WABI EXPLORATION INC.
MANAGEMENT'S DISCUSSION & ANALYSIS
January 31, 2011

Management's discussion and analysis (MD&A), current to March 22, 2011, is management's assessment of the statement of operations and the financial results together with future prospects of Wabi Exploration Inc. ("Wabi" or the "Company"). The MD&A should be read in conjunction with our audited financial statements and related notes for the years ended April 30, 2010 and 2009. This discussion contains forward-looking statements that are not historical in nature and involve risks and uncertainties. Forward-looking statements are not guarantees as to Wabi's future results as there are inherent difficulties in predicting future results. Accordingly, actual results could differ materially from those expressed or implied in the forward-looking statements. The Company has adopted National Policy Instrument 51-102F1 as the guideline to presenting the MD&A. Additional information relevant to the Company's activities including the Company's Annual Report and audited financial statements can be found on SEDAR at www.sedar.com.

Forward-Looking Statements

This Management's Discussion and Analysis includes "forward-looking statements", within the meaning of applicable securities legislation, which are based on the opinions and estimates of Management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words suggesting future outcomes or statements regarding an outlook. Such risks and uncertainties include, but are not limited to, risks associated with the mining industry (including operational risks in exploration development and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections in relation to production, costs and expenses; the uncertainty surrounding the ability of Wabi to obtain all permits, consents or authorizations required for its operations and activities; and health safety and environmental risks), the risk of commodity price and foreign exchange rate fluctuations, the ability of Wabi to fund the capital and operating expenses necessary to achieve the business objectives of Wabi, the uncertainty associated with commercial negotiations and negotiating with foreign governments and risks associated with international business activities, as well as those risks described in public disclosure documents filed by Wabi. Due to the risks, uncertainties and assumptions inherent in forward-looking statements, prospective investors in securities of Wabi should not place undue reliance on these forward-looking statements. Statements in relation to "reserves" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described can be profitably produced in the future.

Readers are cautioned that the foregoing lists of risks, uncertainties and other factors are not exhaustive. The forward-looking statements contained in this document are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or in any other documents filed with Canadian securities regulatory authorities, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws. The forward-looking statements are expressly qualified by this cautionary statement.

Overview

As at March 22, 2011, the directors and officers of the Company were:

James M. Brady	Director
Andrew McQuire	Director
Paul Millar	Director

Mikotel Networks Inc. ("Old Mikotel") was incorporated on February 25, 2000. On May 9, 2000, Old Mikotel amalgamated with Nufort Resources Inc. ("Nufort"), a public company, and was continued as Mikotel Networks Inc. ("New Mikotel"). The principal focus of the Company was on the development, licensing, and support of internet-based solutions. Mikotel was the developer of the netVergence line of Plug and Play Network Appliances for small business and home offices. NetVergence offered a sophisticated firewall around the devices of a network.

At the Annual and Special Meeting of Shareholders held on November 2, 2004, the shareholders approved a consolidation of the shares of the Company on the basis of one share for every two shares held. The shareholders approved a change of name to Wabi Exploration Inc. to more effectively reflect the new direction to be taken by the Company as that of a company involved in the exploration of minerals. Both the consolidation and the change of name became effective on January 14, 2005. Since that date, the Company has been inactive. In order for the Company to acquire or develop a new business, someone will need to take the time and effort to reorganize and recapitalize the Company. There is no guarantee that this will happen.

Results of Operations

THREE MONTHS ENDED JANUARY 31, 2011

The Company incurred a net loss of $6,850 or $0.00 per share for the three month period ended January 31, 2011, compared with a net loss of $26,660 or $0.00 a share for the same period in 2010.

Professional fees for the three month period ended January 31, 2011 decreased by $14,448 to $4,015 compared to $18,463 in the same period of 2010. The increase is attributable to lower legal fees during the current period.

Shareholder fees for the three month period ended January 31, 2011 decreased by $2,214 to $1,628 compared to $3,842 for the same period in 2010. The decrease is due to lower filing fees paid during the period.

General and administration costs for the three month period ended January 31, 2011 decreased by $3,148 to $1,207 compared to $4,355 in the same period in 2010. The decrease is due to lower consulting fees paid during the current period.

NINE MONTHS ENDED JANUARY 31, 2011

The Company incurred a net loss of $29,732 or $0.00 per share for the nine month period ended January 31, 2011, compared with a net loss of $37,236 or $0.00 a share for the same period in 2010.

Professional fees for the nine month period ended January 31, 2011 decreased by $6,621 to $12,944 compared to $19,565 in the same period of 2010. The increase is attributable to lower legal fees during the current period.

Shareholder fees for the nine month period ended January 31, 2011 decreased by $5,179 to $3,380 compared to $8,559 for the same period in 2010. The decrease is due to less filing fees as a result of fewer transactions being completed during the current period.

General and administration costs for the nine month period ended January 31, 2011 decreased by $7,796 to $1,316 compared to $9,112 in the same period in 2010.

Stock-based compensation expense during the nine months ended January 31, 2011 was $12,092 compared to $nil for the same period in 2010. During the current period the Company granted stock options to officers, directors and consultants of the Company.

Subsequent Events

During the period ended January 31, 2011, the Company entered into an agreement to acquire gold and base metal exploration mineral claims in the Snow Lake Area of Manitoba. Pursuant to the terms of the agreement, in order to close the transaction, the Company was required to pay $!5,000 and issue 200,000 shares of the Company. In December 2010, a shareholder of the Company advanced $15,000 to the Optionor in connection with this agreement. Subsequent to January 31, 2011, the Company issued 200,000 free-trading shares to close the transaction.

Selected Financial Information

The information below should be read in conjunction with the management's discussion and analysis, the financial statements and related notes and other financial information.

	Three Months Ended January 31, 2011	**Year Ended April 30, 2010**	**Year Ended April 30, 2009**
	$	$	$
Revenue	Nil	Nil	Nil
(Income) Loss before income taxes	6,850	50,408	51,984
Net (Income) Loss	6,850	50,408	51,984
(Income) Loss Per Share	$0.00	$0.00	$0.00
Total Assets	18,946	2,715	3,443
Total Liabilities	50,897	207,206	157,526

Summary of Quarterly Results

	Q4 2009 $	**Q1 2010 $**	**Q2 2010 $**	**Q3 2010 $**	**Q4 2010 $**	**Q1 2011 $**	**Q2 2011 $**	**Q3 2011 $**
Total revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net Income (Loss)	(12,997)	(7,874)	(2,702)	(26,660)	(13,172)	(5,745)	(17,137)	(6,850)
Income (Loss) per share	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)

CAPITAL RESOURCES, CAPITAL EXPENDITURES AND LIQUIDITY

The Company reported a deficit in working capital of $31,951 as at January 31, 2011, compared to a working capital deficit of $204,491 as at April 30, 2010. The Company anticipates that additional financings will be required during fiscal 2011 to cover its general and administrative expenses.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

ISSUANCE OF SHARES FOR DEBT

Related Party Transactions
On October 28, 2010, the Company issued 944,228 units to Fort Chimo Minerals Inc., which is controlled by a director of the Company, in settlement of an amount payable of $47,211. Each unit consists of one common share of the Company and one common share purchase warrant. The warrants are exercisable at a price of $0.10 per common share until October 28, 2015.

Due to Shareholder
On October 28, 2010, the Company issued 2,859,376 units to a director and officer of the Company in

settlement of an amount payable of $142,969. Each unit consists of one common share of the Company and one common share purchase warrant. The warrants are exercisable at a price of $0.10 per common share until October 28, 2015.

PROPOSED TRANACTIONS
The Company does not contemplate any proposed asset or business acquisitions or dispositions as of the date hereof.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

There were no changes in the accounting policies for the period ended January 31, 2011.

Future Accounting Changes and Effective Dates

Business Combinations
CICA Handbook Section 1582 “Business Combinations”, replaces Section 1581 – “Business Combinations” and provides the Canadian equivalent to International Financial Reporting Standards (“IFRS”) 3 – “Business Combinations”. This applies to a transaction in which the acquirer obtains control of one or more businesses. Most assets acquired and liabilities assumed, including contingent liabilities that are considered to be improbable, will be measured at fair value. Any interest in the acquiree owned prior to obtaining control will be remeasured at fair value at the acquisition date, eliminating the need for guidance on step acquisitions. Additionally, a bargain purchase will result in recognition of a gain and acquisition costs must be expensed. The Company expects to adopt this standard on May 1, 2011 and is currently assessing the impact of the adoption.

Consolidations and Non-Controlling Interests
CICA Handbook Section 1601 “Consolidations” and Section 1602 “Non-Controlling Interests” replace Section 1600 “Consolidated Financial Statements”. Section 1602 provides the Canadian equivalent to International Accounting Standard 27 – “Consolidated and Separate Financial Statements “, for non-controlling interests. The Company expects to adopt this standard on May 1, 2011 and is currently assessing the impact of the adoption.

International Financial Reporting (IFRS)
In January 2006, the Canadian Accounting Standards Board ("AcSB") adopted a strategic plan for the direction of accounting standards in Canada. As part of that plan, accounting standards in Canada for public companies are expected to converge with International Financial Reporting Standards (“IFRS”) by end of 2011. The Company will adopt IFRS for the fiscal year beginning May 1, 2011. The transition from current Canadian GAAP to IFRS is a significant undertaking that may materially affect the Company’s reported financial position and results of operations. Management is currently assessing the impact of adopting IFRS and has not yet determined its effect on the Company’s financial statements.

DISCLOSURE OF OUTSTANDING SHARE DATA

As at March 22, 2011		Authorized		Outstanding
Voting or equity securities issued and outstanding		Unlimited Common Shares		16,140,116 Common Shares.
Securities convertible or exercisable into voting or equity securities		a) Options to acquire up to 10% of the issued and outstanding Common Shares.		Options to purchase 500,000 common shares at a price of $0.10 on or before October 29, 2013

		5,000,000 Warrants expired if unexercised on or before November 21, 2012		Warrants to purchase 5,000,000 common shares at a price of $0.05 on or before November 21, 2012
		3,803,604 Warrants expired if unexercised on or before October 28, 2015		Warrants to purchase 3,803,604 common shares at a price of $0.10 on or before October 28, 2015

The Company entered into a non-brokered private placement with a director and officer of the Company for 5,000,000 units at a price of $0.01 per unit. Each unit is comprised of one common share and one common share purchase warrant, exercisable at $0.05 until November 21, 2012.

The Company issued a total of 3,803,604 units at a price of $0.05 per unit in settlement of $190,180 in amounts due to related parties and a director and officer of the Company. Each unit is comprised of one common share and one common share purchase warrant. The warrants are exercisable at a price of $0.10 per common share until October 28, 2015.

The Company granted 500,000 stock options on October 29, 2010 to officers, directors and consultants of the Company. Each option is exercisable at a price of $0.10 until October 29, 2013.

Additional information relating to the Company can be found under the Company's documents filed on the SEDAR website at http://www.sedar.com.

RISKS AND UNCERTAINTIES

There are certain risk factors that could have material affects that are un-quantifiable at present due to the nature of the Company's industry segment and other considerations.

Additional Capital

The activities of the Company may require substantial additional financing. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financings will be favorable to the Company.

Going Concern

The ability of the Company to continue as a going concern is dependent upon, among other things, being able to obtain additional financing, and maintaining positive cash flows. The Company has been inactive since January of 2005.

Key Personnel

The success of Wabi depends to a large extent upon its abilities to retain the services of its senior management and key personnel. The loss of the services of any of these persons could have a materially adverse effect on the Company's business and prospects. There is no assurance Wabi can maintain the services of its directors, officers or other qualified personnel required to operate is business.

Independent Contractors

Wabi's success also depends to a significant extent on the performance and continued service of independent contractors. The Company contracts the services of professional drillers, construction and engineering services. Poor performance by such contractors or the loss of such services could have a material and adverse effect on Wabi and it business and results of operations and could result in failure to meet business objectives.

Management's Responsibility

Management is responsible for all information contained in this MD&A. The unaudited financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include amounts based on management's informed judgments and estimates. The financial and operating information included in this MD&A is consistent with that contained in the unaudited financial statements in all material aspects.

Management maintains internal controls to provide reasonable assurance that financial information is reliable and accurate and assets are safeguarded.

March 22, 2011
J. M. Brady – Director