

BITTERROOT RESOURCES LTD.
MANAGEMENT DISCUSSION & ANALYSIS

For the period ended January 31, 2010

As of March 26, 2010

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BITTERROOT RESOURCES LTD. MANAGEMENT DISCUSSION & ANALYSIS

For the period ended January 31, 2010

As of March 26, 2010

SUMMARY OF ACTIVITIES

In the three months ended January 31, 2010, the majority of Bitterroot Resources Ltd.'s exploration expenditures were for drilling and bulk sampling at the Mineral Creek gold project and surface exploration on the North Brenda property in British Columbia. Capitalized exploration expenditures in the three month period, excluding recoveries and acquisition costs, were \$294,514. Funding from bullion sales and Cameco Corporation contributed \$36,189 to Bitterroot's working capital during the period, while expenses (net of stock-based compensation) were \$96,071.

INTRODUCTION

Bitterroot Resources Ltd. is a mineral resource company engaged directly and indirectly through its wholly-owned subsidiaries, (collectively referred to herein as "the Company" or "Bitterroot"), in the acquisition, exploration and development of mineral properties. On Vancouver Island, BC, the Company owns a 100 percent interest in the Mineral Creek gold property near Port Alberni, BC. Bitterroot also owns a 100 percent interest in the adjoining Big Southeaster gold/base metals project. In southern BC, the Company owns a 100 percent interests in the GK (Au) and North Brenda (Au/Mo/Cu) projects and recently completed the acquisition of a 100 percent interest in the SPN (base metals) project. In Michigan, Bitterroot's wholly-owned subsidiary owns recorded mineral title interests covering approximately 363 square miles in the Upper Peninsula. Under the terms of an option/joint venture agreement with a US subsidiary of Cameco Corporation, Cameco has earned a 65% interest in a 56 square-mile area of interest. The Company also currently holds leases over 7,389 acres of state-owned mineral rights, most of which are subject to the Cameco joint venture.

During the quarter ended January 31, 2010, gold and base metals prices and global equity markets continued to recover from lows recorded in early 2009. The Company is exposed to commodity price and equity market risk due to the cyclical nature of the mineral exploration business. Management currently seeks to minimize commodity risk by exploring for a number of mineral commodities (uranium, gold, copper, zinc and molybdenum) and seeks to minimize exploration costs and political risk by operating in mining-friendly road-accessible locations in North America (southern British Columbia, Vancouver Island and Michigan).

The following Management Discussion and Analysis (MD&A) should be read in conjunction with Bitterroot Resources Ltd.'s consolidated financial statements for the quarter ended January 31, 2010 and the annual audited financial statements and MD&A for the year ended October 31, 2009. This information is available on www.sedar.com or on the Company's website (www.bitterrootresources.com).

OVERALL PERFORMANCE

Results of Operations

Mineral Creek Gold Project, British Columbia

In the quarter ended January 31, 2010, Bitterroot retained C.J. Greig and Associates Ltd. to undertake an extensive GIS-based compilation of exploration data collected during the past 30 years on the 100 percent-owned Mineral Creek property. This data includes over 70,000 metres of drilling, plus surface and underground exploration data collected by Bitterroot, Westmin Resources and others. The Company's objectives and strategy for the 2010 exploration program will be developed in the second quarter of 2010, following the receipt of results from the data compilation.

Bitterroot's drilling contractor demobilized from the property in November, after completing a total of 8,646 metres of core drilling in 68 holes in the 2009 exploration season. All significant drill results have been reported in the Company's news releases. High-grade portions of the Ember vein were identified, but the Company's new Qualified Person has concluded that additional drilling is required in order to establish a NI 43-101-compliant resource. Drilling has defined the Ember vein structure over a strike length of approximately 150 metres and elevation range of at least 90 metres. The HW-1 vein was discovered in the hanging wall of the Ember vein in 2009. The HW-1 vein is the sixth high-grade gold-bearing vein identified to date on the Mineral Creek property, in addition to the Linda, Ember, 900, 1050 and Mineral Creek zones.

As a condition of the original property purchase agreement, Mineral Creek Ventures Inc. (MCVI), a company controlled by Michael Becherer, P.Geol., has the right to extract up to a 5,500 tonne bulk sample. The costs and proceeds of the first 2,500 tonnes mined from the Linda zone are split 50/50 by MCVI and Bitterroot. Gold/silver sales occur at the discretion of MCVI, the bulk sample project operator. As of the date of this report, MCVI has mined approximately 570 tonnes from an adit in the Linda vein and Bitterroot has received \$66,680 for its 50% share of proceeds from bullion sales. Sales of gold/silver recovered after the end of the quarter are expected to generate proceeds of approximately \$29,000 for Bitterroot prior to the resumption of bulk sampling in April 2010.

In the quarter ended January 31, 2010, Bitterroot spent \$190,517 on the Mineral Creek project, net of stock-based compensation and recoveries, mainly on drilling, geological consulting and labour. Mr. Michael Becherer, P.Geol. was the Qualified Person responsible for the design and implementation of exploration programs on the Mineral Creek project in 2009. As of January 19, 2010, Mr. Charles Greig, P.Geol. is the Qualified Person responsible for the design and implementation of exploration programs on the Mineral Creek project.

Michigan

Cameco Corporation has completed earning a 65% working interest in a 56 square-mile area of interest, with Bitterroot retaining a 35% working interest. Cameco has elected not to fund exploration in Michigan in 2010. Drilling, geophysical surveys and prospecting have identified

several areas which Bitterroot's management believes warrant additional exploration, both within the area covered by the Cameco joint venture and elsewhere on Bitterroot's 100 percent-owned mineral rights in the Upper Peninsula of Michigan. Bitterroot's management is currently in discussions with potential partners to fund exploration on these targets.

In the three months ended January 31, 2010, Bitterroot spent \$7,060 on its Michigan exploration projects, net of stock-based compensation and recoveries, mainly on mineral lease and permit costs.

North Brenda Gold/Copper/Molybdenum Project, British Columbia

In 2009, excavator trenching on Bitterroot's 100 percent-owned North Brenda property discovered a high-grade gold-bearing vein within a previously unexplored structural zone. The trenches tested the sources of several gold-in-soil anomalies. Five of the channel samples collected across the exposed portion of the vein returned greater than 19 g/t gold over true widths ranging from 9 to 25 cm, with a high value of 57.6 g/t gold and 9.3 g/t silver over 11 cm. Cross trenches exposed the vein along a strike length of 100 metres and have also intersected parallel mineralized quartz veins. The presence of a strong hydrothermal alteration envelope around the veins and untested gold-in-soil anomalies along trend, all within a coincident magnetic low suggest the presence of an unexplored gold-bearing system on the road-accessible North Brenda property. The geological setting and style of gold mineralization are similar to the 650,000-ounce Elk gold deposit, located 20 km southwest of North Brenda. A program of soil sampling and magnetometer surveying encompassing approximately 12 square km was completed in November to evaluate other prospective areas of the property. Several new gold/silver-in-soil anomalies were defined, as were two prominent copper/molybdenum-in-soil anomalies. Exploration of these targets will continue in 2010.

In the three months ended January 31, 2010, Bitterroot spent \$83,609 on the North Brenda project, net of stock-based compensation and recoveries, mainly on geological consulting and geochemical analyses. Mr. Charles Greig, P.Geol is the Qualified Person responsible for the design and implementation of exploration programs on the North Brenda project.

SPN Copper/Gold Project, British Columbia

The 100 percent-owned SPN property is prospective for volcanogenic massive sulphide mineralization similar to that found elsewhere on the Adams Plateau. Analysis of approximately 500 soil samples collected in 2008 has expanded the dimensions of previously identified soil anomalies. Geological mapping, prospecting and gravity surveying will resume in the summer of 2010.

In the three months ended January 31, 2010, Bitterroot incurred costs of \$54,025 on the SPN project, net of stock-based compensation and recoveries, mainly on acquisition costs. Mr. Charles Greig, P.Geol is the Qualified Person responsible for the design and execution of exploration programs on the SPN project.

Big Southeaster Gold/VMS Project, British Columbia

No field work was conducted during the quarter on the 100 percent-owned Big Southeaster project. In the three months ended January 31, 2010, Bitterroot spent \$894 on the Big Southeaster project, mainly on core storage costs.

GK Gold/Silver Project, British Columbia

In early 2008, drilling on the Hornet zone returned several gold-mineralized intervals which have been recommended for follow-up work. Additional claims have been staked in areas adjoining the Hornet zone. In 2010, Bitterroot's management plans to resume prospecting and soil sampling on the Hornet zone and on the recently-acquired claims.

In the three months ended January 31, 2010, Bitterroot spent \$563 on the GK Project, net of stock-based compensation and recoveries, mainly on geological consulting. Mr. Charles Greig, P.Geo is the Qualified Person responsible for the design and implementation of exploration programs on the GK project.

Saskatchewan/Manitoba Coal Project

Bitterroot holds Coal Prospecting Permits covering 1,248 hectares (3,084 acres), located 25 kilometres east of Hudson Bay, Saskatchewan. The permits cover road-accessible occurrences of coal-bearing strata of the Lower Cretaceous Mannville Group. Management is reviewing the potential for acquisition of geophysical data. No significant expenditures were incurred on the project during the quarter.

Financial Condition

At January 31, 2010, Bitterroot had working capital of \$1,459,290, which included \$439,928 due from BC Mineral Exploration Tax Credits (BC METC) of which \$376,478 has been received, accrued interest of \$864 and \$16,753 due from GST refunds. Resource properties had a book value of \$15,398,993 compared to \$15,090,668 at the beginning of the year. The increase in book value is due to Mineral Creek, North Brenda and SPN resource property expenditures. For the three months ended January 31, 2010, cash inflows exceeded cash outflows by \$307,614. Cash outflows were mainly comprised of normal course resource property expenditures plus operating expenses of \$95,483 (net of stock-based compensation and amortization).

Summary of Financial Results

During the three months ended January 31, 2010, the Company had a loss before income tax adjustments of \$133,077, compared to a net loss of \$76,890 in the first three months of the prior year. The increased loss during the most recent three month period compared to the first three months of the previous year was mainly attributable to higher property investigation and stock-based compensation charges, which were partially offset by lower foreign exchange losses on US

dollar cash holdings. Excluding stock-based compensation, recoveries and amortization charges, the Company's operating expenses for the three month period were \$95,483, which is approximately 4% higher than operating expenses incurred during the same period of the previous year, mainly due to reduced mineral property cost recoveries.

Changes in Accounting Policies

International Financial Reporting Standards ("IFRS")

In 2006, the AcSB published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February 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 quarter ended January 31, 2011. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

SUMMARY OF QUARTERLY RESULTS

The following tables set forth a comparison of revenues and expenses for the previous eight quarters ending with January 31, 2010. Financial information is prepared according to Canadian GAAP and is reported in Canadian dollars.

	Quarter Ended Jan 31, 2010	Quarter Ended Oct 31, 2009	Quarter Ended July 31, 2009	Quarter Ended April 30, 2009
Interest Income	1,245	2,079	3,052	17,277
Income (loss) for the period	145,020	(112,266)	(211,341)	(187,957)
General and administrative	(134,322)	(114,345)	(216,505)	(205,184)
Stock-based compensation	(38,251)	(26,060)	(97,930)	(84,186)
Write-off of resource property	-	-	-	-
Net Earnings (Loss) per share				
Basic and diluted	0.00	(0.00)	(0.00)	(0.00)

	Quarter Ended Jan 31, 2009	Quarter Ended Oct 31, 2008	Quarter Ended July 31, 2008	Quarter Ended April 30 2008
Interest income	43	28,832	16,046	19,240
Income (loss) for the period	703,061	(647,231)	(279,860)	(184,048)
General and administrative	(76,933)	(79,090)	(140,447)	(131,672)
Stock-based compensation	(4,567)	(142,166)	(145,439)	(63,892)
Write-off of resource property	-	(64,850)	-	-
Net Earnings (Loss) per share Basic and diluted	0.01	(0.01)	(0.00)	(0.00)

LIQUIDITY

During the three months ended January 31, 2010, the Company received;

- \$708,200 (before share issue costs) from a private placement of 5,901,666 flow-through common shares priced at \$0.12,
- \$43,722 of exploration cost recoveries and management fees from Cameco Corporation,
- \$376,479 from BC METC refunds for exploration done in 2008,
- \$22,082 from bullion sales from the Mineral Creek property,

The Company's working capital at January 31, 2010 was \$1,459,290, compared to working capital of \$1,125,240 at October 31, 2009. Current liabilities at January 31, 2010 were \$84,210, consisting of accounts payable incurred in the normal course of the mineral exploration business. At January 31, 2010, there were 814,000 share purchase warrants outstanding, which were exercisable at prices between \$0.12 and \$0.35. During the period, 64,800 warrants expired and 250,000 warrants exercisable at \$0.12 were issued as compensation to brokers. Subsequent to the end of the quarter, 240,000 warrants exercisable at \$0.35 expired. If exercised, the 574,000 warrants outstanding at March 26, 2010 would generate proceeds of \$71,580. At January 31, 2010 there were 6,999,500 incentive stock options outstanding, which if exercised would provide proceeds to the Company of approximately \$2,659,810. Subsequent to the end of the quarter, 500,000 incentive stock options exercisable at \$0.39 expired, and the Company granted incentive stock options to purchase 620,000 common shares at \$0.10, expiring March 21, 2015.

Bitterroot has sufficient cash reserves to fund its operating expenses in 2010. Budgets have not yet been approved for 2010 exploration programs on the Mineral Creek, BC project and the Cameco joint venture in Michigan. Additional funding will be required prior to the resumption of drilling on the Company's mineral properties. The budget for the Mineral Creek project will be established in the second quarter, following completion of a comprehensive data compilation on the Mineral Creek project.

Bitterroot's ability to meet its ongoing financial obligations will be determined by management's success in acquiring mineral properties, obtaining equity financing, negotiating joint venture arrangements and facilitating the exercise of outstanding share purchase warrants and options.

There can be no assurance that the Company will be able to continue to raise funds, in which case it may be unable to meet its obligations. Should Bitterroot be unable to realize its assets and discharge its liabilities in the normal course of business, the realizable value of its assets may be materially less than the amounts recorded on the balance sheets. Details of funding commitments on the Company's Michigan resource properties are disclosed in Note 3 of the Consolidated Financial Statements for the quarter ended January 31, 2010. Funding commitments on the BC mineral exploration projects are currently limited to costs associated with preparing assessment reports and filing assessment work.

RELATED PARTY TRANSACTIONS

The following is a summary of related party transactions and balances for the three months ended January 31, 2010.

- The Company incurred management fees of \$24,000 with a company controlled by the President of the Company.
- Incentive stock options were granted to Directors and recorded at a fair value of \$36,237.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Outstanding Share Data

- a) Authorized Capital:
100,000,000 common shares without par value
- b) Number and Recorded Value for shares Issued and Outstanding as at January 31, 2010 was 75,768,493 common shares with a recorded value of \$19,482,486.
As of the date of this report there are 75,768,493 common shares outstanding.
- c) Options outstanding at January 31, 2010

Number of Options	Exercise Price	Expiry Date
500,000	0.39	March 17, 2010
1,125,000	0.53	April 4, 2011
925,000	0.70	January 11, 2012
100,000	0.99	April 14, 2012
585,000	0.35	September 14, 2012
340,000	0.36	February 7, 2013
60,000	0.40	June 9, 2013
445,000	0.76	June 25, 2013
174,500	0.26	September 17, 2013
855,000	0.13	February 9, 2014
1,135,000	0.17	July 30, 2014
755,000	0.12	December 20, 2014

d) Warrants outstanding at January 31, 2010

Number of Warrants	Exercise Price	Expiry Date
240,000	\$0.35	March 14, 2010
54,000	\$0.17	July 26, 2010
210,000	\$0.12	December 2, 2010
60,000	\$0.12	December 16, 2010
250,000	\$0.12	December 10, 2011

Stock-based Compensation

Total compensation expense recognized for stock options granted during the three months ended January 31, 2010 was \$38,251 (quarter ended January 31, 2009 - \$4,567).

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

Information provided in this report, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying financial statements. Management maintains a system of internal controls to provide reasonable assurances that the Company's assets are safeguarded and to facilitate the preparation of relevant and timely information. Our auditors have not reviewed the contents of this MD&A.

Additional information on the Company can be found on SEDAR at www.sedar.com.

FORWARD LOOKING STATEMENTS

This document contains statements about expected or anticipated future events and financial results that are forward-looking in nature and as a result, are subject to certain risks and uncertainties, such as general economic, market and business conditions, regulatory processes and actions, technical issues, new legislation, competitive conditions, the uncertainties resulting from potential delays or changes in plans, the occurrence of unexpected events and the company's ability to execute and implement its future plans. Actual results may differ materially from those projected by management. For such statements, we claim the safe harbour for forward-looking statements within the meaning of the Private Securities Legislation Reform Act of 1995. The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this document.