BRILLIANT
MINING • CORP

Interim Management's Discussion and Analysis

For the three and nine months ended June 30, 2009

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Containing information up to and including August 18, 2009

Management's Discussion and Analysis ("MD&A") supplements, but does not form part of, the unaudited interim consolidated financial statements of the Company and the notes thereto for the three and nine months ended June 30, 2009 and 2008. Consequently, the following discussion and analysis of the financial condition and results of operations for Brilliant Mining Corp. ("Brilliant", "BMC" or the "Company"), should be read in conjunction with the unaudited interim consolidated financial statements of the Company for the three and nine months ended June 30, 2009 and 2008 and audited annual consolidated financial statements of the company for the years ended September 30, 2008 and 2007 (collectively, the "Financial Statements") along with the related notes thereto, which have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP").

FORWARD-LOOKING STATEMENTS

Certain statements contained in the following MD&A and elsewhere constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks set forth below. The Company assumes no obligation to update or revise forward looking statements to reflect new events or circumstances except as required by law.

GENERAL

Brilliant Mining Corp. (BMC: TSXV) is a junior resource company and reporting issuer in the Provinces of Alberta and British Columbia. Its principal business is the acquisition, exploration, development and mining of mineral properties.

The Company was incorporated under the Alberta Business Corporations Act on October 1, 1998, and commenced trading May 17, 2002, pursuant to an Initial Public Offering Prospectus dated January 2, 2002. New management was appointed in 2003 and the corporate strategy was redefined in 2004 to focus on world-wide generation of nickel opportunities with superior conceptual and technical merit.

In 2005, project generation and acquisition activities resulted in 100% ownership of two nickel exploration projects in Canada, including the Michikamau property in central Labrador.

On May 26, 2006, the Company acquired all of the issued and outstanding shares of a private Australian company, Donegal Resources Pty Ltd., along with its wholly owned subsidiaries Donegal Mining Pty Ltd. and Donegal Lanfranchi Pty Ltd. (collectively, "Donegal".) Donegal Lanfranchi Pty Ltd. has a 25% interest in the unincorporated Lanfranchi Joint Venture ("LJV") consisting of a producing nickel mine property on an approximately 50 km^2 contiguous mineral tenement package ("Tramways tenements") in Western Australia.

On July 10, 2006, the Company graduated from Tier 2 to Tier 1 of the TSX Venture Exchange.

On May 26, 2009, pursuant to shareholder approval granted on May 19, 2009, the Company disposed of its interest in Donegal Resources Pty Ltd and Donegal Lanfranchi Pty Ltd (the "Sale Transaction"), including the Company's 25% interest in the Lanfranchi Nickel Mine, associated tenements, and the Lanfranchi Joint Venture, to Panoramic Resources Ltd. ("Panoramic"), the Company's joint venture partner at the LJV, in exchange for 12,000,000 ordinary shares of Panoramic ("Panoramic Shares") and 3,000,000 ordinary share purchase warrants of Panoramic, each exercisable at AUD 1.50 per ordinary share until December 31, 2012 ("Panoramic Options"). Under the terms of the Sale Transaction, the Company retained accumulated adjusted working capital from the operations of the LJV up to October 31, 2008, and certain other adjustments related to the effective date.

On May 29, 2009, the Company filed articles of amendment with the Registrar of Corporations of Alberta, pursuant to shareholder approval and a final order from the Court of Queen's Bench of Alberta, to effect a statutory plan of arrangement (the "Arrangement") to distribute beneficial ownership of the Panoramic Shares to the shareholders of the Company on a *pro rata* basis by way of a reduction and return of capital and to effect a consolidation of the Company's common shares on a basis of one (1) post-consolidation common share for two (2) pre-consolidation common shares. The Panoramic Shares are subject to a voluntary escrow period of six months, during which time the Panoramic Shares will be held in trust by the Company on behalf of their beneficial owners.

The Company's post-consolidated shares began trading on the TSXV Exchange with a new symbol, "BLT", on Monday, June 1, 2009.

Additional detail regarding the Sale Transaction and the Arrangement, as well as information regarding Panoramic, is available in the Company's Information Circular and Proxy Statement dated April 16, 2009 filed under the Company's profile on the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com.

Subsequent to the Sale Transaction and Arrangement, Brilliant is a debt-free TSXV- listed Tier-1 junior mining issuer with:

- approximately $5.1 Million in unallocated working capital;
- approximately 36,606,733 common shares issued and outstanding (approximately 40,516,733 fully diluted) as at June 30, 2009.
- A 100% interest in the prospective Michikamau exploration property in the province of Newfoundland and Labrador, Canada;
- marketable securities with fair market value of approximately $505,500;
- the Panoramic Options.

SIGNIFICANT TRANSACTION

Sale of Brilliant's Wholly-Owned Subsidiary, Donegal Resources Pty. Ltd.

In response to weak macro-economic and low nickel price environments, the Board of Directors of Brilliant determined, after careful consideration, to enter into an agreement to sell all of the outstanding shares of Brilliant's wholly-owned subsidiary, Donegal Resources Pty. Ltd. ("Donegal Resources") to Panoramic Resources Ltd. ("Panoramic") (the "Sale Transaction"). Donegal Resources owns Donegal Lanfranchi Pty Ltd which in turn owns a 25% interest in the Lanfranchi Nickel Mine and associated tenements through the Lanfranchi Joint Venture ("LJV") with Panoramic holding the remaining 75% ownership in the LJV.

The Sale Transaction was approved by a majority of shareholders at a special meeting of shareholders on May 19, 2009. Panoramic completed its due diligence and the Sale Transaction closed on May 26, 2009.

Sale Transaction

Pursuant to the Sale Transaction, Panoramic issued to Brilliant an aggregate of 12 Million fully paid ordinary shares of Panoramic ("Panoramic Shares") together with unlisted non-transferable share purchase warrants to acquire an additional 3 Million Panoramic Shares at a price of AUD 1.50 per share until December 31, 2012 ("Panoramic Options"). The Panoramic Shares are subject to a 6 month escrow period.

Plan of Arrangement

On May 29, 2009, the Company effected a statutory plan of arrangement, approved by shareholders on May 19, 2009 and by the Court of Queen's Bench of Alberta on May 27, 2009, whereby beneficial ownership of the Panoramic Shares was distributed to the shareholders of Brilliant (as of May 29, 2009), on a *pro-rata* basis, by way of a reduction and return of stated capital. In addition, the plan of arrangement resulted in a consolidation of the Company's common shares on a basis of one post consolidation common share for two pre-consolidation common shares.

Due to the escrow restrictions on the Panoramic Shares, the Panoramic Shares will be held in trust by Brilliant for the beneficial owners.

Strengthened Brilliant

The effective date of the transaction under the Share Purchase Agreement was November 1, 2008 and Brilliant has retained accumulated working capital from its share of operations at the Lanfranchi Mine to that date. Brilliant is now a well-funded debt-free company favourably positioned to pursue its value added growth strategy with unallocated working capital of approximately $5 Million along with marketable securities with a fair market value at May 29, 2009 of approximately $505,500 and 3 Million unlisted Panoramic ordinary share purchase warrants.

HIGHLIGHTS FOR THE QUARTER ENDING JUNE 30, 2009 AND SUBSEQUENT

The following is a summary of the Corporate and Project highlights for the period.

Brilliant Completes Sale of Donegal Resources Pty Ltd. and Effects Statutory Plan of Arrangement

- During the quarter ended June 30, 2009, the Company closed on the sale of Donegal Resources Pty Ltd which indirectly holds a 25% interest in the producing Lanfranchi Mine
- Consideration for the sale of Donegal was 12,000,000 fully-paid ordinary shares of Panoramic, 3,000,000 ordinary share purchase warrants, and certain cash payments relating to the Sale Transaction's effective date of November 1, 2008
- Statutory plan of arrangement, approved by Brilliant Shareholders and the Court of Queen's Bench of Alberta, was effected to distribute the Panoramic Shares to the shareholders of Brilliant by way of a reduction and return of stated capital, as well as consolidating the common shares of the company on a 2 for 1 basis

Brilliant Mining Corp. Financial results –period ended June 30, 2009

- Net income during the three and nine months ended June 30 2009 (excluding discontinued operations) was $15.2 million and $14.6 million respectively.
- Net loss from discontinued operations alone was $7.0 million and $11.2 million for the three and nine months ended June 30, 2009 respectively.
- Consolidated working capital at June 30, 2009, subsequent to the sale of Donegal, is $5.1 million, from a deficit of $1.6 Million at March 31, 2009 (prior to the sale of Donegal).

DISCONTINUED OPERATIONS – AUSTRALIAN OPERATIONS

On May 26, 2009, the Company closed the sale of Donegal Resources Pty Ltd., which included the Company's 25% interest in the producing Lanfranchi Nickel Mine in Western Australia, to Panoramic Resources Ltd., an Australian nickel sulphide producer listed on the Australian Stock Exchange under the symbol PAN. Subsequent to the sale of Donegal, Panoramic holds an undivided 100% interest in the Lanfranchi Nickel Mine.

Brilliant's shareholders of record on May 29, 2009 retain an interest in the Lanfranchi Nickel Mine as beneficial ownership of the 12,000,000 shares of Panoramic, received as partial consideration for the sale of Donegal, were distributed to such shareholders pursuant to a plan of arrangement effected on that date. These shares will be registered to the beneficial owners shortly after escrow restrictions have expired, on or about November 26, 2009.

In addition, current shareholders of Brilliant retain an interest in the operations of Panoramic as the Company holds 3,000,000 warrants to acquire shares of Panoramic at a price of AUD 1.50 per share until December 31, 2012.

As the Company has sold its interest in Donegal, all results of operations relating to Donegal and the Lanfranchi Nickel Mine have been reclassified in the consolidated statements of net income and loss in the Financial Statements.

Information concerning Panoramic and the Lanfranchi Nickel Mine is available on Panoramic's website www.panoramicresources.com. Brilliant has not independently verified any of the information disclosed about Panoramic contained on their website or elsewhere.

CANADIAN OPERATIONS

Background on Labrador Projects, Canada

Western Labrador represents an under-explored and largely overlooked part of the "circum Superior" region, which includes the prolific Ni-Cu-PGE deposits at Sudbury, Ontario; Thompson, Manitoba; and Raglan, Quebec. Western Labrador is host to at least three regionally significant mafic magmatic events with known Ni-Cu-Co-PGE mineralization: the Ossok Mountain Suite (ca. 1640 Ma age), the Shabogamo Suite (ca. 1420 Ma age) and the Michikamau Intrusion (ca. 1480 Ma age). Known mineralization styles from these suites are diverse and have similarities with both Voisey's Bay type deposits that are rich in Ni-Cu-Co and Lac Des Iles-type deposits that host Pd-Pt-Cu-Ni-Au.

Brilliant targeted the Churchill Falls area of western Labrador for acquisitions, based on anomalous mineralization and highly favourable regional geological criteria, combined with proximity to infrastructure such as road and rail access as well as hydro-electric generating facilities. Existing government geology and geochemistry data sets (till and lake sediment samples) were used to help prioritize targets from various suites of rocks.

Michikamau Project

The Michikamau Property ("Property") is situated within the Michikamau layered gabbro-anorthosite (troctolite) intrusion and represents a conceptual and empirical exploration target for Voisey's Bay type mineralization. The Property is located close to existing infrastructure, including the Churchill Falls hydroelectric facility.

Two drill programs were conducted during 2006 and 2007 for 23 drill holes totalling approximately 2,350m. A highlight of results include 21.7m grading 0.51% Ni and 0.36% Cu, including 11.3m grading 0.71% Ni and 0.45% Cu intersected near surface at the Juno target.

In comparing the nickel to sulphur ratios of individual samples, distinct populations can be observed even amongst holes in close proximity to one another. These results indicate a complex mineralizing system and nickel enrichment history exists within the Michikamau Property.

On March 26, 2009, the Company filed a National Instrument 43-101 compliant technical report on the Michikamau Property aggregating and interpreting data accumulated to date. The technical report is titled *Technical Report on the Metal Potential of the Michikamau Property, Newfoundland and Labrador, Canada*, and is dated February 23, 2009.

Management is currently evaluating whether to progress the Michikamau Property in 2009 relative to other acquisition opportunities.

FINANCIAL MD&A AND OTHER DISCLOSURE

Summaries of Annual Financial Information

Selected Annual Financial Information

Year ended	Sept. 30, 2008 $	Sept 30, 2007 $	Sept 30, 2006 $	Sept 30, 2005 $
Current assets	11,128,332	10,787,376	16,053,745	354,704
Mine property	20,949,927	19,779,186	18,782,365	-
Mineral interests	2,008,520	1,958,161	1,386,220	452,092
Property, plant and equipment	4,913,785	2,750,569	2,231,463	-
Current liabilities	6,408,609	5,251,334	9,593,196	113,938
Long-term liabilities	4,166,379	6,829,063	9,122,882	-
Revenues	43,498,681	47,089,015	14,132,663	5,183
Net income (loss)	2,789,589	(8,965,160)	(5,930,111)	(673,477)
Basic net income (loss) per share	0.04	(0.15)	(0.21)	(0.07)
Diluted net income per share	0.04	(0.15)	(0.21)	(0.07)

<u>Change in accounting policies</u>

The Company has adopted the following new Canadian Institute of Chartered Accountants ("CICA") Handbook Sections effective October 1, 2008:

General Standards of Financial Statement Presentation

The CICA has amended CICA Section 1400 General Standards of Financial Statement Presentation of the CICA Handbook to include requirements to assess and disclose the Company's ability to continue as a going concern. This new accounting standard has been adopted by the Company as of October 1, 2008. The new standard does not have an impact on the Company's consolidated financial statements.

Goodwill and Intangible Assets

The CICA has issued Section 3064 – Goodwill and Intangible Assets, which replaces Section 3062 – Goodwill and Other Intangible Assets and Section 3450 – Research and Development Costs. The new accounting standard is effective on the Company's interim and annual financial statements beginning October 1, 2008. This Section establishes standards for the recognition, measurement and disclosure of goodwill and intangible assets. The adoption of this standard does not have an impact on the Company's consolidated financial statements.

Inventories

The CICA has issued section 3031 – Inventories, which provides expanded guidance on the measurement and disclosure requirements for inventories, and is effective on the Company's interim and annual financial statements beginning October 1, 2008. Specifically, the new standard requires that inventories be measured at the lower of cost and net realizable value, and provides more guidance on the determination of cost and its subsequent recognition as expense, including any write-down to net realizable value. The adoption of this new standard has not had an effect on the Company's consolidated financial statements.

Credit risk and Fair Value of Financial Assets and Liabilities

The CICA has issued EIC 173 – Credit Risk and Fair Value of Financial Assets and Liabilities, which provides guidance on how to take into account credit risk of an entity and counterparty when determining the fair value of financial assets and financial liabilities, including derivative financial instruments. This guidance is effective for the current financial year with retrospective application without prior period restatement. The adoption of this new guidance has not had an effect on the Company's consolidated financial statements.

Mining Exploration Costs

The CICA has issued EIC 174 – Mining Exploration Costs, which provides guidance on accounting for capitalization and impairment of exploration costs. This guidance is effective for the current financial year with retrospective application without restatement of prior periods. The adoption of this new guidance has not had a significant effect on the Company's consolidated financial statements.

Future accounting changes

The following relevant new primary sources of GAAP are issued but are not yet effective as of December 31, 2008:

Convergence with International Financial Reporting Standards

In February 2008, the Accounting Standards Board confirmed that Canadian Generally Accepted Accounting Principles for publicly accountable enterprises will be converged with International Financial Reporting Standards ("IFRS") effective for the Company's interim and annual financial statements beginning on October 1, 2011. The Company is currently evaluating the impact of the adoption of IFRS.

Business Combinations, Consolidated Financial Statements, Non-controlling interests

CICA Handbook sections 1582 – Business Combinations, 1601 – Consolidated Financial Statements, and 1062 – Non-controlling interests will replace the former sections 1581 – Business Combinations and 1600 – Consolidated Financial Statements and establish a new section focused on accounting for a non-controlling interest in a subsidiary. Section 1582 is effective for business combinations for which the acquisition date is on or after January 1, 2011, and sections 1601 and 1602 apply to consolidated financial statements relating to years beginning on or after January 1, 2011. The Company has not evaluated what effect, if any, the adoption of these new standards will have on the Company's consolidated financial statements.

Summary of Quarterly Results

Selected unaudited financial data published for operations of the Company during the last eight quarters are as follows:

3 months ended (in Dollars)	Jun 2009 (Q3)	Mar 2009 (Q2)	Dec 2008 (Q1)	Sep 2008 (Q4)	Jun 2008 (Q3)	Mar 2008 (Q2)	Dec 2007 (Q1)	Sep 2007 (Q4)
Net income (loss) from continuing operations	14,481,591	(235,398)	(303,175)	152,293	154,962	(868,706)	(1,917,029)	n/a
Basic net income (loss) from continuing operations per share	0.40	(0.01)	(0.01)	0.00	0.00	(0.02)	(0.06)	n/a
Diluted net income (loss) from continuing operations per share	0.39	(0.01)	(0.01)	0.00	0.00	(0.02)	(0.06)	n/a
Net income (loss)	7,433,683	(2,259,306)	(2,394,498)	3,056,244	1,658,697	1,674,115	(1,120,987)	(412,401)
Basic net income (loss) per share	0.20	(0.06)	(0.07)	0.08	0.05	0.05	(0.03)	(0.01)
Diluted net income (loss) per share	0.20	(0.06)	(0.07)	0.08	0.05	0.04	(0.03)	(0.01)

Results of Operations for the Three Months Ended June 30, 2009

The Company's net income for the quarter ended June 30, 2009 was $7.4 million (2008 - $1.7 million) which included a loss from discontinued operations (Donegal) of $7.1 million (2008 – net income from discontinued operations - $1.5 million), and net income from continuing operations of $14.5 million (2008 - $0.15 million).

Included in net income from continuing operations was a realized gain on the value of the 12 million shares of Panoramic amounting to $13.1 million. The Panoramic shares were received by the Company for partial consideration for the sale of Donegal, and were initially recognized at an aggregate value of $8.3 million based on an 11 day average quoted market closing price of shares of Panoramic centered on the date that the Company announced that it had entered into an agreement to sell Donegal, February 6, 2009. The Panoramic Shares were distributed to the shareholders of Brilliant on May 29, 2009, at which time the Panoramic Shares had an aggregate fair value of $21.4 million. The resulting gain of $13.1 million was recorded as a component of net income.

As with the Panoramic Shares, the Panoramic Options were received as partial consideration on the sale of Donegal and were valued at initial recognition at their estimated fair value calculated using the Black-Scholes option valuation model. The estimated fair value of the Panoramic Options at initial recognition was $0.37 million. At June 30, 2009, the Panoramic Options had an estimated fair value of $3.2 million. The resulting unrealized gain of $2.9 million is included in the quarter's net income from continuing operations.

General and administrative expenses for the quarter ended June 30, 2009 totaled $0.31 million (2008 - $0.20 million) resulting from unallocated management and administrative costs arising from normal management and administration of the Company and the completion of the sale of Donegal and the Arrangement.

Non-cash stock based compensation expenses of $0.27 million (2008 - $0.18 million) were recorded as a result of the incremental increase in fair value of stock options repriced in the quarter, as well as the issuance of 1,175,000 compensation stock options issued consultants and directors of the Company

Due to the sale of Donegal, and the Company's only operating asset at June 30, 2009 being the prospective Michikamau property, the Company has ceased to recognize certain future income tax assets previously recognized. The application of an increased future income tax valuation allowance has resulted in a non-cash future income tax expense of $0.7 million in continuing operations for the three months ended June 30, 2009.

Results of Operations for the Nine Months Ended June 30, 2009

The net income for the nine months ended June 30, 2009 was $2.8 million including a net loss from discontinued operations of $11.2 million and net income from continuing operations of $13.9 million.

In addition to the items above, occurring in the latter three month period, net income from continuing operations for the six months ended June 30, 2009 included a mineral interest write down of $0.2 million relating to the planned abandonment of the Company's Ossok West exploration property, consisting of certain of the Company's mineral licenses in Newfoundland, Canada. The Company has retained those Newfoundland mineral licenses it has deemed to be most prospective and is currently evaluating existing data and market factors to establish a possible scope of work on the Michikamau property.

Discontinued Operations – Three and Nine Months Ended June 30, 2009

Due to the sale of Donegal finalized on May 26, 2009, the Company has reclassified current and comparative consolidated income statements to aggregate the results of operations of Donegal and related items, net of income taxes, into one item labeled "discontinued operations", presented directly below net income from continuing operations. A summary of constituent components of discontinued operations is disclosed in note 3 to the interim consolidated financial statements for the three and nine months ended June 30, 2009.

A net loss from discontinued operations of $7.4 million (2008 - net income $1.5 million), which includes results from the Company's former interest in the Lanfranchi Joint Venture and related activities up to May 26, 2009, as well as a loss on the sale of Donegal and related future income taxes, was recognized in the quarter ended June 30, 2009. Excluding the loss on the sale of Donegal of $6.2 million and future income tax expense of $0.2 million, the result of discontinued operations for the three months ended June 30, 2009 was a loss of $1.0 million (2008 – net income from discontinued operations, excluding future income taxes, of $2.4 million).

For the nine months ended June 30, 2009, the net loss from discontinued operations was $11.2 million. Excluding the loss on sale of $5.8 million and a future income tax recovery of 1.7 million, the net loss from discontinued operations was $7.1 million (2008 - net income from discontinued operations, excluding future income taxes, of $8.5 million).

Critical Accounting Estimates

Amortization of property, plant and equipment is based on management's best estimate of the useful economic life of the asset, for which management uses its best judgement in consultation with equipment manufacturers and key operational personnel.

Stock based compensation expense is calculated using an option valuation model which requires subjective inputs, including the life of options granted and the volatility of the underlying stock price during the term of the option. Management makes these subjective estimates based on their experience and through comparison with peer companies.

Future income tax assets and liabilities are estimated based on the differences between accounting and taxable carrying values and the estimated tax rate and treatment that will be applied when the differences are settled. Management's estimates in regards to future income taxes are based on experience and with consultation with tax professionals in the tax jurisdictions in which the Company operates.

Financial Instruments

The following table shows the classifications of the Company's financial instruments on the consolidated balance sheet in the Financial Statements.

Financial instrument classification	As classified by the Company	Subsequent measurement of gains or losses at each reporting period end
• Assets or liabilities held-for-trading	• Cash and cash equivalents • Panoramic options (Investments)	Fair value; unrealized gains and losses recognized in net income
• Available-for-sale financial assets	• Marketable securities (Investments)	Fair value: unrealized gains and losses recognized in OCI; recognized in net income on sale of the asset or when asset is written down as impaired
• Loans and receivables	• Receivables	Amortized cost using the effective interest rate method; if asset is derecognized or impaired, recognized in net income
• Other financial liabilities	• Accounts payable and accrued liabilities	Amortized cost using the effective interest rate method; if liability is derecognized, recognized in net income

The Company does not make extensive use of financial instruments other than normal business financial instruments such as cash and cash equivalents, receivables, and accounts payable and accrued liabilities.

The Company holds marketable securities, classified as investments on the consolidated balance sheets, with a fair value of $0.51 Million as at June 30, 2009 and August 18, 2009. These investments were purchased in the year ended September 30, 2008, and the company recorded an unrealized loss of $0.38 million (net of future income taxes) (year ended September 30, 2008 - $1.2 million) in the nine months ended June 30, 2009 as a component of other comprehensive loss.

The Company holds options to acquire shares in Panoramic Resources Ltd. ("Panoramic Options"), and Australian public company, classified as investments on the consolidated balance sheets, with a fair value of $3.2 million at June 30, 2009. The Panoramic Options were received as partial consideration for Donegal and were initially recognized at May 26, 2009 at their estimated fair value of $0.37 million. At June 30, 2009, the Panoramic Options had an estimated fair value of $3.2 million, and the related gain was recorded as a component of the period's net income from continuing operations.

Financial Condition, Liquidity, and Capital Resources

The Company's working capital at June 30, 2009 was $5.1 million, compared to a deficit of $1.6 million at March 30, 2009, prior to the sale of Donegal. The Company has retained working capital from the operations of Donegal to the effective date of the sale agreement, which was October 31, 2008. Proceeds on the sale of Donegal were primarily non-cash consideration not included in working capital, except for $0.32 million in cash and $0.45 million in accounts receivable.

Management is currently evaluating opportunities for project generation and acquisition as well as prospects of its Michikamau property in Newfoundland and Labrador, Canada.

Other Required Disclosure

Risk Factors

The success of the Company's business is subject to a number of factors, including but not limited to those risks normally encountered in the mining industry, such as market or commodity price changes, economic downturn, exploration uncertainty, operating hazards, increasing environmental regulation, competition with companies having greater resources, and lack of operating cash flow.

Related Party Transactions

The Company compensates its officers for their services to the Company. The amounts paid to officers and directors in the year are disclosed in the Financial Statements. Compensation of officers is determined by the Board of Directors.

The Company shares certain administrative and operational resources with other companies with common directors. As such it is invoiced periodically for its share of shared costs.

All of these transactions were in the normal course of operations and were measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

Proposed Transactions

The Company continues to seek opportunities for project acquisition and generation. However, there are no proposed transactions which should be disclosed at the present time.

Outstanding Share Data

Brilliant's authorized share capital is unlimited Class "A" common and unlimited Class "B" preferred shares. As at the close of trading on August 18, 2009, the following common shares and stock options were outstanding:

Class A common shares issued	**36,606,733***
Fully diluted	**40,216,733***
Class B preferred shares issued	None
Escrow	None
Options outstanding	50,000 @ $0.23 to Feb 4, 2010 67,500 @ $0.32 to Nov 9, 2010 130,000 @ $0.15 to July 5, 2011 1,475,000 @ $0.15 to October 11, 2011 12,500 @ $0.15 to May 1, 2012 362,500 @ $0.15 to October 5, 2012 400,000 @ $0.15 to November 7, 2012 1,175,000 @ $0.15 to June 19, 2014
Total Options Outstanding	3,610,000 @ *$0.15 (avg.) = $556,975*

* - Subject to rounding on consolidation

On January 5, 2009, shareholders of the Company approved a resolution whereby the Directors of the Company are authorized to amend the exercise price of outstanding stock options granted to insiders of the Company pursuant to the Plan, subject to the approval of the TSX Venture Exchange, provided the amended exercise price per Common Share shall not be less than the greater of the Discounted Market price (as defined by the Exchange Policy 1.1) and $0.50.

On May 19, 2009, the Company obtained shareholder approval to effect, as part of the Arrangement, a return of stated capital and a consolidation of the Company's common shares on a basis of one post-consolidation common share for two pre-consolidation common shares. In addition, disinterested shareholder approval was obtained to authorize the Directors of the Company to further amend the exercise price of outstanding stock options granted to insiders of the Company pursuant to the Company's stock option plan, subject to the approval of the TSX Venture Exchange.

On June 19, 2009, the Directors of the Company effected a repricing of 2,367,500 outstanding stock options with a weighted average original exercise price of $2.11 per option to $0.15 per option.

On June 19, 2009, the Directors of the Company authorized the issuance of 1,175,000 stock options under the Plan, exercisable at $0.15 and vesting immediately.

Investor Relations

With respect to public relations, the Company provides information from its corporate offices to investors and brokers directly.

Approval

The Board of Directors of Company has approved the disclosures contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.