

# SENTERNET TECHNOLOGIES INC.

## MANAGEMENT DISCUSSION AND ANALYSIS

DECEMBER 31, 2011

This management discussion and analysis ("MD&A") of results of operations and financial condition of Senternet Technologies Inc. ("the Company") describes the operating and financial results of the Company for the year ended December 31, 2011. The MD&A supplements, but does not form part of the financial statements of the Company and should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2011.

The Company prepares and files its financial statements in accordance with International Financial Reporting Standards ("IFRS"). All dollar amounts herein are in Canadian currency unless otherwise specified.

### Forward-looking Statements

Some statements contained in this MD&A are forward-looking, and therefore involve uncertainties or risks that could cause actual results to differ materially. The Company disclaims any obligation to update forward-looking statements.

### Date of MD&A

This MD&A was prepared using information that is current as of April 27, 2012, unless otherwise stated.

### Results of Operations

#### Summary of Quarterly Results

The following tables set out financial performance highlights for the last eight quarters and were prepared in accordance with IFRS.

	<b>Fourth Quarter</b> December 31, 2011	<b>Third Quarter</b> Sept. 30, 2011	<b>Second Quarter</b> June 30, 2011	<b>First Quarter</b> March 31, 2011
Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenses	18,409	3,505	6,621	4,996
Net income (loss)	(18,409)	(3,505)	(6,621)	(4,996)
Net income (loss) per share	\$(0.007)	\$(0.001)	\$(0.001)	\$(0.001)
Cash flow from (used in) operations	(46)	(12)	(391)	(597)
Cash, end of period	38	84	96	487
Assets	489	15,534	15,824	16,132
Liabilities	185,617	182,153	178,938	172,725
Capital deficiency	(185,128)	(166,619)	(163,114)	(156,593)
Dividends	0	0	0	0

	<b>Fourth Quarter</b> December 31, 2010	<b>Third Quarter</b> Sept. 30, 2010	<b>Second Quarter</b> June 30, 2010	<b>First Quarter</b> March 31, 2010
Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenses	3,111	3,436	6,487	3,687
Net income (loss)	(3,111)	(3,436)	(6,487)	(3,687)
Net income (loss) per share	\$(0.000)	\$(0.001)	\$(0.001)	\$(0.001)
Cash flow from (used in) operations	706	249	115	(500)
Cash, end of period	1,084	378	129	14
Assets	16,523	15,820	15,414	15,164
Liabilities	168,120	164,306	160,464	153,727
Capital deficiency	(151,597)	(148,486)	(145,050)	(138,563)
Dividends	0	0	0	0

### **Summary of Annual Results**

The following tables set out financial performance highlights for the past three fiscal years. Year 2009 was prepared in accordance with Canadian GAAP. Years 2010 and 2011 were prepared in accordance with IFRS.

	<b>Twelve months ended December 31, 2011</b>	<b>Twelve months ended December 31, 2010</b>	<b>Twelve months ended December 31, 2009</b>
Revenues	\$0	\$0	\$0
Expenses	33,531	16,721	17,895
Net income (loss)	(33,531)	(16,721)	(17,895)
Net income (loss) per share	\$(0.010)	\$(0.003)	\$(0.003)
Cash flow from (used in) operations	(1,046)	570	9
Cash, end of year	38	1,084	152
Assets	489	16,523	15,691
Liabilities	185,617	168,120	150,567
Shareholders' equity	(185,128)	(151,597)	(134,876)
Dividends	0	0	0

### **Stock Exchange Listing**

The Company has received initial approval and has been granted symbol STX from the Frankfurt Stock Exchange.

### **Disclosure controls and procedures**

Based on continual evaluations of the Company's disclosure controls and procedures, the Company's chief executive officer and chief financial officer have concluded that, as of September 30, 2011, the design and operation of these disclosure controls and procedures are effective at the reasonable assurance level to ensure that material information relating to the Company would be known to them by others within those entities, particularly during the period in which the MD&A and the condensed interim financial statements contained in this report were being prepared.

### **Internal controls over financial reporting**

The Company's chief executive officer and chief financial officer have designed, or have caused to be designed under their supervision, internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS. The chief executive officer and chief financial officer concluded that there has

been no change in the Company's internal control over financial reporting during the year ended December 31, 2011, that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting.

**Off-Balance Sheet Arrangements**

The Company has no off-balance sheet arrangements.

**Additional Information**

Additional information can be found on Sedar @ [www.sedar.com](http://www.sedar.com).

**Source of Funds**

The Company relies on advances from shareholders, exercise of options and private placements, to fund working capital.