ROCA MINES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

(FORM 51-102F1)

YEAR ENDED AUGUST 31, 2009

December 4, 2009

TABLE OF CONTENTS

Date of Report

This Management Discussion and Analysis ("MD&A") should be read in conjunction with the audited consolidated financial statements and related notes thereto for the years ended August 31, 2009 and 2008, which have been prepared in accordance with Canadian Generally Accepted Accounting Principles (GAAP).

This MD&A is prepared as of December 4, 2009. All amounts in the consolidated financial statements and this MD&A are expressed in Canadian dollars, unless otherwise indicated.

Description of Business

Roca Mines Inc. (the "Company") engages principally in the exploration, development and mining of resource properties in North America. The Company's wholly-owned subsidiary, FortyTwo Metals Inc., operates the Max Molybdenum Mine southeast of Revelstoke British Columbia; a producer of molybdenite concentrates exported under the terms of an offtake agreement.

Highlights

- Production revenues of $26 million for the year ended August 31, 2009 on sales of 2,366,321 lbs of molybdenum;
- Operating cash flows of $8.7 million ($0.10/share) for the year ended August 31, 2009;
- Q4 molybdenum prices significantly boosted the company's treasury since Q3 end;
- Cash costs of approximately Cdn$7.30 (US$6.65) for the year;
- Average molybdenum recoveries of approximately 95%; and
- Molybdenum in concentrate production of 2,374,355 lbs.

Selected Annual Financial Results

The information below has been extracted from the Company's annual consolidated financial statements.

		Year Ended August 31, 2009		Year Ended August 31, 2008		Year Ended August 31, 2007
Total revenues	**$**	**25,959,489**	$	18,785,083	$	Nil
Net loss	**$**	**(18,448,087)**[1]	$	(2,493,151)[2]	$	(838,029)[3]
Net loss per share	**$**	**(0.21)**	$	(0.03)	$	(0.01)
Total assets	**$**	**41,714,914**	$	60,462,014	$	53,361,488
Total long term debt	**$**	**Nil**	$	Nil	$	Nil

Notes:

1) The loss for the year ended August 31, 2009 includes non-cash stock-based compensation of $404,148, amortization, depletion and accretion of $36,765,811 and future income tax recovery of ($11,037,243).
2) The loss for the year-ended August 31, 2008 includes non-cash stock-based compensation of $1,453,191, amortization, depletion and accretion of $12,472,155 and future income tax recovery of ($3,017,573).
3) The loss for the year-ended August 31, 2007 includes non-cash stock-based compensation of $1,121,450 and future income tax recovery of ($811,942).

Summary of Quarterly Results (in $Cdn unaudited)

	Aug. 31, 2009	May 31, 2009	Feb 28, 2009	Nov. 30, 2008
Total revenues	8,797,479	5,584,156	3,267,337	8,310,517
Net income (loss)	3,065,117	(9,610,888)	(6,780,592)	(5,121,724)
Net income (loss) per share	0.03	(0.11)	(0.08)	(0.06)
Total assets	41,714,914	38,780,656	47,610,009	52,611,063
Total long term debt	Nil	Nil	Nil	Nil

	Aug. 31, 2008	May 31, 2008	Feb. 29, 2008	Nov. 30, 2007
Total revenues	12,509,316	6,275,767[2]	Nil	Nil
Net income (loss)	(2,058,422)[1]	1,516,846	(361,243)	(1,590,332)[3]
Net income (loss) per share	(0.03)	0.02	(0.01)	(0.01)
Total assets	60,462,014	59,553,816	57,396,530	57,098,261
Total long term debt	Nil	Nil	Nil	Nil

Note 1: The loss for the fourth quarter ended August 31, 2008 includes stock-based compensation expense of ($1,453,191) and income and mining tax recoveries of $2,792,009.

Note 2: Concentrate sales prior to April 13, 2008 have been recorded as a development cost recovery, not as revenues.

Note 3: The loss for the quarter ended November 30, 2007 includes stock-based compensation expense of ($1,355,363).

Quarter Ended August 31, 2009

During the three months ended August 31, 2009, the Company recorded revenues of $8,797,479 and net income of $3,065,117 compared to $12,509,316 in revenues and a net loss of $2,058,422 in the fourth quarter of the prior fiscal year. Cash flows from operations totalled $2,309,416 during the fourth quarter ended August 31, 2009 versus cash flow from operations of $6,067,810 during the fourth quarter ended August 31, 2008 reflecting much higher prices for molybdenum concentrates in the prior year. The Company recorded net income versus a loss in the prior year largely because of substantially lower depletion in the fourth quarter of the current fiscal year (see *Results of Operations* below).

Subsequent to August 31, 2009, the Company settled the price of molybdenum for certain of its sales invoices related to shipments made to August 31, 2009. The prices were settled at amounts lower than those used in estimating the final revenues as of August 31, 2009 due to the decline in the market price of molybdenum subsequent to year end. As a result, the Company will record a negative price adjustment during the first quarter ended November 30, 2009 of US$518,856 related to these shipments.

Results of Operations

During the year ended August 31, 2009, the Company recorded production revenues of $25,959,489 and a net loss of $18,448,087 the most significant charge being depletion, amortization and accretion costs of $36,765,811. Until June 1, 2009 the Company was depleting capital start-up costs of approximately $55 million over the Phase I mine plan. As of June 1, 2009, upon a decision to advance the Company's Phase II mine plan, all capital costs for development and equipment available for use are now being amortized over the estimated Phase II mine life on a unit of production basis. Depletion costs going forward will be materially lower than past quarterly and annual periods.

Cash flows from operations of $8,672,503 and net proceeds from financing activities of $1,052,471 were invested in equipment upgrades, mine development and underground maintenance, ultimately allowing the Company to return to positive cash-flow in the past three quarters of the year. The Company had reached commercial production in April of 2008 recording pre-commercial sales of $10,326,471, revenues of $18,785,083 and a net loss of $2,493,151 during the year ended August 31, 2008. General and administrative expenses increased by approximately 26% over 2008, reflecting the Company's transition from development-company to producer.

MAX Molybdenum Mine

Through its wholly-owned subsidiary, FortyTwo Metals Inc., the Company holds a 100% interest in the MAX molybdenum mine located approximately 60 kilometres southeast of Revelstoke, B.C. The MAX claims and related holdings cover approximately 8,200 hectares in the Revelstoke Mining Division.

Resource Estimate

A resource estimate completed in September of 2004 in compliance with the CIM Standards stipulated by National Instrument 43-101 of the Canadian securities commissions is summarized below:

	MEASURED		**INDICATED**		**MEASURED & INDICATED**	
Cutoff % MoS_2	Tonnes	Grade % MoS_2	Tonnes	Grade % MoS_2	Tonnes	Grade % MoS_2
0.10	27,870,000	0.21	15,070,000	0.18	42,940,000	0.20
0.20	9,340,000	0.35	2,010,000	0.41	11,350,000	0.36
0.50	1,010,000	1.01	370,000	0.77	1,380,000	0.94
1.00	260,000	1.95	20,000	1.87	280,000	1.95

Notes: In addition to the above measured and indicated resources, inferred resources total 8,900,000 tonnes averaging 0.16% MoS_2 at the 0.10 cut-off, including 460,000 tonnes averaging 0.33% at the 0.20 cut-off.
To convert molybdenite (MoS_2) values to molybdenum (Mo) value, divide MoS_2 by 1.6681 (e.g. 1% MoS_2 = 0.60% Mo).

Production Results

In 2008, the Company announced that it had achieved its commercial production targets on April 12, 2008 at its MAX molybdenum mine located in BC, Canada. The mine became BC's first new metal mine in a decade and the newest primary molybdenum mine in Canada.

Revenues of $26 million for the year ended August 31, 2009 result from shipments during fiscal 2009 and reflect final and/or estimated final pricing at August 31, 2009. The Company sells its concentrates to a UK-based buyer with sales revenues based on average prevailing molybdenum oxide prices subsequent to delivery. The Company has no hedging program nor has it sold forward any of its production.

The table below is a summary of the operating statistics for the three months ended November 30, 2008:

MAX Mine Statistics	**Q1-2009**			
	SEPT '08	**OCT '08**	**NOV '08**	**TOTAL**
Molybdenum Produced (lbs) [1]	269,331	187,979	222,387	679,697
Average Head Grade (% Mo)	1.18	0.79	1.01	
Molybdenum Recovery (%)	95.8	94.8	96.1	
Mill Availability (%)	96	100	95	
Average Daily Throughput (tpd)	375	382	358	

Notes: (1) molybdenum contained in concent

Cash costs of production during the first quarter were significantly lower than the fourth quarter of fiscal 2008, as a result of an ongoing grade control program and higher average grades received at the mill during September through November. Cash costs averaged $7.07 per lb (US$5.70) of molybdenum sold during the first quarter. Daily mine production was lower than targets due to equipment availability (See Non-GAAP Measures for a reconciliation of all cash cost calculations in this MD&A).

During December 2008, a rockfall occurred underground at the mine which impacted the immediate availability of production ore. The rockfall was localized to the stope development area of the 875 metre level. No workers were present on the level at the time and no one was harmed. The rockfall posed no threat to other working areas of the mine, but did impact the production schedule for the second quarter ending February 28, 2009. A maintenance break originally scheduled between December 12 and December 29, 2008, was extended to excavate the rockfall and adjacent ore in the stope. The mine recommenced production on January 8, 2009.

The table below is a summary of the operating statistics for the three months ended February 28, 2009:

MAX Mine Statistics	**Q2-2009**			
	DEC '08	**JAN '09**	**FEB '09**	**TOTAL**
Molybdenum Produced (lbs) [1]	40,498	162,557	248,075	451,130
Average Head Grade (% Mo)	0.50	0.73	0.87	
Molybdenum Recovery (%)	96.3	94.9	94.0	
Mill Availability (%)	98	97	98	
Average Daily Throughput (tpd)	311	467	498	

Notes: (1) molybdenum contained in concent

Cash costs of production during the second quarter were higher than the first quarter as result of higher costs and lower production during December and substantially lower operating efficiencies given the twenty-seven day shutdown between December and January. Cash costs averaged $9.23 per lb (US$7.30) of molybdenum sold during the second quarter ended February 28, 2009.

The table below is a summary of the operating statistics for the three months ended May 31, 2009:

MAX Mine Statistics	**Q3-2009**			
	MAR '09	**APR '09**	**MAY '09**	**TOTAL**
Molybdenum Produced (lbs) [1]	254,190	137,480	274,631	666,301
Average Head Grade (% Mo)	0.84	0.50	0.86	
Molybdenum Recovery (%)	95.8	94.9	95.4	
Mill Availability (%)	99.9	99.7	94.8	
Average Daily Throughput (tpd)	473	433	486	

Notes: (1) molybdenum contained in concent

During the third quarter ended May 31, 2009 molybdenum oxide prices averaged US$9.10/lb and production was curtailed to operate at breakeven levels. Despite low throughput in April (when oxide prices hit a five year low of US$7.83/lb) cash costs during the third quarter decreased over the prior quarter, averaging $6.02/lb (US$5.50).

The table below is a summary of the operating statistics for the three months ended August 31, 2009:

MAX Mine Statistics	Q4-2009			
	JUNE '09	JULY '09	AUG. '09	TOTAL
Molybdenum Produced (lbs) [1]	195,445	207,339	174,443	577,227
Average Head Grade (% Mo)	0.67	0.64	0.57	
Molybdenum Recovery (%)	96.2	96.4	96.5	
Mill Availability (%)	99	98	89	
Average Daily Throughput (tpd)	452	487	455	

Notes: (1) molybdenum contained in concent

During the fourth quarter ended August 31, 2009 cash costs increased over the prior quarter due to lower head grades delivered to the mill, averaging $7.67/lb (US$7.00/lb). For the year ended August 31, 2009 cash costs per lb averaged $7.29 (US$6.65) per lb of molybdenum sold.

Phase II Expansion Project

The flexibility to expand the MAX operation has been a key objective of the Company since the project was initially conceived and much of management's early planning aimed to preserve the opportunity to build a sustainable, long-life mine from the known resource.

The Company undertook several initiatives to cut operating costs and capital spending at the MAX molybdenum mine during the first half of fiscal 2009 due to low commodity prices. Based on higher prevailing molybdenum prices later in the year however, management made the decision to proceed to Phase II of the mine plan. Management's plan to increase mine and mill throughput to 1,000tpd will result in lower unit costs of production, thereby making more of the known resource economic at current prices.

The underground mine is now in a position where scheduling for future development waste rock can be managed and stored in existing underground stopes; therefore, no new additions to the surface waste rock stockpile are required. Also, expansion of the existing mill and concentrator can be achieved without increasing the footprint of the plantsite area. These two key elements of the expansion plan essentially allow for a doubling of the current production rate without altering the footprint of the existing operation.

A permit amendment application seeks to add approximately 1.0ha to the footprint of the existing tailings facility, involving only the downstream portion of the tailings dams. There are no other requirements to add to the physical size of the mine operations area. Furthermore, there are no requirements to amend the mine's other operating permits. The expansion plan has recently received notice from the BC Environmental Assessment Office (BC-EAO) that the project application can proceed to review by the BC Ministry of Energy, Mines and Petroleum Resources (BC-MEMPR). A meeting of the West Kootenay Mine Development Review Committee (WK-MDRC) will take place in early December 2009 when the Company will present its detailed plans for the expansion to a 1,000 tpd operation.

Net pre-production costs were amortized on a unit of production basis over the Company's Phase I mine plan through May 31, 2009. Subsequent to management's decision to proceed with the Phase II mine plan, capital costs will now be amortized over the new estimated Phase II remaining mine life on a unit of production basis. Costs associated with the purchase and installation of a new ball mill ("#3") will continue to be capitalized, during the construction phase. Depletion of these costs will commence when the #3 ball mill is ready for use in accordance with Canadian GAAP.

MAX Property Exploration

Deferred exploration costs for the MAX project represent costs incurred in the search for new ore bodies including a deep molybdenum porphyry target below the exiting MAX mine mineralization, the "North molybdenum biogeochemical target" and the "Ridge Tungsten Zone". While the Company did not expend funds on these projects during fiscal 2009, management looks forward to resuming exploration on all three exploration zones at the MAX project (for tungsten and molybdenum) as soon as financial resources permit. The carrying value of grass-roots exploration expenditures at MAX totalled $944,807 at August 31, 2009 (net of tax credits and refunds).

Nuevo Milenio Project, Mexico

In July of 2009, the Company entered into an option agreement with Cream Minerals Ltd. ("CMA"), to acquire up to a 70% interest in CMA's Nuevo Milenio Project which encompasses 2,560 Hectares and is located 27 kilometres by road from Tepic, the capital city of Nayarit State, Mexico.

In order to acquire a 50% legal and beneficial interest in the property, the Company must spend US$1,000,000 in the first year and a total of US$12,000,000 in exploration work on the property by July 24, 2013. If the Company meets these requirements within four years, it will vest at 50% and will have the option to earn a further 20% interest in the property by completing, at its own expense, a positive feasibility study within 3 years by an independent mutually acceptable qualified party. Once the Company vests at 50% or 70% as applicable; CMA and the Company will form a joint venture for further exploration and/or mine development work with all further costs to be shared on a pro rata basis. The Company expended $32,141 on this project during fiscal 2009.

Foremore VMS-Gold Project

The Company holds a 100% interest in the Foremore VMS-Gold project situated in the "Golden Triangle" one of the most active mining and exploration areas in north-western British Columbia. The property comprises 65 contiguous mineral claims totaling 23,609 hectares in the Liard Mining Division. Significant operations in the area include Barrick Gold's legendary Eskay Creek Mine, Cominco's historic Snip Mine and NovaGold and Teck Cominco's Galore Creek Project. The Foremore project was explored by Cominco Limited between 1989 and 1996. The Company's exploration efforts at Foremore date back to the summer of 2002. Expenditures on the Foremore Project during the year ended August 31, 2009 were $1,002,314 and at August 31, 2009 totalled $6,550,823 (net of tax credits and refunds).

SeaGold Property

The Company holds a 50% interest in the SeaGold Project, comprising 8 claim blocks of 4,000 hectares, centered on a number of gold and copper occurrences approximately 35 km north of Barrick Gold's Eskay Creek gold/silver mine in BC. The balance of the property interest is now held by Romios Gold Resources Inc. ("Romios"). Romios serves as the operator of a 50:50 joint venture on the SeaGold project. The Company expended $15,000 on this project during the year ended August 31, 2009.

Lardeau Properties

A 2006 exploration program by the Company reviewed potential targets within a 100 km radius of the MAX molybdenum mine. This work resulted in the optioning of a 100% interest in four projects in the historic Lardeau Mining Camp covering an area of approximately 5,600 hectares. The Company has recently conducted exploratory prospecting and limited diamond drill programs on these four properties.

In 2007, the Company acquired by staking a 100% interest in the *Butters Peak Molybdenum Property*, located approximately 25 km northeast of the MAX Mine. The Company conducted limited prospecting and reconnaissance on the property in 2008.

In light of current economic conditions, the Company has now abandoned all of these early-stage prospects in order to focus on its more advanced mining and exploration projects. Therefore the Company has taken an impairment charge of the total $36,021 in expenditures incurred on these projects during the year ended August 31, 2009. The *Butters Peak* project claims have been allowed to lapse and all other properties will revert back to the original vendors.

Liquidity and Financial Position

While the Company had positive operating cash flow for the third quarter ended May 31, 2009, prices for molybdenite concentrates were significantly lower than past periods and at May 31, 2009 cash and cash equivalents amounted to $77,057. At May 31, 2009, those circumstances lent significant doubt as to the ability of the Company to continue as a going concern. Subsequent to May 31, 2009, molybdenum oxide prices have increased from a low of US$7.83 in April 2009 to approximately US$16.75 at August 31, 2009 and over US$11.00 as of the date of this report. The price increase has improved operating margins and allowed the Company to build its cash and cash equivalent reserves to $2,754,794 as of August 31, 2009 (2008 - $2,497,077). Provided that molybdenum prices remain at current levels and mining operations do not suffer major setbacks, management believes that it has raised sufficient capital to fund its ongoing operations through cash-flow.

Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, receivables, marketable securities, reclamation deposits, accounts payable and accrued liabilities, amounts due to related parties and other long term liabilities. The Company is exposed to potential loss from various risks including credit risk, foreign exchange risk, interest rate risk, liquidity risk, market risk and commodity price risk.

i) Credit Risk

A concentration of credit risk in trade accounts receivable resides with the Company's only customer in the United Kingdom. Management has considered payment history and other factors and estimated that no allowances are required to allow for potential credit losses, as the risk of non-performance is remote. The Company's maximum exposure to credit risk is the carrying value of its accounts receivables.

ii) Foreign Exchange Risk

The Company's revenues from the production and sale of molybdenum are denominated in US dollars however the Company's operating expenses are incurred primarily in Canadian dollars and its liabilities are denominated primarily in Canadian dollars. Consequently, the Company's operations are subject to currency translation risk. The operating results and the financial position of the Company are reported in Canadian dollars. The fluctuation of the US dollar in relation to the Canadian dollar will, consequently, have an impact upon the reported profitability of the Company and may also affect the value of the Company's assets and liabilities. The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks at this time. With other variables unchanged, each $0.10 strengthening (weakening) of the US dollar against the Canadian dollar would result in a decrease (increase) of approximately $220,000 in net loss for the year ended August 31, 2009.

iii) Interest Rate Risk

The Company is exposed to interest rate risk on its cash and cash equivalents and reclamation bonds. Generally, the Company's interest income will be reduced during sustained periods of lower interest rates as higher yielding cash equivalents and investments mature and the proceeds are invested at lower interest rates. A 1% change in interest rates would have an insignificant impact on the Company's earnings.

iv) Liquidity Risk

The Company is exposed to liquidity risk. The Company manages liquidity risk by maintaining sufficient cash and short-term investment balances for settlement of its obligations. Liquidity requirements are managed based on expected cash flow to ensure there is sufficient capital in order to meet short-term obligations. Cash and cash equivalents at May 31, 2009 amounted to $77,057. At August 31, 2009, the cash and cash equivalent balance had improved to $2,754,794 but liquidity risk should still be considered high because of volatility in the commodity markets and general uncertainty in the world economy.

v) Pledged Financial Assets

The Corporation has financial assets that are pledged for reclamation obligations. Reclamation deposits are generally invested in GICs with one year maturities and are maintained to satisfy the Corporation's obligation for future reclamation expenditures at its MAX mine site and various exploration properties.

vi) Market and Commodity Price Risk

The Company is exposed to market risk and commodity price risk. Declines in the market price of commodities, most significantly molybdenum, can not only adversely affect operating results, but may also affect the Company's ability to raise capital to fund its ongoing exploration, development or mining activities. The Company does not currently enter into forward contracts for any of its production.

The Company's metal concentrates are sold under pricing arrangements where final prices are determined by quoted market prices in a period subsequent to the date of sale. Revenues are recorded at the time of sale based on forward prices for the expected date of final settlement using currently available market information. As a result, the values of concentrate receivables change as the underlying commodity market prices vary. This component of the contract is an embedded derivative, which is recorded at fair value with changes in fair value recorded in revenue. At August 31, 2009, the fair value of the embedded derivative in the provisionally priced sales agreement was a credit of approximately US$1.6 million or Cdn$1.8 million.

Critical Accounting Estimates

The Company's accounting policies are described in Note 2 to the annual consolidated financial statements. The preparation of these financial statements in conformity with generally accepted accounting policies requires management of the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates are based on past experience, industry trends and known commitments and events. By their nature, these estimates are subject to measurement uncertainty and the effects on the financial statements of changes in such estimates in future periods could be significant. The estimates made in applying the policies below can be uncertain and a change in these estimates could materially impact the financial statements.

Resource Property Costs, Property Plant and Equipment

Resource property costs and property, plant and equipment usually represent the most significant assets of the Company. The costs associated with resource costs and/or property, plant and equipment include acquired interests in production, development and exploration stage properties representing the fair value at the time they were acquired. These costs are capitalized on an individual project basis. If production commences, these costs would be amortized over the estimated life of mine on a unit of production basis. Unrecoverable costs for projects determined to be commercially not feasible are expensed in the year in which the determination is made or when the project is allowed to lapse, abandoned or determined to be impaired. The Company's management regularly reviews the carrying value of the Company's mineral properties. Where information is available, and conditions suggest impairment, estimated future net cash flows from each property are calculated using estimated future prices, proven and probable reserves, and operating and capital costs on an undiscounted basis. An impairment charge is recorded if the undiscounted future net cash flows are less than the carrying amount. Reductions in the carrying value of each property, with a corresponding charge to operations, are recorded to the extent that the estimated future net cash flows on a discounted basis are less than the property carrying value in accordance with CICA Handbook Section 3063, "Impairment of Long-lived Assets". Where estimates of future net cash flows are not available and where other conditions suggest impairment, management assesses whether the carrying value can be recovered. If any impairment is identified, the carrying value of the property is written down to its estimated fair value.

Depreciation and depletion is also determined based on property, plant and equipment carrying values. Depreciation and depletion is calculated on the units of production basis over existing mineral reserves or resources. Mineral resources or reserves are an estimate of the quantity of economically recoverable ore and/or mineralization and will change from time to time as a result of additional geological information, actual grade or recoveries different from original estimates or commodity price changes.

Asset Retirement Obligations

The Company is subject to various laws governing reclamation of its mine sites and exploration sites. These laws are continually changing and these changes may affect the procedures and costs required to complete reclamation obligations. Estimates of the fair value of these liabilities for asset retirement obligations are recognized in the period they are incurred. A corresponding increase in the related asset is recorded and depreciated over the estimated life of the asset. If the fair value of the liability decreases due to changes in future cash flow estimates, a corresponding decrease in the related asset is recorded. If the reduction exceeds the value of the related asset, the remaining amount is reduced through earnings. Where a related asset is not identifiable with a liability, the change in fair value is charged to earnings in the period. Each period, the liability is increased to reflect the accretion (or interest) portion of the initial fair value estimate and changes in estimated cost and timing of the reclamation procedures. Actual future reclamation costs may be materially different from the costs estimated by the Company.

Stock Option and Warrant Valuation

The determination of the fair value of stock options and warrants issued requires management to estimate future stock volatility, expected life, and a risk-free rate of return. The Company uses historic information to estimate these future variables. Given the change in the Company from an exploration company to emerging producer, historic information may no longer be valid and these estimates could materially impact the consolidated financial statements.

Income and Mining Taxes

Future income tax assets represent one of the most significant assets of the Company at August 31, 2009. The Company uses the liability method of accounting for income taxes. Under the liability method, future tax assets and liabilities are determined based on differences between the financial statement carrying amounts and their respective tax bases, and for tax losses and other deductions carried forward. The Company evaluates the carrying values of its future tax assets periodically by assessing its valuation allowance and by adjusting the amount of such valuation allowance in the period, if necessary. A valuation allowance is provided for those tax assets for which it is more likely than not that the related benefits will not be realized. In determining the amount of the valuation allowance, the Company considers estimated future taxable income as well as feasible tax planning strategies in each jurisdiction. If the Company determines that all or a portion of the future income tax assets will not be realized, a valuation allowance will be increased with a charge to income tax expense. Conversely, if the Company makes a determination that it ultimately will be able to realize all or a portion of the related benefits for which a valuation allowance has been provided, all or a portion of the related valuation allowance will be reduced with a credit to income tax expense. The determination of the Company's tax expense for the year and its future tax liabilities and assets involves significant management estimation and judgment involving a number of assumptions. In determining these amounts, management interprets tax legislation and makes estimates of the expected timing of the reversal of future tax assets and liabilities. Management also makes estimates of future earnings which affect tax rate assumptions, tax planning strategies and the extent to which potential future tax benefits may be used. The Company is subject to assessments by taxation authorities which may interpret tax legislation differently. These differences may affect the final amount or the timing of the payment of taxes and these differences could be material. The Company provides for such differences where known based on management's best estimate of the probable outcome of these matters.

Changes in Accounting Policies

Effective September 1, 2008, the Company adopted the following new accounting standards issued by the Canadian Institute of Chartered Accountants ("CICA").

i) Section 1535, *Capital Disclosures,* establishes standards for disclosing information about an entity's capital and how it is managed. The purpose will be to enable users of the financial statements to evaluate the entity's objectives, policies and processes for managing capital.

ii) Sections 3862 and 3863 – *Financial Instruments-Disclosures* and *Financial Instruments-Presentation,* requires entities to provide disclosure of quantitative and qualitative information in their financial statements that enable users to evaluate the significance of financial instruments for the entity's financial position and performance, and the nature and extent of risks arising from financial instruments to which the entity is exposed during the period and at the balance sheet date, and management's objectives, policies and procedures for managing such risks *(See Note 12 to the consolidated financial statements).*

The Company has designated its financial instruments as follows:

- Cash and cash equivalents are classified as "*Held-for-Trading"* and recorded at fair value with changes in fair value recorded in net income.
- Marketable securities and reclamation bond amounts are classified as *"Available-for-Sale"* and recorded at fair value with temporary changes in fair value recorded in other comprehensive income;
- Receivables are classified as *"Loans and Receivables".* These financial assets are recorded at values that approximate their amortized cost using the effective interest method; and
- Accounts payable, accrued liabilities, due to related parties and other long term liabilities are classified as *"Other Financial Liabilities"*. These financial liabilities are recorded at amortized cost using the effective interest method.

iii) Emerging Issues Committee ("EIC") Abstract 173 - *Credit Risk and the Fair Value of Financial Assets and Financial Liabilities* provides guidance on evaluating credit risk of an entity and counterparty when determining the fair value of financial assets and financial liabilities, including derivative instruments.

iv) EIC Abstract 174 - *Mining Exploration Costs* provides guidance on the accounting and the impairment review of exploration costs.

v) Section 1400, *General Standards of Financial Statement Presentation - Going Concern* requires management to assess an entity's ability to continue as a going concern. When management is aware of material uncertainties related to events or conditions that may cast doubt on an entity's ability to continue as a going concern, those uncertainties must be disclosed. In assessing the appropriateness of the going concern assumption, the standard requires management to consider all available information about the future, which is at least, but not limited to, twelve months from the balance sheet date.

vi) Section 3031, *Inventories,* prescribes the accounting treatment for inventories and provides guidance on the determination of costs and their subsequent recognition as an expense, including any write-down to net realizable value. It also provides guidance on the cost formulas that are used to assign costs to inventories.

The adoption of the above standards did not impact the reported results of operations but did result in expanded disclosures (see Notes 12 and 13 to the Company's consolidated financial statements).

New Accounting Developments

The CICA has issued various new standards which may affect the financial disclosures and results of operations of the Company for future interim and annual periods.

For interim and annual financial periods beginning on September 1, 2009, the following standard will be adopted by the Company. The Company is still evaluating the impact that this adoption is to have on the Company's financial statements and related disclosures.

Section 3064 – *Goodwill and Intangible Assets* replaces sections 3062 and 3450 and establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets by profit-oriented enterprises. The new standard also provides guidance for the treatment of pre-production and start-up costs and requires that these costs be expensed as incurred.

International Financial Reporting Standards ("IFRS")

In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB's strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February of 2008, the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended August 31, 2011. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS has not been determined at this time.

Non-GAAP Measures

Cash costs per pound of molybdenum sold are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. Management believes this non-GAAP measures provide useful supplemental information to investors in order that they may evaluate the financial performance of the Company. Non-GAAP financial measures should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP. The cash cost per pound of molybdenum sold represents the mining, milling, management and site expenses associated with each period but does not include non-cash items such as stock based compensation, amortization, depletion and accretion or inventory valuation changes. The following tables provide a reconciliation of cash costs per pound sold and operating expenses included in the Company's Consolidated Statements of Operations and Loss:

	Q1	Q2	Q3	Q4	YEAR
Operating expenses per financial statements ($)	4,712,748	3,770,865	4,226,278	4,638,457	17,348,348
Stock-based-compensation and other non-cash adjustments to operating expenses ($)	(56,516)	(23,832)	(42,064)	16,308	(106,104)
Total cash costs ($)	4,656,232	3,747,033	4,184,214	4,654,765	17,242,244
Molybdenum sold (lbs)	658,616	405,904	695,276	606,525	2,366,321
Cash costs/lb Mo ($)	7.07	9.23	6.02	7.67	7.29

Related Party Transactions

During the year ended August 31, 2009, contract fees and bonuses of $142,896 (2008 - $99,150) were paid or accrued to a company controlled by a director and per-diem consulting fees of $10,850 (2008 - $18,550) were paid or accrued to another director. The Company was reimbursed for rent and office expenses totalling $33,853 (2008 - $21,192) by a company with common management during the year ended August 31, 2009. As at August 31, 2009, current liabilities include $124,760 (2008 - $99,094) payable to related parties. These transactions were incurred in the ordinary course of business, are non-interest bearing, and without specific repayment terms. The transactions are measured at the exchange amount, which is the fair value consideration established and agreed to by the related parties.

Risks and Uncertainties

The Company's financial success will be dependent upon the extent to which it can discover mineralization or acquire mineral properties and the economic viability of developing its properties. The Company competes with many companies possessing greater financial resources and technical facilities than itself. The market price of minerals and/or metals is volatile and cannot be controlled. There is no assurance that the Company's mineral exploration and development activities will be successful. The development of mineral resources involves many risks in which even a combination of experience, knowledge and careful evaluation may not be able to overcome. All of the Company's short to medium term operating, exploration and development cash flow must be derived from cash flows from the Company's single operating mine or from external sources of financing. Actual funding may vary from what is planned due to a number of factors including mine performance, commodity prices, and the progress of exploration and development on its current properties. Should changes in commodity and equity market conditions prevent the Company from obtaining additional financing, the Company will need to review its development and exploration plans to prioritize project expenditures based on funding availability.

Developing mineral deposits is subject to various risks and is dependent on a number of criteria, including the deposit size, grade, proximity to infrastructure, as well as commodity prices. While management believes that the grade and quantity of the high-grade measured and indicated molybdenite resource (280,000 tonnes of 1.95% MoS_2 at a 1% cut-off grade within 1,380,000 tonnes of 0.94% MoS_2 at a 0.5% cut-off) at the MAX project is sufficient to justify mining and production, no feasibility study has been completed and therefore these resources should not be considered mineable reserves.

Share Capital

In May of 2008, the Company received approval to repurchase up to a maximum of 4,078,500 outstanding common shares in the Company through the facilities of the TSX Venture Exchange (the "Exchange") until June 1, 2009. Pursuant to the policies of the Exchange, the Company was permitted to repurchase through open market purchases, up to 2 per cent of its outstanding common shares in any given 30-day period. During September and October of 2008, the Company purchased and subsequently cancelled a total of 1,460,700 common shares under its normal course issuer bid. There were no further purchases during the year and the issuer bid expired on June 1, 2009.

In January and February of 2009, the Company completed a private placement for gross proceeds of $2,435,000 in two tranches. 9,740,000 units were issued at a price of $0.25, each consisting of one common share and one common share purchase warrant, each warrant entitling the holder to acquire one additional common share until January 27, 2011 (as to 5,600,000 warrants) or February 13, 2011 (as to 4,140,000 warrants) at a price of $0.35 per common share. 66,000 Agent warrants were issued in connection with this offering, the Agent warrants exercisable until January 27, 2011, at $0.35 per common share. The Company's Chief Financial Officer purchased 100,000 units of this private placement.

During the year ended August 31, 2009 a total of 10,706,728 warrants and 171,000 stock options expired unexercised. 906,000 options were exercised by Directors for proceeds of $214,200, and 250,000 warrants and 15,000 agent warrants were exercised for proceeds of $92,750. Also subsequent to August 31, 2009 a total of 140,000 warrants and 6,600 Agent's warrants were exercised for proceeds of $51,310.

Common shares and convertible securities outstanding as at the date of this report are:

Security	Expiry Dates	Exercise Prices	Common Shares on Exercise
Common Shares	-	-	91,567,228
Warrants	Aug. 7, 2009 to Feb. 13, 2011	$0.35	9,394,400
Options	Oct. 18, 2010 to Aug. 21, 2013	$0.25 to $3.55	6,355,000
Total (fully-diluted)			107,316,628

Legal Claims and Contingent Liabilities

At August 31, 2009, there were no material legal claims or contingent liabilities outstanding.

Off-balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Outlook

It remains management's belief that molybdenum prices should remain significantly greater than historic values for the foreseeable future due to i) production problems globally, ii) the reduction of by-product production related to copper mines and iii) the inability of new mines to achieve financing. In real terms, recent global events have seriously eroded the supply of molybdenum and management believes that a realization of supply and demand fundamentals in the medium-term will result in positive changes to pricing. It is therefore management's goal to accelerate molybdenum production at MAX to 1,000 tpd to reduce unit costs and preserve the opportunity to produce concentrates in an appreciating price environment.

Exploration work at the Company's various projects has been limited recently to preserve cash resources. While the Company has recently received recommendations from its various geological advisors to advance diamond drill programs at both the Nuevo Milenio gold/silver project and the MAX molybdenum project, expenditures towards mine expansion and operating efficiencies continue to be management's priority. Spending on exploration programs will be kept to a minimum for the immediate foreseeable future.

Molybdenum and the Molybdenum Market

Molybdenum's attributes include its high heat strength, hardness, corrosion resistance and chemical qualities rendering it vital in a variety of industrial applications. "Moly" is used primarily as an alloy in specialty steels including numerous applications within the energy industry used to discover (drilling equipment), deliver (pipelines) and clean (de-sulphurization catalyst) various petroleum products. Many analysts have embraced the notion that with increases in future demand for molybdenum and molybdenum products, the potential exists for sustained higher moly prices. New infrastructure development in China and India, and planned replacement of infrastructure in North America will generate demand for the metal; especially in basic delivery of energy but also to meet increasingly stringent regulations for emissions control.

For the past year, molybdenum oxide prices have been volatile, ranging from approximately $7.80 to $18.00 on very low demand. Prior to that, molybdenum prices had remained relatively robust and stable for 4 years at over US$20/lb. Many have projected demand growth for molybdenum at rates of approximately 4% to 6% per year. The market is further supported by a lack of new, significant near-term production, which may result in future supply shortages and potential price increases. Elevated capital costs coupled with challenges in the ability to secure timely financing to develop new mining operations may also extend the horizon for robust molybdenum prices to the benefit of existing producers.

Additional Information

Additional information is available for viewing at the Company's website www.rocamines.com or on the SEDAR website www.sedar.com.

Forward-Looking Information

This management discussion and analysis contains certain forward-looking statements and information relating to the Company that are based on the beliefs of its management as well as assumptions made by and information currently available to the Company. When used in this document, the words "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, amongst other things, regulatory compliance, the sufficiency of current working capital, the estimated cost and availability of funding for the continued exploration of the Company's properties. Such statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties, and assumptions. Factors that could cause the actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration success, continued availability of capital and financing, inability to obtain required regulatory or governmental approvals and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Forward looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made. The Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change except as required by law. These statements are based on a number of assumptions, including, among others, assumptions regarding general business and economic conditions, the timing of the receipt of regulatory and governmental approvals for the transactions described herein, the ability of the Company and other relevant parties to satisfy stock exchange and other regulatory requirements in a timely manner, the availability of financing for proposed transactions and exploration and development programs on reasonable terms and the ability of third-party service providers to deliver services in a timely manner. The foregoing list of assumptions is not exhaustive. Events or circumstances could cause results to differ materially.