can be no assurance that it will continue to do so in the future.

The shares of the Company are listed on the TSX Venture Exchange and are traded under the symbol ECR.

HIGHLIGHTS OF THE PERIOD

1. Financing of $1,253,080

During this second quarter, the Company completed a public offering by way of a short-form offering document. The offering consisted of the issuance of 926 units "A" and 230 units "B". Each unit "A", at a price of $1,080 per unit, is comprised of 4,000 flow-through common shares at a price of $0.27 per share for proceeds of $1,000,080 before share issue expenses. Each unit "B", at a price of $1,100 per unit, is comprised of 5,000 common shares at a price of $0.22 per share and 5,000 common share purchase warrants, with each warrant entitling the holder to subscribe to one common share of the Company at a price of $0.30 for a period of two years following the closing date. The proceeds of this financing are presented net of the value of the related warrants and the agent compensation options which were established at $80,270 and $36,676 respectively. Share issue expenses totalling $153,196 have reduced the capital stock.

2. Subdivision of the Kinojevis Property

The Company subdivided the Kinojevis property into four new properties: MacCormack, Preissac, Newconex West and Rambull (refer to figure). The principal reason for this subdivision is to enhance the value of these new properties in order to attract partnership opportunities for further exploration work.

3. Important Exploration Work

A diamond drill program was completed during this second quarter. The program was conducted on the La Pause property and consisted of two holes for a total of 750.0 meters.

Compilation of geoscientific data, geological interpretation and preparation for the 2009 summer field program continued. The objective was to highlight targets for gold mineralization on the MacCormack, Preissac, Newconex West, Rambull, Manneville, La Pause, Dollier, Dieppe-Collet and Bapst properties.

Technical reports were filed with the Ministère des Ressources naturelles et de la Faune du Québec for assessment credits on the MacCormack, Preissac, Xstrata-Option, Dollier and La Pause properties.

A new gold discovery was made on the Rambull property. Recent field work by Cartier has confirmed the area's gold potential with grab samples returning up to 19.55 g/t Au and channel samples returning up to 6.28 g/t Au over 0.4 meters.

4. Financial Results

Since the Company only has exploration properties, its revenues primarily consist of interest income, which is insufficient to cover the administrative expenses, thus leading to a loss for the Company. During the three and six month periods ended June 30, 2009, the Company recorded a loss of $127,261 and $258,028 compared to a loss of $219,933 and $361,721 for the same periods in 2008.

EXPLORATION ACTIVITIES

Deferred exploration costs

	Three month period ended June 30, 2009 $	Three month period ended June 30, 2008 $	Six month period ended June 30, 2009 $	Six month period ended June 30, 2008 $
Balance – Beginning of period	2,272,005	755,188	2,017,010	755,188
Expenses during the period				
Drilling	108,342	526,424	177,865	971,610
Geophysics	10,016	451	10,016	8,058
Stripping	6,780	-	7,414	-
Geology	29,229	46,435	103,202	96,408
Geology planning	-	3,268	550	8,285
Geology mapping	25,323	7,512	30,853	7,557
Geology compilation	41,694	15,114	68,471	15,114
Geochemistry	2,367	19,130	20,357	19,130
Geotechnics	9,290	1,748	19,791	2,426
Core shack rental and maintenance	7,481	8,829	19,537	22,469
Office expenses	17,990	25,291	38,212	41,089
Duties, taxes and permits	6,343	15,218	11,847	22,982
Depreciation of equipment	3,098	2,940	6,196	6,196
Stock-based compensation	2,569	10,621	11,486	18,613
	270,522	682,981	525,797	1,239,937
Tax credits	-	(228,065)	(280)	(416,345)
Net expenses during period	270,522	454,916	525,517	823,592
Balance – End of period	2,542,527	1,210,104	2,542,527	1,578,780

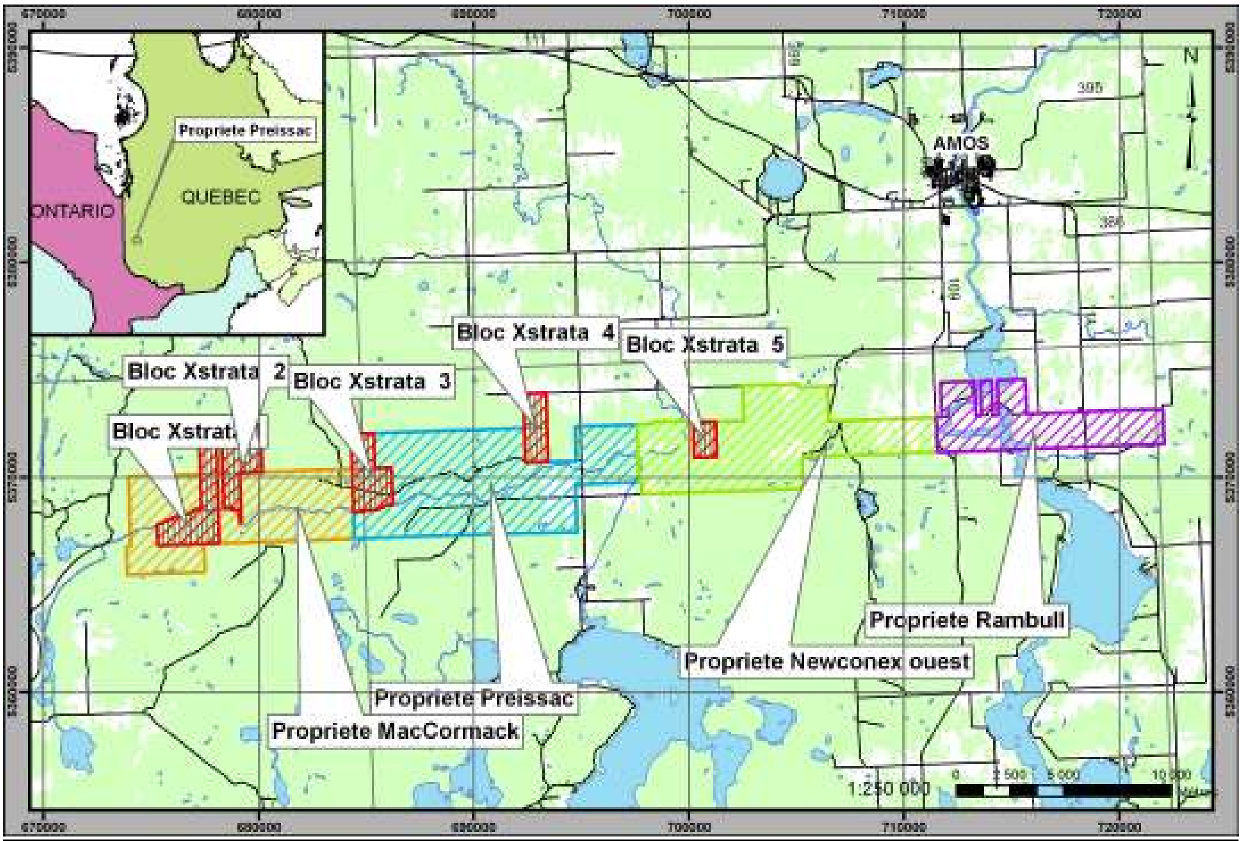
Summary of exploration by property for the six month period ended June 30, 2009:

	December 31, 2008	Total of the quarter	Write-off	Tax credits	June 30, 2009
	$	$	$	$	$
Mac Cormack	913,052	127,630		(149)	1,040,533
Preissac	319,324	43,208		(50)	362,482
Newconex West	367,691	45,737		(59)	413,369
Rambull	141,598	47,092		(22)	188,668
Xstrata-Option	79,390	38,250			117,640
Bapst	32,826	7,198			40,024
Dieppe-Collet	50,537	89,575			140,112
La Morandière	13,181	-			13,181
Lac Castagnier	29,478	468			29,946
Dollier	22,870	7,587			30,457
Manneville	25,227	13,759			38,986
La Pause	21,836	103,325			125,161
Others	-	1,968			1,968
TOTAL	2,017,010	525,797	-	(280)	2,542,527

Kinojevis Project

On July 2, 2009, the Company, by way of a press release, announced that it had subdivided its Kinojevis property into four new properties: MacCormack, Preissac, Newconex West and Rambull (refer to figure). Consequently, all future reporting, including this MD&A, will present the results of work under the new property names.

The Company filed a 43-101 report on April 8, 2009. This report features an in-depth analysis of the Company's properties along the Porcupine-Destor Fault and states that the geological features found on those properties are similar with caracteristics observed in known world-class deposits such as the Kerr-Addison (10,457,000 ounces of gold from 1938 to 1996) and Harker-Holloway (4,900,000 metric tonnes grading 5.9 g/t Au) ore deposits in Ontario.



Geophysical Interpretation and Conceptual Modelling on the Properties along the Porcupine-Destor Fault

Processing and interpretation of airborne geophysical data covering the Company's assets along the Porcupine-Destor Fault (MacCormack, Xstrata-Option, Preissac, Newconex West and Rambull) was completed by MB GEOsolutions, a firm of geophysical consultants. The geophysical data employed for this work was provided by several magnetic and electromagnetic MEGATEM II surveys which were recently published by the Ministère des Ressources naturelles et de la Faune du Québec (DP 2008-41). In addition to the MEGATEM data, the magnetic and radiometric high resolution heliborne survey data, which had been completed in 2007 for the Company, was also taken into account.

The geophysical interpretation helped define several deformation corridors which are considered highly prospective areas for gold. In all, 28 favorable zones were targetted, with several straddling the boundaries of some of the Company's properties. The MacCormack property counts 16 of these favorable zones, while there are 7 on Preissac, 4 on Newconex West and 2 on Rambull.

These zones will be thoroughly prospected and compiled in order to produce diamond drill targets.

MacCormack Property

Compilation of geological and geophysical data has produced targets for field verification and diamond drilling.

The favorable zones defined by MB GEOsolutions are being thoroughly prospected, along with relevant data being compiled, in order to produce diamond drill targets.

Prospecting over the western portion of the property, in the vicinity of several MEGATEM anomalies, has led to the discovery of new outcrops that show sulphide-rich (30-40%) felsic volcanics which explain the MEGATEM conductor. Assay results are pending.

The Company filed a technical report for the diamond drilling campaign it began on the property in 2007 and ended in 2008 with the Ministère des Ressources naturelles et de la Faune du Québec in order to receive assessment credits.

A line cut grid is being cut over the mineralized area in order to complete an induced polarization survey which will be used to better define diamond drill targets.

Rambull Property

On July 2, the Company announced, by way of a press release, that it had made a new gold discovery on the Rambull property.

Recent field work completed by Cartier has confirmed the area's gold potential with grab samples returning up to 19.55 g/t Au and channel samples returning up to 6.28 g/t Au over 0.4 meters. The gold mineralization which is situated on this property covers the eastern portion of the original Kinojevis project.

Samples taken in quartz veins returned 19.55 g/t Au, 7.10 g/t Au and 5.34 g/t Au and channel samples taken on these veins returned 6.28 g/t Au over 0.4 meters and 3.88 g/t Au over 0.7 meters. Further field work objectives include confirming the extension and continuity of the mineralized veins and gold bearing horizons in order to generate diamond drill targets.

The mineralization is located in an area that subcrops over 2.2 kilometers. Two gold bearing zones have been outlined: the first corresponds to the historic Rambull gold showing discovered in 1944 and associated with a hundred meters wide east-west striking shear zone. The second is situated 250 meters to the south and is associated with a hundred meters wide shear zone that parallels the first. Gold occurs within quartz-carbonate-tourmaline-chlorite veins and disseminated sulphides (pyrite-chalcopyrite) within granodiorite for the first zone and within mafic volcanics for the second zone.

Previous exploration dating back to 1944, which was carried out by Rambull Gold Mines Ltd., reported grades varying from 0.15 g/t Au to 7,38 g/t Au in trenches (on three veins), 9.6 g/t Au and 6.55 g/t Au in bulk samples and diamond drill intersections grading up to 10.64 g/t Au over 0.27 meters. Follow-up work completed in 1961 by Copperstream Mines Ltd. reported diamond drill intersections grading up to 23.66 g/t Au over 1.06 meters and 19.83 g/t Au over 0.15 meters. In 1990 and 1991, Agnico-Eagle Ltd. confirmed the gold potential by trenching several areas, with grades reporting up to 6.63 g/t Au over 0.5 meters and 5.11 g/t Au over 0.5 meters in channel samples as well as significant grades of 22.26 g/t Au and 11.17 g/t Au in grab samples. The recent Company's results confirm the historical exploration results.

A trenching program on both zones will be conducted until the end of August 2009. The program will help increase the geological understanding of the mineralized systems and provide guidance to prepare the next drill program.

Xstrata-Option Property

Drill hole KI-09-38 was completed on the fourth bloc of this property in June 2009. This drill hole is 174 meters long and was drilled to test an electromagnetic horizontal (EMH) anomaly. The ground survey was completed to verify a MEGATEM anomaly.

The drill hole anchored in a pillowed basalt. These flows are strewn with up to 10% millimetre wide quartz-carbonates veinlets. Mineralization occurs as thin polonium-pyrrhotite veinlets, with pyrrhotite being the dominant sulphide. From 97.6 meters to 98.5 meters, the drill hole cuts through a zone with 30% quartz veins hosting up to 5% massive pyrrhotite veinlets. This concentration of pyrrhotite is sufficient to cause the electromagnetic anomaly. As well, conductivity measures taken along the drill core support this hypothesis.

From 114.7 meters to 134.2 meters, the drill hole cores a tuff alternating with fine sedimentary beds, locally graphitic and fine volcaniclastic beds. The top of the unit hosts a greater concentration of millimetre-thick graphitic beds combined with thin pyritic veinlets that could also generate a good conductor. However, conductivity and magnetic susceptibility measures taken along the core do not show the anomaly. The entire unit shows strong sericite alteration. The foliation at 55° to core axis is consistent with surface and regional measurements that have been recorded.

The drill hole was stopped in pillowed basalts cut by coarser grain sills and dykes. There is also a swarm of quartz-calcite veinlets (5%-10%) which cut through the units.

One traverse completed on the first block of the property led to the discovery of new outcrops which showed an intermediate to felsic tuff horizon with mineralized with pyrite. The horizon is situated north of an intermediate lobate and spherulitic flow and a felsic breccia. MEGATEM anomalies located to the south of this unit appear to correspond with the mineralized tuff horizon. The horizon was sampled and assay results are pending.

La Pause Property

Two drill holes tested the La Pause Fault Zone that straddles the volcanic-sediment contact which is injected by numerous felsic to intermediate dykes. The drill holes cut through a magnetic high anomaly south-west of the Chassignol Pluton.

A total of 59 samples were sent for whole rock analysis and 281 samples were sent for gold and 35 element assaying. No significant results were obtained from the sampling.

Drill hole LP-09-01 targetted a magnetic high within the Mont-Brun sedimentary formation. The drill hole was bearing south-west and anchored in bedrock at 12.0 meters. It was then drilled to 336.0 meters.

The drill hole cored a biotitized wacke with less than 5% of disseminated pyrite to 158.7 meters. Quartz-carbonate veinlets, epidotic alteration of wall rock and magnetic felsic to intermediate dykes are found throughout the interval. The section is also cut by mafic dykes from 12.0 meters to 38.8 meters and from 54.0 meters to 90.6 meters.

From 158.7 meters to 336.0 meters, the drill hole cored a felsic to intermediate intrusive locally silicified. Ultramafic to mafic dykes and enclaves of wacke and quartz-carbonate veins are also present throughout the interval. Mineralization consists of disseminated pyrite, either in cubic form or locally plated. This interval is also marked by intermediate to felsic intrusive breccia with sub-angular mafic dyke fragments.

No significant results were obtained from the sampling.

Drill hole LP-09-02 anchored in bedrock at 13.0 meters and cut through wacke with local hematite and epitode alterations to 274.4 meters. The sediments are highly metamorphosed as evidenced by the biotite alteration. Mineralization consists of less than 5% of disseminated pyrite. The unit is cut by mafic and intermediate to felsic dykes. Several quartz-carbonate veins, which were locally mineralized with pyrite, cut through the interval. The drill hole was stopped in ultramafic to mafic flows at 414.0 meters. Intermediate to felsic dykes cut the volcanics and alter the surrounding rocks with silica and hematite. The entire unit is mineralized with less than 2% of disseminated pyrite and quartz-carbonate veinlets.

A highly magnetic and conductive iron formation was cored from 372.9 meters to 396.8 meters. The unit is mineralized with 10 to 20% of disseminated pyrite and fractures filled with quartz.

No significant results were obtained from the sampling.

Dieppe-Collet Property

The MD&A for the period ending March 31, 2009 reported work for two holes drilled. These holes were drilled to test a 200 meters-wide shear zone (sericitized, pyritic and gold anomalous) for which gold potential has been demonstrated by previous work. Geophysical anomalies (induced polarization and Digem) straddle the shear zone. No significant results were obtained from the sampling.

Bapst Property

Geological and geophysical data, especially the MegaTEM survey data recently released by Xstrata, is currently being compiled in order to produce targets for field verification and diamond drilling.

Manneville Property

Geological and geophysical data, especially the recent Xstrata MegaTEM survey data, is currently being compiled in order to produce targets for field verification and diamond drilling.

Processing and interpretation of airborne geophysical data covering the property was completed by MB GEOsolutions. The geophysical data employed for this work was provided by several magnetic and electromagnetic MEGATEM II surveys which were recently published by the Ministère des Ressources naturelles et de la Faune du Québec.

The geophysical interpretation helped define deformation corridors. These deformation corridors are considered highly prospective areas for gold exploration. In all, six favorable zones were targetted and these zones will be thoroughly prospected until the end of August, 2009.

Moreover, a traverse has led to the discovery of an outcropping area which confirms the presence of a major deformation zone in the south-western portion of the property. It appears to correlate to a splay of the Lyndhurst Fault. The outcropping area shows numerous chlorite-quartz veinlets strewn throughout the exposed unit. The veinlets are largely transposed into the foliation. Sample results are pending.

Technical Reports

The following technical reports were filed with the Ministère des Ressources naturelles et de la Faune du Québec for assessment credits.

The reports are in French (italics below indicate the general subject of the reports):

- *Technical Report on a Resistivity/Induced Polarization Survey on the Preissac Property*; Rapport technique, levé de résistivité/polarisation provoquée sur la propriété Preissac, Canton de Villemontel;
- *Technical Report on a Resistivity/Induced Polarization Survey on the Xstrata-Option Property;* Rapport technique, levé de résistivité/polarisation provoquée sur la propriété Xstrata-Option Canton de Villemontel;
- *Technical Report on the Xstrata-Option Property;* Rapport Technique sur la propriété Option Xstrata, Cantons de Manneville et Villemontel;
- *Technical Report on Field Sampling - Summer 2008 on the Kinojevis Property;* Rapport technique, échantillonnage de terrain 2008 sur la propriété Kinojévis, Cantons de Figuery, Manneville et Villemontel;
- *Technical Report on a Diamond Drill Program on the MacCormack Area*; Rapport technique de la campagne de forage 2007-2008 sur la propriété Kinojévis, secteur MacCormack, Canton de Manneville;
- *Technical Report on an Electromagnetic Survey (HEM) on the Xstrata-Option Property Block # 4;* Rapport technique, levé Électromagnétique EMH sur le bloc 4 de la propriété Xstrata-Option, Canton de Villemontel;

- *Technical Report on the 2009 Diamond Drill Program on the Xstrata-Option Property Block #4;* Rapport Technique de la campagne de forage 2009 sur la propriété Xstrata-Option Bloc 4, Canton de Villemontel;

Cartier has received notice that its statutory work credits were accepted for the majority of the reports that had been filed, with the acceptance of some work credits still pending. Cartier continues to produce technical reports on a regular basis in order to maximize its work credits and keep its exploration rights in good standing.

Quarterly Financial Information Summary

Quarter ended	Interest income	Net loss	Basic and diluted net loss per share	Deferred exploration costs	Basic and diluted weighted average number of shares outstanding
	$	$	$	$	
30-06-09	4,133	(127,261)	(0.01)	264,519	19,635,544
31-03-09	7,010	(130,767)	(0.01)	254,995	19,422,182
31-12-08	9,236	(199,848)	(0.01)	238,789	16,641,332
30-09-08	12,800	(128,736)	(0.01)	427,552	16,600,000
30-06-08	17,174	(219,933)	(0.01)	682,980	16,568,132
31-03-08	26,709	(141,788)	(0.01)	556,957	16,550,000
31-12-07	40,448	(184,257)	(0.01)	594,923	16,550,000
30-09-07	47,579	(97,266)	(0.01)	440,430	16,480,435
30-06-07	17,999	(267,918)	(0.03)	240,905	9,562,638

Selected Financial Information

	Three month period ended June 30, 2009 $	Three month period ended June 30, 2008 $	Six month period ended June 30, 2009 $	Six month period ended June 30, 2008 $
Interest income	4,133	17,174	11,143	43,883
Net loss	(127,261)	(219,933)	(258,028)	(361,721)
Basic and diluted net loss per share	(0.01)	(0.01)	(0.01)	(0.02)

Basic and diluted weighted average number of shares outstanding	19,635,544	16,568,132	19,529,452	16,559,066

	Balance sheet June 30, 2009 $	**Balance sheet December 31, 2008 $**
Cash and cash equivalents	**1,683,515**	1,114,262
Exploration funds	**1,124,972**	620,880
Property, plant and equipment	**41,456**	47,947
Mining properties	**1,414,415**	1,413,708
Deferred exploration costs	**2,542,527**	2,017,010
Total assets	**7,015,778**	6,138,660
Current liabilities	**174,718**	97,460
Future income taxes	**724,120**	540,912
Shareholders' equity	**6,116,940**	5,500,288

RESULTS OF OPERATIONS

For the three and six month periods ended June 30, 2009, the net loss amounted to $127,261 and $258,028 (or $0.01 and $0.01 per share) compared to $219,933 and $361,721 (or $0.01 and $0.02 per share) for the same periods in 2008.

Interest income stood at $4,133 and $11,143 for the three and six month periods ended June 30, 2009 compared to $17,174 and $43,883 for the three and six months period ended June 30, 2008. Administrative expenses amounted to $189,577 and $327,354 for the same periods ended June 30, 2009 compared to $237,107 and $405,604 for those in 2008. The administration fees were less for the three and six month periods ending June 30, 2009 than those for the same periods in 2008. This decrease is explained by the fact that Cartier has reduced its business development costs and consultant-related fees.

The main items which constituted the administrative expenses for the three and six month periods ended June 30, 2009 are as follows: salaries which amounted to $54,135 and $95,662, consultant-related fees for an amount of $23,375 and $40,595, professional fees of $27,200 and $31,466, business development expenses totalling $18,486 and $34,764, advertising expenses for $6,885 and $20,234, shareholder information expenses for $24,028 and $35,287 and taxes pursuant to Part XII.6 for $5,427 and $12,832. For the three and six month periods ended June 30, 2008, the administrative expenses mainly consisted of salaries which amounted to $50,874 and $77,664, consultant-related fees for an amount of $44,216 and $93,452, business development expenses for $36,664 and $80,305 and stock-based compensation for $33,537 and $37,772.

BALANCE SHEETS

Current Assets

As at June 30, 2009, the Company's cash and cash equivalents amounted to $1,683,515, compared to $1,114,262 as at December 31, 2008. The cash reserved for exploration, which consisted exclusively of cash, stood at $1,124,972 compared to $620,880 and the working capital was $2,842,662 compared to $2,562,535 as at December 31, 2008.

Property, Plant and Equipment

Property, plant and equipment totalled $41,456 as at June 30, 2009, compared to $47,947 as at December 31, 2008, and consisted of leasehold improvements, furniture and equipment.

Mining Properties

As at June 30, 2009, mining properties were valued at $1,414,415, compared to $1,413,708 as at December 31, 2008.

Deferred Exploration Costs

As at June 30, 2009, deferred exploration costs net amounted to $2,542,527 compared to $2,017,010 as at December 31, 2008. The exploration costs incurred on all of the Company's properties during the six month period ended June 30, 2009 totalled $525,797 and mainly consisted of drilling for $177,865 and geology for $203,076. The exploration costs incurred on all the properties during the period ended June 30, 2008 totalled $1,239,937 and mainly consisted of drilling for $971,610 and geology for $127,364.

At the end of each quarter, the Company carries out an assessment of the work completed to determine the future potential of each property. During the quarter ended June 30, 2009, there were no write-offs on any of the Company's properties.

Liabilities

As at June 30, 2009, current liabilities amounted to $174,718 compared to $97,460 as at December 31, 2008.

Future income tax liabilities amounted to $724,120 as at June 30, 2009 compared to $540,912 as at December 31, 2008. The increase come from the waiver of tax deductions related to the private placement of flow-through shares.

Shareholders' Equity

During the six month period ended June 30, 2009, the shareholder's equity increased from $5,500,288 as at December 31, 2008 to $6,116,940 as at June 30 2009. The variation comes mainly from the loss incurred during the period and the financing completed on June 26, 2009.

During the period, the Company completed a public offering by way of a short form offering document. The offering consisted of the issuance of 926 units "A" and 230 units "B". Each unit "A", at a price of $1,080 per unit, is comprised of 4,000 flow-through common shares at a price of $0.27 per share for proceeds of $1,000,080 before share issue expenses. Each unit "B", at a price of $1,100 per unit, is comprised of 5,000 common shares at a price of $0.22 per share and 5,000 common share purchase warrants, each warrant entitling the holder to subscribe to one common share of the Company at a price of $0.30 for a period of two years following the closing date. The public offering is presented net of the value of the related warrants and the agent compensation options which were established at $80,270 and $36,676 respectively. Share issue expenses totalling $153,196 have reduced the capital stock.

Pursuant to a public offering completed on June 26, 2009 by way of a short-form offering document, a total of 1,150,000 warrants were issued and 388,320 compensation options were granted to the agent of the offering as partial compensation. Each share purchase warrant and each compensation option entitles the holder to acquire one common share at an exercise price of $0.30 for a period of two years following the closing of the placement.

Cash Flows

Cash flows from operating activities amounted to $547,760 and $431,107 respectively for the three and six month periods ended June 30, 2009 compared to $258,601 and $93,755 for the same periods in 2008. These amounts come mainly from cash inflows of the credit on duties refundable for loss and refundable tax credits for resources.

Cash flows from financing activities for the three and six month periods ended June 30, 2009 were the issue expenses of $1,099,884 and $1,094,388 respectively relating to the financing completed on June 26, 2009.

Cash flows used in investing activities for the three and six month periods ended June 30, 2009 were mainly composed of the variation relating to the cash reserved for exploration for $741,567 and $504,092 compared to nothing in 2008 and also deferred exploration costs of $264,519 and $451,443 for the three and six month periods ended June 30, 2009 compared to $717,978 and $1,242,764 for the same periods in 2008.

Liquidity and Financing Sources

The Company is an exploration company. Its ability to continue as a going concern depends on obtaining additional financing, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future.

The Company's financing comes mostly from share issues. The success of these issues depends on market conditions, investors' interest in exploration companies, and the price of metals. In order to continue its exploration activities and to support its current activities, the Company has to maintain its exposure within the financial community to be able to realize new financings.

As at June 30, 2009 the Company's cash and cash equivalents amounted to $1,683,515 compared to $1,114,262, as at December 31, 2008.

Cash reserved for exploration amounted to $1,124,972 as at June 30, 2009 compared to $620,880 as at December 31, 2008. The variation comes from the financing of $1,253,080 completed in June 2009 less the exploration costs incurred during the period. Cash reserved for exploration is exclusively constituted of cash and the Company must use $124,892 before December 31, 2009 and the balance of $1,000,080 before December 31, 2010.

RISKS AND UNCERTAINTIES

The Company, like all other mining exploration companies, is exposed to a variety of financial and environmental risks as well as risks related to the very nature of its activities. It is also subject to risks related to other factors, such as the price of metals and market conditions in general.

Financial Risks

The sub-prime lending debacle in the United States has created a volatile and uncertain environment for global financial markets. Such an environment poses many challenges for businesses in general and more particularly for those raising funds in a high risk sector such as mining exploration.

The financing completed on June 26, 2009 and the subsequent private placement ensure that Cartier shall remain a going concern for the next 18 months. The Company estimates that the quality of its properties and their geological potential will allow it to obtain the required financing for their development.

Permits and Licenses

The Company's operations may require permits and licenses from different governmental authorities. There cannot be any assurance that the Company will obtain all the required permits and licenses in order to continue the exploration, development and mining operations on its properties.

Metal Prices

Even if the exploration programs of the Company are very successful, some factors out of the Company's control may affect the marketing of the minerals found. Historically, metal prices have largely fluctuated and are affected by many factors which are out of the Company's control, including international, economic and political trends, inflation expectations, exchange rate fluctuations, interest rates, global and regional consumption models, speculative activities and worldwide production levels. The effects of these factors cannot be precisely predicted.

Key Personnel

The management of the Company rests on some key managers and mostly on its President and Chief Executive Officer. The loss of the President and Chief Executive Officer could have a negative impact on the development and the success of its operations. The Company's success is linked to its capacity to attract and keep qualified personnel. Competitiveness in the mining industry is high and the success of the Company depends mostly on the senior managers and the qualified personnel in geology.

OFF-BALANCE SHEET ARRANGEMENTS

As at June 30, 2009, the Company had not concluded any off-balance sheet arrangements other than those disclosed in note 15 of the audited financial statements.

CAPITAL STRUCTURE ON AUGUST 18, 2009:

Common shares outstanding	25,526,183
Warrants (weighted average exercise price of $0.32)	3,811,092
Agent compensation option (weighted average exercise price of $0.30)	388,320
Stock options (weighted average exercise price of $0.43)	1,690,000
Total fully diluted	31,415,595

SIGNIFICANT ACCOUNTING ESTIMATES

Use of Estimates

The preparation of financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the disclosures in the notes thereto.

The most significant items requiring the use of management's estimates and assumptions consist of the recoverable value of mining assets, the stock-based compensation and other stock-based payments, the value of warrants and the provision for future income taxes. These estimates and assumptions were made by management using careful judgment, based on the most current geological information available and its planned course of action, as well as on assumptions about future business, economic and capital market conditions.

Actual results could differ from estimates used in preparing these financial statements and such differences could be material.

Basis of Presentation

The unaudited interim financial statements of the Company have been prepared in accordance with Canadian GAAP and contain the financial position, results of operations and cash flows of the Company. The same accounting policies used in the last annual report have been applied in the unaudited interim financial statements. The unaudited interim financial statements do not include all the information and notes required according to GAAP for the annual financial statements that the Company presented in its annual report for the year ended December 31, 2008. Therefore, these unaudited financial statements should be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2008.

Changes in Accounting Policies

Goodwill and intangible assets

Issued in February 2008, Section 3064, "Goodwill and intangible assets", replaces Section 3062, "Goodwill and other intangible assets", and Section 3450, "Research and development costs". Various changes have been made to other sections of the CICA Handbook for consistency purposes including but not limited to the withdrawal of EIC 27 "Revenues and expenditures during the pre-operating period" and updates to ACG-11 "Enterprises in the development stage". The new section is applicable to financial statements relating to fiscal years beginning on or after October 1, 2008. Accordingly, the Company adopted the new standards for its interim period and fiscal year beginning January 1, 2009. It 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 new accounting principles cover only the information provided and has no impact on the financial results of the Company.

Impact of New Accounting Standards Not Yet Adopted

International Financial Reporting Standards («IFRS»)

The Accounting Standards Board of Canada («AcSB») plans to converge Canadian GAAP for publicly accountable enterprises with IFRS over a transition period that will end on January 1, 2011 with the adoption of IFRS. The AcSB announced on February 13, 2008 that IFRS will be required in 2011 for publicly accountable profits oriented enterprises. The changeover date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The Company will present its first set of IFRS compliant financial statements for the year ending December 31, 2011. IFRS uses a conceptual framework similar to Canadian GAAP, but there are significant differences in the recognition, measurement and disclosure requirements.

The Company is currently going through the assessment and evaluation phase of its IFRS implementation project to determine the effect on its processes, systems and financial statements upon adoption.

RELATED PARTY TRANSACTIONS

For the three and six month periods ended June 30, 2009, the Company was provided consultation services from a company pursuant to which a director of the Company is a minority shareholder. These transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. There was no amount unpaid as at June 30, 2009.

	Three month period ended June 30, 2009 $	Three month period ended June 30, 2008 $	Six month period ended June 30, 2009 $	Six month period ended June 30, 2008 $
Consultants	2,000 (a)	10,000	2,000 (a)	25,000

(a) The amount was paid to 6262180 Canada Inc., a company pursuant to which Jean Carrière, a director of the Company, is a minority shareholder.

COMMITMENTS

The Company has commitments pursuant to various leases and equipment leasing contracts. It has also an agreement on a research project with the Université du Québec à Montréal. The Company has an obligation to pay a total amount of $92,099 over the next four years. Minimum payments are as follows:

	$
2009	50,379
2010	25,320
2011	15,300
2012	1,100
	92,099

SUBSEQUENT EVENT

On July 9, 2009, the Company completed a private placement of $275,000 before share issue expenses. The Company issued 1,250,001 units. Each unit consists of one common share at a price of $0.22 per share and one share purchase warrant with each warrant entitling the holder to subscribe to one common share at a price of $0.30 for a period of two years following the closing of the placement.

INTERNAL CONTROLS OVER DISCLOSURE AND FINANCIAL REPORTING

As an emerging company, the Company is composed of a limited number of key persons, which means that the segregation of duties is limited and must be offset by a more reliable supervision of the President and Chief Executive Officer and the Chief Financial Officer.

For the quarter ended June 30, 2009 the President and Chief Executive Officer and the Chief Financial Officer have concluded that the operation of the internal controls and procedures in place were efficient and were executed in order to provide reasonable assurance as to the appropriate disclosure of material information relating to the Company.

OUTLOOK

In 2009, Cartier will pursue its corporate development strategy by focusing on:

- the targeted and dynamic exploration of its properties with an emphasis on drilling;
- the enhancement of the value of the new properties in order to attract partnership opportunities for further exploration work; and
- the acquisition of new properties.

Approximately 5,000 meters of diamond drilling is being planned on the Company's properties. The bulk of the exploration work will be performed on the MacCormack, Rambull, La Pause, Manneville and Dollier properties. The compilation of results will continue throughout 2009 in order to generate new drilling targets.

Recently, a new exploration program was launched over new territories in Quebec. The program's objective is to generate a new portfolio of exploration projects.

Cartier manages and targets its exploration work in a manner which ensures that optimal statutory work requirements will have been met for many years to come.

(s) Philippe Cloutier
Philippe Cloutier
President and CEO

(s) Jean-Yves Laliberté
Jean-Yves Laliberté
Chief Financial Officer