SNR
TSX-V

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MANAGEMENT DISCUSSION and ANALYSIS
accompanying the 31 March 2013 unaudited Consolidated Financial Statements

This Management Discussion and Analysis, prepared as of 30 May 2013, is intended to be read in conjunction with the audited consolidated financial statements for the period ending 31 December 2012 and related notes thereto, which have been reported in Canadian dollars and prepared in accordance with International Financial Reporting Standards ("IFRS").

This discussion relates to the operations of Senator Minerals Inc (the "Company" or "Senator") during the reporting period ending 31 March 2013, and the period up to the date of this report, being 30 May 2013.

Senator is a Tier 2 Issuer on the TSX-Venture Exchange ("TSX-V") under the symbol SNR.

The Company is also listed on the Frankfurt Exchange (symbol "T1K").

Business:

The Company is focused on mineral exploration and has as its main objectives the identification and acquisition of, and subsequent profitable disposition of interests in, mineral properties of merit.

In the last two years, the Company has depended on cash generated from option payments, operator fees, sale of mineral exploration concessions and net smelter returns, and interim loan arrangements to fund its activities.

These proceeds have been used for investigation and appraisal of targeted mineral concessions, acquisition and exploration of certain mineral concessions, the administration and maintenance of the Company's operations, and compliance with all regulatory requirements. While it remains the directors' consensus that a long-term commodity-driven market is underway, the Company's policy of property acquisitions is subject to continuous review and has been halted until there is evidence of an improvement in the financial markets related to junior exploration companies.

Current market conditions are comparatively poor and management is aware that material uncertainties exist that could possibly affect the Company's ability to continue as a going concern. Recognizing that there are insufficient cash reserves to conduct planned programs and continue operations for the ensuing twelve months, management is fully aware that the Company must continually review its spending commitments and priorities because it will need to generate working capital through a combination of property options, arrangements with creditors, or arrangement of additional equity financing. For this reason, the Company has established a $250,000 line of credit that has allowed it flexibility in the timing of financings.

Mineral Exploration Property Interests:

It remains the directors' collective opinion that political risk and cost efficiency are two of the most important factors when determining the general areas most acceptable for mineral exploration. The Company has therefore concentrated the majority of its time, effort, and resources on mineral exploration opportunities in North America and, at this point, the Company's portfolio of properties remains concentrated in North America.

The Company's oldest exploration interest is its 100% interest in the Taurus property, a porphyry copper-molybdenum-gold deposit in the Tintina Gold Belt in southeastern Alaska, being part of the White Gold mineral trend centered in the Yukon. The Taurus property was the most significant property in Senator's portfolio in the mid-1990s, with substantial previous work by majors before Senator (known then as Cross Canada Resources). The property was lost but re-acquired on a 100% basis in 2004. Because of the perceived size and projected costs of exploration of Taurus the Company is weighing alternatives available to it, ranging from financing further work to enhance the value of the project to finding a major company to earn an interest in the property.

During exploration for gold on Ivanhoe Creek, one of Senator's optioned Nevada properties, a bentonite deposit of undetermined size was discovered. Consequently, seven placer claims were staked in order to acquire the right to exploit this deposit in the event it proves economic. In April 2012, Senator sold its 50% interest in the claims for a nominal $100 and retained a 3% Production Royalty. Details are included in the financial statements, Note 11b.

Through non-arms-length agreements with Seguro Projects Inc ("Seguro"), a company controlled by L. Simon, an officer, and D. Simon, a director and officer of the Company, Senator had a 1% net smelter return ("NSR") in each of the Key and Okey properties, two high-grade copper projects in northern BC. In December 2011, Senator sold these NSR's back to Seguro for $400,000. As the transaction was non-arms-length and to allow for any possible differences in opinion on the value of the NSR's, Senator retained the right to re-purchase the NSR's for the same price ($400,000) at any time within six months of the sale (June 2012). That right to re-purchase has now expired.

In late 2010 and early 2011, the Company identified two opportunities in the Yukon, comparatively close to its 100%-owned Taurus property in southeastern Alaska. One property, King Dome, was optioned (option details are included in the financial statements, Note 8f) but not worked on. In December 2011, this option was dropped. Through staking, the Company acquired a 50% interest in a second property, the Mustang. In December 2012, the Company sold its 50% interest to an arms-length private company for $50,000 cash.

In an acquisition finalized and announced 31 May 2011, the Company acquired a 100% interest in the Rosebud property, Mohave County, Arizona. Details are included in the financial statements, Note 8d. A 100% interest in the property, net of a 2% NSR, has been optioned to an arms-length private company.

Non-Arms-Length Transactions:

In the past Senator completed a number of non-arms-length acquisitions. All were done on terms that were advantageous to the Company, at or below industry-standard tariffs. All were subject to independent technical and valuation reporting and approval of the TSX Venture Exchange, and all requisite approvals were obtained. All property interests involving non-arms-length transactions have now be dropped, with the exception of the 1% NSRs on Key and Okey, which were sold as described above.

Financial Results and Operations:

The relatively high costs of having small companies operate rationally and efficiently while meeting the requirements of increasingly complex regulatory regimes is a continuing impediment to the success of venture companies like Senator.

A possible offsetting positive market factor for junior exploration venture companies is that, because the gold and exploration markets are relatively minuscule compared to the general dollar-based economy, it would take only a minor shift in investment preferences to bring market activity and capitalization to levels that are significantly higher than those at present.

Due to some significant cost saving measures, the $31,683 in general and administrative ("g&a") costs incurred in the first quarter of 2013 is approx 35% lower than the $49,052 average g&a quarterly costs for the last two years.

First quarter 2013 g&a expense comparisons to the two-year average (shown in brackets) are:

- communications costs $1,178 (2 yr avg: $1,641) are significantly lower due to cost-cutting;
- filing and listing fees of $5,200 (2 yr avg: $2,767), is due to payment of TSXV sustaining fees;
- loan interest $5,595 (2 yr avg: $6,261) is a cost saving due to a negotiated change in the credit line loan interest rate and a lower principal amount of the loan;
- professional fees of $4,462 (2 yr avg: $4,439) are virtually identical,
- shareholder information $77 (2 yr avg: $698) is lower purely due to timing of expenses for the AGM;
- transfer agent $1,240 (2 yr avg: $2,044) is lower due to deletion/reclassification of filing fees;
- travel $73 (2 yr avg: $642) is significantly lower due to curtailment of activity;
- office and general $433 (2 yr avg: $702) is marginally lower and comparatively insignificant.
- A revised approach to office management means no expense for consultants for all of 2012 and 2013.
- Management fees to insiders $11,625 (2 yr avg: $25,438) is significantly lower due to a reduction in fees charges from $10,000/month to $3,500/month commencing in September 2012.

A summary of financial results by quarter in the previous two years follows:

Quarter ended	General and Admin Expenses	Net Loss (Profit)	Loss (Profit) per share
31 Mar 2013	$ 31,683	$ 3,883	$ 0.000
31 Dec 2012	$ 24,673	$ (16,852)	$ (0.000)
30 Sep 2012	$ 39,288	$ 42,143	$ 0.001
30 Jun 2012	$ 56,134	$ 34,654	$ 0.001
31 Mar 2012	$ 55,214	$ 27,274	$ 0.001
31 Dec 2011	$ 43,823	$ (310,809)	$ (0.007)
30 Sep 2011	$ 59,906	$ 72,154	$ 0.002
30 Jun 2011	$ 80,073	$ 93,304	$ 0.002
31 Mar 2011	$ 65,630	$ 78,741	$ 0.002

The last private placement done by the Company was in December 2010: 6,300,000 shares for net proceeds of $312,093 after deduction of TSX-V financing fees. There has been no equity financing activity in the Company in 2012, 2011 or up to the date of this report in 2013. The Company's current assets at the end of March 2013 totalled $30,777 (31 Dec 2012: $3,671).

The Company is not subject to any legislated capital requirements. The Company's working capital position at 31 March 2013 was a negative $361,751 (31 Dec 2012: negative $357,868). The Company does not have sufficient cash reserves to conduct planned programs and continue operations for the ensuing twelve months without generating significant working capital through equity financing, option or sale of mineral property interests, arrangements with creditors, or further expansion of and drawdowns on the line of credit.

A summary of selected financial information for the last three fiscal years is as follows:

	2013 (three months only)	2012	2011	2010
Revenues	$ 25,000	$ 100,100	$ 392,446	$ --
Loss (profit)	$ 3,883	$ 87,022	$ (66,610)	$ 447,550
Loss (profit) per share, basic and diluted	$ 0.000	$ 0.000	$ (0.002)	$ 0.011
Total assets	$ 55,777	$ 28,671	$ 4,490	$ 131,639
Total long-term liabilities	$ nil	$ nil	$ nil	$ nil

** 2009 figures were prepared in accordance with Canadian GAAP, not IFRS.

The Company had no warrants or incentive stock options outstanding at the end of December 2012 or up to the date of the MD&A. The Company has never paid any dividends.

All phone inquiries continue to be handled in-house. The Company's web site, Senatorinc.com, is operational and kept up to date. All news releases and technical and valuation reports that have been prepared on properties in which the Company holds an interest are posted on the web site for investors' reference.

Additional information is available in the public documents filed by the Company that are available for viewing on www.Sedar.com.

Share Capital:

The Company's authorized capital consists of an unlimited number of common shares without par value. At March 31, 2013, and as of the date hereof, there are 46,092, 583 common shares outstanding. No stock ooptions or warrants are outstanding at either date.

No securities transactions have taken place in the period since December 31, 2012.

Related Party Transactions:

During the three months ended 31 March 2013, the following expenditures were made to parties not at arm's length to the Company:

- The Company paid rent, communications, office and bookkeeping costs in the amount of $11,280 (2012: $11,280) to a company controlled by a director and officer of the Company; and
- The Company incurred interest expense on a loan payable to a director and officer of the Company in the amount of $5,595 (2012: $3,394).

Key management compensation in the first quarter of 2013 consisted of management fees in the amount of $10,500 (2012: $30,000) paid to a company controlled by a director and officer of the Company.

As at March 31, 2013 the following amounts were due to related parties: $NIL (December 31, 2012: $578) to a director and officer for accounts payable; $61,907 (December, 2012: $56,312) in loan interest to a director and officer of the Company; and $259,600 (December, 2012: $233,000) in loan principal to a director and officer of the Company.

Corporate Governance:

The following description of the Company's corporate governance should be considered within a frame of factual reference. The Company has written <100 cheques in 2012 (<100 cheques in 2011 and <130 in 2010). All expenditures have been pursuant to specific contractual arrangements that were previously authorized by the Board and/or the TSX-V, or for activities authorized by the Board in principle but not in detail.

The Board of Directors is authorized for up to four people and presently consists of four: two independent: Mark L.P. Ferguson and Andrew E. Nevin; and two non-independent: Richard W. Grayston and Keir Reynolds. Management makes a regular practice of consulting with, and where appropriate seeking approval in advance from the Board on all matters of substance related to the Company's activities. The Company remains alert to the identification of suitable candidates for Board membership.

Directors of the Company have other directorships in reporting issuers as follows: Mark Ferguson: Abbastar Resources Corp.; Richard Grayston: Abbastar Resources Corp., Xtra-Gold Resources Corp., Buccaneer Gold Corp., Logan Resources Ltd. and SG Spirit Gold Inc.; Andrew Nevin: Goldon Resources Ltd.; Keir Reynolds: LX Ventures Inc.

Since 2004, the Company has had an Audit Committee Charter available for viewing on the Company's main website. The Company's Audit Committee consists of three financially literate directors: Mark Ferguson, Andrew Nevin and Keir Reynolds, of which two are independent: Mark Ferguson and Andrew Nevin.

A Compensation Committee, consisting of three independent directors, was formed in 2006 to consider and authorize remuneration for the CEO. The Committee completed a comparison to other publicly traded companies, a comparison to other professional remuneration, an appraisal of revenues generated for Senator by the CEO, and a review of actual responsibilities before authorizing the current remuneration package. There has been no change in authorized remuneration since 2006.

Outlook:

Until late 2010, exploration expenses were limited to due diligence on potential acquisitions and essential maintenance, as the Company took steps to reduce cash outflows until the markets stabilized and improved. Budgeted general and administrative expenses remain cut to a minimum.

The Company's short-term property, work, and administration commitments have been covered through property option revenues, operator fees, sale of NSR's, and private placements, with backup in the form of a credit line for meeting financial needs. Now, given the current market situation, it is comparatively difficult to identify viable companies to option interests in the Company's properties and to finance exploration work. Therefore management recognizes that it cannot count on the generation of revenues that are possible, but not assured, from future property option agreements and exploration operatorship.

The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future. While management is attempting to raise additional cash through private placements of common shares, alliances with other mineral exploration and mining entities, and/or other business and financial transactions, no definite proposals have been received to date. Management is closely monitoring the commodity prices of precious and base metals, individual equity movements and the stock markets to determine the appropriate course of action to be taken by the Company.

Critical Accounting Estimates:

The preparation of consolidated interim financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities in the financial statements. The Company constantly evaluates these estimates and assumptions.

The Company bases its estimates and assumptions on past experience and other factors that are deemed reasonable under the circumstances. This involves varying degrees of judgment and uncertainty, thus the amounts currently reported in the consolidated interim financial statements could prove to be inaccurate in the future.

Accounting Policies:

For a complete summary of the Company's accounting policies, and future accounting policies, see Note 2. of the audited consolidated financial statements of the Company for the year ended December 31, 2012.

Risk Factors:

The exploration of mineral deposits involves significant risks, which even a combination of careful evaluation, experience and knowledge may not overcome. Certain of the more immediate risk factors are discussed below:

Exploration, evaluation and development

Mineral exploration, evaluation and development involve a high degree of risk and few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and evaluation activities will result in any discoveries of new bodies of commercial ore. There is also no assurance that presently identified mineralization can be mined at a profit. Discovery of mineral deposits is dependent upon a number of factors and significantly influenced by the technical skill of the exploration personnel involved.

The commercial viability of a mineral deposit is also dependent upon a number of factors, some of which are beyond the Company's control such as commodity prices, exchange rates, government policies and regulations and environmental protection.

Financing

The Company does not currently have any operations generating cash to fund projected levels of exploration and evaluation activity and associated overhead costs. The Company is therefore dependent upon debt and equity financing to carry out its exploration and evaluation plans. There can be no assurance that such financing will be available to the Company. In the future, the Company will require additional funding to maintain its mineral properties in good standing. The lack of additional financing could result in delay or indefinite postponement of further exploration and possible, partial or total loss of the Company's interest in its exploration and evaluation assets.

Commodity price volatility

The market prices for commodities are volatile. The Company does not have any control over such prices or volatility. There is no assurance that if commercial quantities of mineralization are discovered, a profitable market will exist for a production decision to be made or for the ultimate sale of production at a profit. As the Company is currently not in production, no sensitivity analysis for price changes has been provided.

<u>Off-Statement of Financial Position Arrangements:</u>

The Company has no such arrangements as at the date hereof.

<u>Financial Instruments:</u>

The Company's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities, loans payable and amounts due to related parties. The fair value of the Company's accounts receivable, accounts payable and accrued liabilities, loans payable and amounts due to related parties approximate their carrying value, due to their short-term maturities or ability of prompt liquidation.

<u>Subsequent Events:</u>

- Subsequent to 31 March 2013, a group of investors was identified who are prepared to assist in reorganizing the Company. It is not presently known what business, organizational and/or management changes may be necessary to complete this reorganization. To date this group has advanced $77,000 to the Company on an unsecured basis to provide working capital to assist in these efforts;

- The commitments described in Note 15. of the unaudited consolidated financial statements terminated at the end of April, 2013; and

- On May 24, 2013 the shareholders of the Company approved the consolidation of the Company shares on the basis of 40 old shares for 1 new share.