MANAGEMENT'S DISCUSSION & ANALYSIS

The following discussion and analysis is management's assessment of the results and financial condition of Almaden Minerals Ltd. (the "Company" or "Almaden") for the three month period ended March 31, 2004 and should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2003 and related notes contained in the annual report. The date of this management's discussion and analysis is May 14, 2004. Additional information on the Company is available on SEDAR at www.sedar.com.

Business of Almaden

Almaden is an exploration stage company engaged in the acquisition, exploration and development of mineral properties of merit in Canada, the United States and Mexico with the aim of developing them to a stage where they can be exploited at a profit or to arrange joint ventures whereby other companies provide funding for development and exploitation.

Forward looking statements

Certain information included in this discussion may constitute forward-looking statements. Forward-looking statements are based on current expectations and entail various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different than those expressed or implied. The Company disclaims any obligation or intention to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

Exploration Projects – Canada

Elk (Siwash) Gold Project, BC - The Company is expecting a new 43-101 compliant resource calculation utilizing drilling data generated since the 2001 calculation to be delivered shortly. A 7,000 metre diamond drill contract has been let for further exploration of the known vein structures this coming summer.

Logan Zinc-Silver Project, Yukon – Logan Zinc-Silver Project, Yukon – Hatch Associates Ltd. was engaged by the Company's joint venture partner, Expatriate Resources and has released the resource estimation portion of its report on development for the Logan deposit. The following is a partial excerpt of Expatriate Resources Ltd. ("Expatriate") news release. "The re-estimation of resources by Hatch uses the block model method, using kriging methods of the drill assay data for 58 drill holes completed in the Main zone during the period 1986 to 1988 to interpolate resource blocks. The model relies wholly on historical drill-hole information from the available data at the time of report writing supplied by Expatriate and does not include any new exploration information. The model was constrained by geological boundaries to mineralization over the 1,530-metre strike length of the Main zone and does not include mineralized intercepts in both the East and West zones. Hatch has calculated an inferred resource of 13.08 million tonnes grading 5.10 per cent zinc and 23.7 g/t silver using a 3.5-per-cent-zinc equivalent cutoff that is based upon metal prices of 43 U.S. cents per pound zinc, $5.50 (U.S.) per ounce silver, and recoveries of 94 per cent and 64 per cent, respectively. This estimate compares with a previously determined mineral resource of 12.3 million tonnes grading 6.17 per cent zinc and 26.4 g/t silver, calculated by the sectional method (Stammers, 1989). This report was prepared as a National Instrument 43-101 technical report in accordance to Form 43-101F1. Callum Grant, PEng, manager, mining and geology for Hatch, is the qualified person for the re-estimation of Logan resource. Expatriate acquired a 60-per-cent joint venture interest in the Logan property from Total Energold. Expatriate engaged Hatch to study the combined development of Logan as an open-pit mine at 3,000 tonnes per day, and Wolverine developed at 1,250 tonnes per day underground (see Nov. 12, 2003, news in Stockwatch). The proposed 4,250-tonne-per-day flotation mill facility would be built at Logan, and produce zinc, copper and lead concentrates. Together the Logan and Wolverine resources contain approximately 3.2 billion pounds of zinc, 183 million pounds copper, 213 million pounds lead, 83 million ounces silver and 350,000 ounces of gold."

Expatriate are continuing their economic evaluation of the project and are planning to conduct some confirmation work on the property this coming summer. The Company has a 40% interest in the project, carried until a positive production decision is made.

ATW Diamond Project, NWT – A combined ground magnetic and electromagnetic survey of the area of interest on the property returned subtle anomalies and so it was decided to also complete a ground gravity survey to help in drill target selection. This work faced numerous delays related to weather and related conditions but is currently underway.

PV and Nic Gold-Silver Projects, BC - These projects have both been optioned to Consolidated Spire Ventures Ltd. who are currently planning a program to start when spring snow conditions permit.

Exploration Projects – Mexico

Caballo Blanco Gold-Copper Property, Veracruz – Comaplex Minerals Corp. have had some difficulty with road building and access to some drill sites and have not yet started their drill program. The Company has visited the project to help move the project forward and it appears that drilling could commence shortly.

Fuego Gold-Silver Property, Oaxaca - This project is optioned to Horseshoe Gold Mining Inc. who recently completed a geological mapping, sampling, and soil sampling program. This work has confirmed the known strike length of veining, and identified a potential parallel zone. A drill program is now being contemplated.

Galeana Gold-Silver Project, Chihuahua - Grid Capital Corporation, in recent prospecting on the property, has encountered high-grade gold-silver mineralization in epithermal quartz-carbonate float found in the area of the Estrella de Oro vein structure. The area is located two kilometres to the south along the projected strike extent of the Ahumada zone. A more detailed prospecting and mapping program is expected to commence shortly in an effort to determine the source of the high-grade boulders. The diamond drill program initiated in February, 2004 was suspended while road access was completed to the primary drill target, the Ahumada zone, which has not yet been drilled. Significant historic production and some of the best sampling results by Almaden and Grid were obtained from this zone. Initial drill testing with three diamond drill holes of a secondary target, the Falda Norte zone, was completed in February. The drill holes did not intersect the down-dip projection of the Falda Norte structure due to post mineral diking and faulting. However, in the first hole, a partially sampled, altered, quartz-veined andesite dike returned an average of 0.41 g/t gold and 9.4 g/t silver over a core length of 1.4 metres. The drilling did not provide a conclusive test of the Falda Norte vein structure. Continuing geological interpretation of the initial drill results will determine if additional drill testing of this structure is warranted. Drill testing of the Ahumada zone will commence as soon as a drill can be mobilized.

El Pulpo Gold-Copper-Silver Property, Sinaloa - Recent work includes linecutting, magnetic and Induced Polarization (IP) surveys and trenching. Ross River Minerals Inc. recently announced the identification of numerous IP anomalies or targets associated with known mineralization. These surveys are continuing and diamond drilling is expected to commence shortly.

BHP Billiton Joint Venture - Recent work included further satellite analysis and target selection followed by helicopter reconnaissance of the areas selected. Results of this program are currently being reviewed.

San Carlos Gold-Copper Project, Tamaulipas - An option agreement was signed during this quarter with Hawkeye Gold & Diamond Inc. Hawkeye has been arranging financing and it’s work program for the project. The main target is now a large gold in soils geochemical anomaly that is about 1.5 by 0.5 kilometres in dimensions, hosted in limestone. It is believed that this could be the top of a skarn deposit of gold and copper.

La Bufa Gold-Silver Project, Chihuahua - This claim surrounds the old mining camp of Guadalupe y Calvo, with historic multimillion ounce high grade gold production and where another mining company is actively exploring. The property was optioned to Grid Capital Corporation who currently has a geological reconnaissance program underway.

Selected quarterly financial information

The following selected financial information is derived from the unaudited consolidated interim financial statements of the Company prepared in accordance with Canadian generally accepted accounting principles ("GAAP").

	For the Quarters Ended (unaudited)							
	Mar 31 2004	Dec 31 2003	Sep 30 2003	Jun 30 2003	Mar 31 2003	Dec 31 2002	Sep 30 2002	Jun 30 2002
Total revenues	$62,682	$59,106	$3,592	$35,825	$ 11,707	$17,255	$79,626	$22,539
Net loss	324,218	567,215	260,373	223,008	432,609	502,217	2,175,000	236,279
Net loss per share	0.01	0.03	0.01	0.01	0.02	0.02	0.11	0.01
Total assets	10,591,469	10,341,770	6,834,870	5,300,783	5,584,450	5,635,752	4,782,657	7,103,685

Results of operations

The Company's operations during the three months ended March 31, 2004 produced a net loss of $324,218 or $0.01 per share compared to a net loss of $432,609 or $0.02 per share for the three months ended March 31, 2003. The decrease in net loss is primarily due to the non-cash stock option expense of $29,963 in the quarter ended March 31, 2004 compared to $156,900 in the quarter ended March 31, 2003.

The Company has no revenue from mining operations. Revenue increased during the first quarter of 2004 as compared to the first quarter of 2003 due to the recovery of costs in excess of costs incurred relating to mineral property agreements, increased interest income and the recovery of value added tax in Mexico.

General and administrative costs increased by $49,213 to $159,979 in the three months ended March 31, 2004 compared to $110,766 in the three months ended March 31, 2003. Costs increased mainly in depreciation, professional fees, rent, transfer agent fees and travel and promotion. Depreciation increased due to the acquisition of property, plant and equipment during the year ended December 31, 2003. Professional fees (accounting and legal) increased due to increased regulatory requirements. Rent increased due to the Company expanding its office space at the beginning of the period in a lease extension for five years. Transfer agent fees increased due to an increased level of warrants exercised in the quarter ended March 31, 2004. Travel and promotion increased due to the participation in an Investment Conference in January and in the Prospectors and Developers Association Conference in Toronto in March.

General exploration costs increased by $33,596 in the first quarter of 2004 compared to the first quarter of 2003 due to increased exploration undertaken in eastern Mexico with BHP Billiton.

Liquidity and capital resources

At March 31, 2004, the Company had working capital of $5,255,565 and cash and cash equivalents of $4,706,710 compared to working capital of $5,100,785 and cash and cash equivalents of $4,838,914 at December 31, 2003, the Company's most recent year-end. In addition, the market value of the Company's inventory of gold bullion at March 31, 2004 was $889,861 - $615,093 above book value. The market value of investments at March 31, 2004 was $1,079,265 - $561,247 above book value. These values differ from the GAAP valuation on the balance sheet which is at the lower of cost or market. The Company expects its level of cash resources to be sufficient to meet its working capital and mineral exploration requirements for at least the next year.

Cash used for operating activities during the first quarter of 2004 was $397,797 compared to $189,105 during the first quarter of 2003 after adjusting for the non-cash activities of properties interests write-downs and stock-based compensation.

Cash flows from financing activities for the first quarter of 2004 were $569,461 compared to $133,356 during the first quarter of 2003. This increase in sources of cash is due to an increase in the exercise of share purchase warrants and stock options.

During the three months ended March 31, 2004, the purchase of marketable securities exceeded proceeds from the sale of marketable securities by $138,156 compared to proceeds exceeding purchases during the three months ended March 31, 2002 by $216,702. Investments in property, plant and equipment increased during the first quarter of 2004 mainly due to the purchase of an additional vehicle and field equipment to assist exploration in Mexico. Investments of $93,261 were made in mineral properties interest in the first quarter of March 31, 2004 compared to $195,803 during the first quarter of 2003 with most exploration on the Company's properties being done by third parties who are earning their interests in the Company's projects.

<u>Contractual commitments</u>

The Company is committed under an operating lease for its office premises with the following aggregate minimum lease payments to the expiration of the lease on January 31, 2009. The Company intends to renew its Rock River coal licenses in July 2004 for another three-year term. All other property option payments on the Company's projects have been assumed by third parties who are earning their interests in the projects.

	2004	2005	2006	2007	2008	Thereafter
Office lease	$37,473	$37,251	$37,251	$37,251	$37,251	$3,104
Mineral property acquisition payments	4,712	9,385	18,770	-	-	-

<u>Off-balance sheet arrangements</u>

The Company has no off-balance sheet arrangements other than the lease related to its office premises as disclosed above.

<u>Critical accounting estimates</u>

A detailed summary of all the Company's significant accounting policies is included in note 2 to the annual consolidated financial statements for the year ended December 31, 2003.

Significant estimates used in the preparation of these consolidated financial statements include, amongst other things, depreciation, determination of net recoverable value of assets, determination of fair value on taxes, contingencies and share compensation.

<u>Changes in accounting principles</u>

Stock-based compensation

At December 31, 2003, the Company early adopted the Canadian Institute of Chartered Accountants stock option compensation and other stock based payments accounting standard. The consolidated interim financial statements for the three months ended March 31, 2003 reflect this and the change has been applied retroactively and the consolidated interim financial statements for the three months ended March 31, 2003 have been restated. The effect of this change was to increase the net loss for the three months ended March 31, 2003 by $156,900 for a net loss of $432,609.

Asset retirement

The CICA issued a new standard relating to asset retirement obligations effective for fiscal years beginning on January 1, 2004. The standard requires the recognition in the financial statements of the liability associated with the net present value of future site reclamation costs when the liability is incurred. These obligations are initially measured at fair value and subsequently adjusted for the accretion of discount and any changes to the underlying costs. The asset retirement cost is to be capitalized and amortized into operations over time. The Company is currently assessing these requirements to ensure it complies with the new standards starting in 2004.

Outstanding share data

The Company is authorized to issue 100,000,000 common shares without par value. As at March 31, 2004, there were 29,773,267 outstanding common shares compared to 22,145,072 outstanding shares at March 31, 2003. The increase reflects the success of the Company in raising a total of $4,087,341 through the issue of new shares and the exercise of options and warrants in 2003 and $569,461 to March 31, 2004.

In January 2004, the Company completed a private placement of 1,300,000 common shares raising proceeds of $1,699,435 net of issue costs. These funds were received prior to December 31, 2003 and were recorded as a subscription for shares.

Directors, officers, employees and contractors are granted options to purchase common shares under the Company Stock Option Plan. This plan and its terms and outstanding balance are disclosed in note 7 to the consolidated interim financial statements to March 31, 2004.

Related party transactions

A total of $27,600 was paid to a company controlled by Duane Poliquin, the President of the Company, for geological consulting services and web-site management services during the three months ended March 31, 2004. A total of $20,606 was paid to a company controlled by Morgan Poliquin, a Director of the Company, for geological consulting services during the three months ended March 31, 2004. These amounts are included in general exploration and mineral property costs. A total of $15,613 was paid to Dione Bitzer, an Officer of the Company for accounting services during the three months ended March 31, 2004. This amount is included in professional fees.

Trends

The mineral exploration industry has been through a very difficult period with low prices for both precious and base metals. Lack of interest lead to low market capitalizations and large companies found it was easier to grow by purchasing companies or mines than to explore for them. This lead to downsizing of large company exploration staffs and many professionals took early retirement or left the industry to pursue other careers. As a result of these trends, there are few good gold-silver projects in the pipeline and a developing shortage of experienced explorationists. With improving metal prices and increasing demand, especially from Asia, supply difficulties may occur in the future and there is a discernible need for good exploration projects based on sound geological work. As junior companies (many of which are staffed by former large company geologists) find it easier to raise funds, they are beginning to seek properties of merit to explore.

Risks and uncertainties

The Company is subject to a number of risks and uncertainties, the more significant of which are discussed below. Additional risks and uncertainties not presently known to the Company may impact the Company’s financial results in the future.

Industry

Almaden is engaged in the exploration of mineral properties, an inherently risky business. There is no assurance that a mineral deposit will ever be discovered and economically produced. Most exploration projects do not result in the discovery of commercially mineable ore deposits. The geological focus of the Company is on areas in which the geological setting is well understood by management. Technological tools are regularly used to better focus exploration efforts.

Reserve and mineralization estimates

The estimation of reserves and mineralization is a subjective process and the accuracy of any such estimates is a function of the quality of available data and of engineering and geological interpretation and judgement. No assurances can be given that the volume and grade of reserves recovered and rates of production will not be less than anticipated.

Gold and metal prices
The price of gold is affected by numerous factors beyond the control of the Company including central bank sales, producer hedging activities, the relative exchange rate of the U.S. dollar with other major currencies, demand, political, economic conditions and production levels. In addition, the price of gold has been volatile over short periods of time due to speculative activities. The price of other metals and mineral products that the Company may explore for all have the same or similar price risk factors.

Cash flows and additional funding requirements
Almaden currently has no revenues from operations. If any of the Company's exploration programs are successful and optionees of properties complete their earn-in, the Company would have to provide it's share of ongoing exploration and development costs in order to maintain it's interest in the projects, or be reduced to a royalty interest. Additional capital would be required to put a property into commercial production. The sources of funds currently available to the Company are the sale of its inventory of gold, sale of marketable securities, sale of equity capital or the offering of an interest in its projects to another party. Although the Company presently has sufficient financial resources to undertake all of its currently planned exploration programs and has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be advantageous to the Company.

Exchange rate fluctuations
Fluctuations in currency exchange rates, principally the Canadian/U.S. dollar exchange rate, can significantly impact cash flows. The exchange rate has varied substantially over time. Most of the Company's exploration expenses in Mexico are denominated in U.S. dollars. Fluctuations in exchange rates may give rise to foreign currency exposure, either favourable or unfavourable, which may impact financial results. The Company does not engage in currency hedging to offset any risk of exchange rate fluctuation.

Environmental
Almaden's exploration and development activities are subject to extensive laws and regulations governing environment protection. The Company is also subject to various reclamation-related conditions. Although the Company closely follows and believes it is operating in compliance with all applicable environmental regulations, there can be no assurance that all future requirements will be obtainable on reasonable terms. Failure to comply may result in enforcement actions causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures.

Laws and regulations
Almaden's exploration activities are subject to extensive federal, provincial and local laws and regulations governing prospecting, development, production, exports, taxes, labour standards, occupational health and safety, mine safety and other matters. Such laws and regulations are subject to change, can become more stringent and compliance can therefore become more costly. The Company applies the expertise of its management, its advisors, its employees and contractors to ensure compliance with current laws.

Title to mineral properties
While the Company has investigated title to it's mineral properties, this should not be construed as a guarantee of title. The properties may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects. Unresolved native land claim issues in British Columbia and the Yukon Territory may affect the Company's properties in these jurisdictions in the future.

Competition
There is competition from other mining exploration companies with operations similar to those of the Company's. Many of the mining companies with which the Company competes have operations and financial strength greater than that of the Company.

Dependence on management
The Company strongly depends on the business and technical expertise of its management and there is little possibility that this dependence will decrease in the near term.

Outlook

Almaden currently has thirteen active joint ventures on sixteen properties including eight joint venture deals in which other companies are earning an interest in the Almaden projects by carrying all costs and making significant exploration expenditures, and a regional exploration program with BHP Billiton underway to explore for copper-gold deposits in Mexico. The Company ended 2003 with a strong cash position that will enable it to continue its own exploration efforts in Mexico and Canada seeking to identify new projects through early stage grass roots exploration and managing risk by forming joint ventures in which partner companies explore and develop such projects in return for the right to earn an interest in them.