

# SENTERNET TECHNOLOGIES INC.

## MANAGEMENT DISCUSSION AND ANALYSIS

MARCH 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 three month period ended March 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 unaudited condensed interim financial statements for the three month period ended March 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 June 28, 2011, unless otherwise stated.

### Results of Operations

#### Summary of Quarterly Results

The following tables set out financial performance highlights for the last eight quarters. The three quarters from 2009 were prepared in accordance with Canadian GAAP. The 2010 and 2011 quarters were prepared in accordance with IFRS.

	<b>First Quarter</b> March 31, 2011	<b>Fourth Quarter</b> December 31, 2010	<b>Third Quarter</b> Sept. 30, 2010	<b>Second Quarter</b> June 30, 2010
Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenses	4,996	3,111	3,436	6,487
Net income (loss)	(4,996)	(3,111)	(3,436)	(6,487)
Net income (loss) per share	\$(0.001)	\$(0.000)	\$(0.001)	\$(0.001)
Cash flow from (used in) operations	(597)	706	249	115
Cash, end of period	487	1,084	378	129
Assets	16,132	16,523	15,820	15,414
Liabilities	172,725	168,120	164,306	160,464
Shareholders' equity	(156,593)	(151,597)	(148,486)	(145,050)
Dividends	0	0	0	0

	<b>First Quarter</b> March 31, 2010	<b>Fourth Quarter</b> December 31, 2009	<b>Third Quarter</b> Sept. 30, 2009	<b>Second Quarter</b> June 30, 2009
Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenses	3,687	3,471	3,790	7,598
Net income (loss)	(3,687)	(3,471)	(3,790)	(7,598)
Net income (loss) per share	\$(0.001)	\$(0.001)	\$(0.001)	\$(0.001)
Cash flow from (used in) operations	(500)	152	310	(586)
Cash, end of period	14	514	362	52
Assets	15,164	15,691	15,550	15,397
Liabilities	153,727	150,567	146,855	142,912
Shareholders' equity	(138,563)	(134,876)	(131,305)	(127,515)
Dividends	0	0	0	0

### **Summary of Annual Results**

The following tables set out financial performance highlights for the past three fiscal years. Years 2008 and 2009 were prepared in accordance with Canadian GAAP. Year 2010 was prepared in accordance with IFRS.

	<b>Twelve months ended December 31, 2010</b>	<b>Twelve months ended December 31, 2009</b>	<b>Twelve months ended December 31, 2008</b>
Revenues	\$0	\$0	\$0
Expenses	16,721	17,895	17,475
Net income (loss)	(16,721)	(17,895)	(17,475)
Net income (loss) per share	\$(0.003)	\$(0.003)	\$(0.003)
Cash flow from (used in) operations	570	9	(197)
Cash, end of year	1,084	152	505
Assets	16,523	15,691	15,674
Liabilities	168,120	150,567	132,555
Shareholders' equity	(151,597)	(134,876)	(116,881)
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 March 31, 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 three month period ended March 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.