RENFORTH RESOURCES INC.
(A Development Stage Company)

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
For the year ended December 31, 2010

The following is a discussion and analysis of the activities, results of operations and financial condition of Renforth Resources Inc. ("Renforth" or the "Company") for the years ended December 31, 2010 and December 31, 2009. The discussion should be read in conjunction with the annual audited financial statements of the Company for the fiscal year ended December 31, 2010 and related notes thereto. The Company's financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). All monetary amounts are reported in Canadian dollars unless otherwise noted.

1.1 The effective date for this report is April 18, 2011.

1.2 Overview of Operations

Renforth Resources Inc. is a Toronto-based mineral exploration company with significant concessions in the McFaulds Lake 'Ring of Fire' discovery area of Northern Ontario. Renforth has a 55% interest in five diamondiferous kimberlites that are in close proximity to the Debeers Victor diamond mine that is now in operations. The Company's property holding also includes a 100% interest in 21 and 55% interest in 18 other claims that contain high potential geophysical anomalies. The claims lie between ten and twenty kilometres from Noront's Magmatic Massive Sulphide discovery at its Eagle One concession. Renforth is also the Operator in a Joint Venture with Cadillac Ventures Inc. ("Cadillac") on Cadillac's New Alger project in Quebec and has recently acquired the rights to acquire the Mina Maria Luisa project located in Southwestern Spain, approximately 30 kilometres from the Aguas Tenidas Mine.

<u>Highlights for the year ended December 31, 2010</u>

On February 16, 2010 the Company issued 3,200,000 common shares at $0.02 per share pursuant to the asset purchase agreement on the acquisition of the Casey claims.

On February 16, 2010 the Company issued 500,000 common shares at $0.015 per share pursuant to the New Alger joint venture agreement with Cadillac Ventures Inc.

On May 1, 2010 the Company issued 7,618,230 common shares at $0.01 per share to its exploration management company in exchange for past services rendered.

On October 18 2010, Renforth completed its 55% earn-in on the Kyle Series of diamondiferous kimberlites in the James Bay Lowlands region of Northern Ontario. The requirements for the earn-in are set out in an option agreement between Renforth and joint venture partners Spider Resources Inc. ("Spider") and KWG Resources Inc. ("KWG"), and included an expenditure of $6,000,000 by Renforth on the optioned properties. As part of the option agreement, KWG and Spider collectively earned a 45% interest in certain massive sulphide targets held by Renforth in the same region. Renforth, Spider and KWG are currently working towards formalizing their relationship in the form of a joint venture agreement.

On October 20, 2010 Renforth finalized the acquisition of the rights to acquire a 100% interest in the Mina Maria Luisa project (the "Property") located in Southwestern Spain, approximately 30 kilometres from the Aguas Tenidas Mine. Renforth has obtained the right to acquire a 100% ownership interest in Promotora Minera del Sur, SL ("Promotora"), a corporation which owns the Property, along with the right to explore the Property.

On October 22, 2010 Renforth completed a private placement offering for gross proceeds of $760,000.

On November 22, 2010 Renforth completed a private placement offering for gross proceeds of $460,000.
Renforth completed its winter drill program at New Alger where nine holes and a total of 2,231 metres were drilled.

Section 5.3 of this Management Discussion and Analysis provides particulars regarding the Company's current exploration properties, together with the Company's proposed exploration and development plans, the current status of the projects, and expenditures, the anticipated timing and costs necessary to take the project to the next stage of the project plan.

1.3 Selected annual information and overall performance

For the years ended December 31,	2010	2009	2008
Revenue	-	-	-
Expenses	665,255	790,588	1,544,816
Net (loss) and comprehensive loss for the year	(633,065)	(783,551)	(576,617)
Basic and fully diluted loss per share	(0.01)	(0.01)	(0.01)
Cash flows from operating activities	(459,416)	(475,810)	(1,829,256)
Cash flows from investing activities	(183,344)	(47,494)	(3,152,262)
Cash flows from financing activities	1,090,073	0	1,688,896
Increase (decrease) in cash in year	447,313	(523,304)	(3,292,622)

As at December 31,	2010	2009	2008
Total Assets	7,042,598	6,335,064	6,816,230
Total long term financial liabilities	Nil	Nil	Nil
Cash dividends declared for all classes of shares	Nil	Nil	Nil

For the year ended December 31, 2010 the Company had a net loss of $633,065 compared to $783,551 for the year ended December 31, 2009. The decrease in loss is mainly due to the $354,348 stock based compensation expense in the prior period, compared to $22,870 in the current period. The decrease in stock based compensation was offset by (i) an increase in investor relations expense (as the company initiated an investor relations program) and (ii) increase in consulting (as the company accrued director fees in the current year, where none was paid in the prior year).

During the year ended December 31, 2010 the Company capitalized $220,740 to mineral property and deferred development costs. These costs included drilling on the New Alger project, payments as per the joint venture agreement with Cadillac Ventures Inc., technical geologist fees, consulting fees and core storage costs.

1.4 Results of Operations

Revenues

The exploration properties acquired by the Company are still in the early exploration and development stage. Until sufficient work has been completed to confirm the feasibility of any specific interest being placed into production, it is not anticipated that the Corporation will have any material revenue. No revenues have been reported for years ended December 31, 2010 and 2009.

Other items

For the year ended December 31, 2010 the Company earned investment income on its short term investments of $2,190 (2009 - $7,037). There was a decrease as the Company had fewer funds available to invest during the year.

Analysis of expenses for the year ended December 31, 2010

For the year ended December 31	2010	% of 2010 Total	2009	% Change
Management compensation	195,000	29.31%	195,000	0.00%
Legal and audit	111,932	16.83%	80,813	38.51%
Consulting services	190,000	28.56%	71,350	166.29%
Office and general	60,911	9.16%	88,275	-31.00%
Stock based compensation	22,870	3.44%	354,348	n/a
Investor relations	83,000	12.48%	-	n/a
Interest and bank charges	1,542	0.23%	802	92.27%
	665,255	100.00%	790,588	-15.85%

Management compensation comprised of CEO management fees of $120,000 (2009 – $120,000), and CFO management fees of $75,000 (2009 - $75,000).

Legal and audit include legal fees of $38,927 (2009 – $47,425) and audit and accounting fees of $73,005 (2009 - $33,388). Legal fees in the current period consisted primarily of fees incurred with respect to due diligence, meetings and discussion on potential opportunities in the resources sector, as well as other general corporate matters. In the prior period the fees primarily related to listing on an exchange. The increase in audit and accounting is due to additional consulting required on the conversion from Canadian Generally Accepted Accounting Principles to International Financial Reporting Standards.

For the year ended December 31, 2010 consulting fees comprised of corporate administrative services $35,000 (2009 - $36,350) (services include keeping minutes, organizing meetings, assisting with new releases, updating fact sheet company presentation and website as needed, and general assistance to management), and $60,000 (2009- $60,000) to a consultant for work performed on corporate development and assisting the CEO with some of the day to day affairs of the Company. Consulting fees also included an accrual for directors' fees for the year. In the prior year the Company did not pay directors fees as it was conserving cash due to the global economic crisis and weak financial markets.

The components of office and general of are broken out below. The main changes from the prior year are as follows. Rent and office expenses decreased from the prior year as, in an effort to reduce current and future costs, the Company moved to a new office location at a lower rent, and cancelled an office contract (that included such services as bookkeeping, reception, admin, and supplies). Amortization is greater in the prior period as the leasehold improvements incurred in the previous office where written off (when the Company moved offices) which increased amortization expense in the prior year. Listing fees were higher in the prior year as the Company listed on the Canadian National Stock Exchange in the third quarter of 2009 and incurred an initial listing fee. Travel increased as management travelled abroad to conduct negotiations and due diligence on potential mineral property acquisitions.

Investor relations expense increased to $83,000 from $nil, as the Company initiated an investor relations program in 2010 to coincide with its financings and commencement of a drill program on the New Alger project.

During the year ended a total of $22,870 (2009 - $354,348) was expensed with respect to that portion of the options vesting during the period. The stock option expense does not affect the cash resources of the Company. The timing of this expense is subject to the date of issue and vesting terms of the options. The values of the options are derived using the Black Scholes option pricing model to which subjective assumptions are used.

Breakdown of Office and General Expenses

For the year ended December 31, 2010 and 2009

Website and computer support	$2,526	$3,747
Amortization	1,074	9,438
Other	-	51
Insurance	6,623	7,561
Bank charges, penalties and interest	80	2,000
Rent	15,134	27,062
Reception, admin, supplies	4,417	29,483
Fee to break lease	-	15,520
Printing and reproduction	627	1,855
Travel and promotion	14,515	862
Adjustment to accrual relating to flow through liability from 2008	-	(35,000)
Listing fees	3,690	11,116
Transfer agent, listing, filing fees, press release	10,540	7,089
Part XII.6 tax	-	168
Communication	1,685	7,323
	$60,911	$88,275

1.5 Summary of Quarterly Results

	QTR 4 2010	QTR 3 2010	QTR 2 2010	QTR 1 2010	QTR 4 2009	QTR 3 2009	QTR 2 2009	QTR 1 2009
Revenue	--	--	--	--	--	--	--	--
Income (Loss) earnings before discontinued and extraordinary items	(306,807)	(103,301)	(105,661)	(117,296)	(181,215)	(187,193)	(195,701)	(219,442)
Income (Loss) earnings per common share basic and fully diluted	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00
Net income (loss) earnings	(306,807)	(103,301)	(105,661)	(117,296)	(181,215)	(187,193)	(195,701)	(219,442)
Income (Loss) Earnings per common share basic and fully diluted	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00

The Company’s level of activity and expenditures during a specific quarter are influenced by the availability of working capital, the availability of additional external financing, the time required to gather, analyze and report on geological data related to mineral properties, the results of the Company’s prior exploration activities on its properties and the amount of expenditure required to advance its projects.

1.6 Liquidity and 1.7 Capital Resources

The Company's cash increased to $943,408 at December 31, 2010 from $496,095 at December 31, 2009. The Company's working capital was $581,423 at December 31, 2010 compared to working capital of $302,285 at December 31, 2009 (working capital excludes liabilities for shares to be issued). The increase in cash was due to cash from financing activities of $1,090,073 which was offset by cash used in operating activities of $459,416 and cash spent on mineral properties of $183,334.

At the beginning of 2009, the Company decided to reduce monthly discretionary expenditures in an effort to conserve cash in response to the weakening global economy and continued that policy through the third quarter of 2010.

October 22, 2010, Renforth completed a private placement offering for aggregate gross proceeds of $760,000. The Company issued 15,200,000 Units at a price of $0.05 per Unit. Each of these Units is comprised of one non flow-through common share and one-half common share purchase warrant. A finder's fee equal to 8% of the gross proceeds raised, in addition to the issuance of a number of Broker's Warrants equal to 8% of the number of Units issued, was paid to qualifying arms length finders totalling $60,800 and 1,216,000 brokers warrants.

On November 19, 2010 the Company completed a private placement for gross proceeds of $460,000 through the sale of 6,133,334 units at an issue price of $ 0.075 per unit. Each unit comprised of one flow-through common shares and one-half common share purchase warrant. A cash finder's fee equal to 8% of the gross proceeds, and broker warrants equal to 8% of the number of units issued, was paid to qualifying arms length finders (totalling $36,800 and 490,666 broker warrants).

The Company has sufficient financial resources to meet its administrative overhead and planned exploration for the short term. The Company is in discussions with a number of parties regarding providing additional financings for the Company.

At this time, the Company is not anticipating an ongoing profit from operations, therefore it will rely on its ability to obtain equity financing for growth. The ability of the Company to continue operations and carry out further desired exploration activities over the course of the next 12 months is dependent upon obtaining additional financing. The Company will seek to raise additional funding to finance future exploration programs. The timing and ability to do so will depend on the liquidity of the financial markets as well as the acceptance of investors to finance resource based junior companies, in addition to the results of the Company's exploration programs and the acquisition of additional projects. There can be no guarantee that the Company will be able to secure any required financing.

1.8 Off-Balance Sheet arrangements

There are no off-balance sheet arrangements as at the date of this MD&A.

1.9 Related Party Transactions

During the year ended December 31, 2010 the Company was charged $71,255 in legal fees from Chitiz Pathak LLP in which Paul Pathak, a director of the Company, is a partner of the firm. $303 of this amount is included in accounts payable and accrued liabilities. This amount is unsecured, non-interest bearing, with no fixed terms of repayment.

During the year ended December 31, 2010 the Company was charged $44,000 in geological consulting fees by Norm Brewster, a director and the technical mineral exploration consultant of the Company.

During the year ended December 31, 2010 the Company was charged $32,000 in consulting fees (for consulting on the conversion to International Accounting Standards) by an audit firm in which David Danziger, the CEO of the Company, is a partner of the firm.

During the year ended December 31, 2009 the Company was charged $44,880 in legal fees from a Chitiz Pathak LLP in which Paul Pathak, a director of the Company, is a partner of the firm. $40,714 of this amount was included in accounts payable and accrued liabilities. This amount was unsecured, non-interest bearing, and had no fixed terms of repayment.

During the year ended December 31, 2009 the Company was charged $22,500 in geological consulting fees by the Billiken Management Services (the company managing its exploration projects), for the consulting services provided by Neil Novak, a director of the Company, through Nominex Ltd. Mr. Novak Resigned from the board in October 2009. $10,000 of this amount was included in accounts payable and accrued liabilities. This amount was unsecured, non-interest bearing, and had no fixed terms of repayment.

The Company pays funds to related parties in the course of carrying out the Company's business, in exchange for services rendered to the Company. If the Company were not paying these related parties for these services the Company would still have to pay individuals or entities in order to obtain these services and carry out the business of the Company. The transactions with related parties are in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to between the Company and the related parties and did not differ from the arm's length equivalent value for these services.

1.10 Fourth Quarter

During the fourth quarter the Company commenced a drill program on the New Alger project. The program had a initial budget of $400,000 and was completed in February 2011.

In the fourth quarter Renforth made a payment of $25,000 and issued 1,000,000 common shares to Cadillac Ventures Inc. in accordance with their joint Venture agreement on the New Alger project. These amounts were capitalized to mineral properties and deferred exploration costs on the Company's balance sheet.

Total operating expenses in the fourth quarter of $307,989 were offset by the investment income of $1,182, resulting in a net loss for the fourth quarter of $306,807.

Major items contributing to the fourth quarter loss were management compensation of $45,000, legal and audit fees of $29,126, accrued directors fees of $95,000 (none in prior year), stock-based compensation expense of $22,870 related to the vesting of issued stock options to officers and directors of the Company, and $83,000 related to the initiation of an investor relations program in the fourth quarter.

1.11 Proposed Transactions

There is no imminent decision by the Board of Directors of the Company with respect to any transaction.

1.12 Critical Accounting Estimates

Critical accounting estimates used in the preparation of the financial statements include the Company's estimate of recoverable value on its mineral properties as well as the value of stock based compensation. Both of these estimates involve considerable judgement and are, or could be, affected by significant factors that are out of the Company's control.

The factors affecting stock based compensation include estimates of when stock options might be exercised and the stock price volatility. The timing for exercise of options is out of the Company's control and will depend, among other things, upon a variety of factors including the market value of Company shares and financial objectives of the holders of the options. The Company has used historical data of publicly traded companies of the same industry and size to determine volatility in accordance with Black Scholes modelling, however future volatility is inherently uncertain and the model had its limitations. While these estimates have an impact on the stock based compensation and hence results of operations, there is no impact on the Company's financial condition.

The company's recorded value of its mineral property is based on historical costs that expect to be recovered in the future. The Company's recoverability evaluation is based on market conditions for minerals, underlying mineral resources associated with the properties and future costs that may be required for ultimate realization through mining operations or by sale. The Company is in an industry that is exposed to a number of risks and uncertainties, including exploration risk, development risk, commodity price risk, as well as environmental risk.

1.13 Changes in Accounting Policies

International Financial Reporting Standards ("IFRS")
Conversion to IFRS
In February 2008, the CICA announced that Canadian generally accepted accounting principles for publicly accountable enterprises will be replaced by International Financial Reporting Standards ("IFRS") for fiscal years beginning on or after January 1, 2011. Companies will be required to provide IFRS comparative information for the previous fiscal year. Accordingly, the conversion from Canadian GAAP to IFRS will be applicable to the Company's reporting for the first quarter of 2011 for which the current and comparative information will be prepared under IFRS. The Company is required to apply all of those IFRS standards which are effective for fiscal year ending December 31, 2011 and apply them to its opening January 1, 2010 balance sheet.

The Company's IFRS implementation project consists of three primary phases which will be completed by a combination of in-house resources and external consultants.

1. Initial diagnostic phase ("Phase I") – Involves preparing a preliminary impact assessment to identify key areas that may be impacted by the transition to IFRS. Each potential impact identified during this phase is ranked as having a high, moderate or low impact on our financial reporting and the overall difficulty of the conversion effort.

2. Impact analysis, evaluation and conversion phase ("Phase II") – Involves the selection of IFRS accounting policies by senior management and the review by the audit committee, the quantification of the impact of changes on our existing accounting policies on the opening IFRS balance sheet and the development of draft IFRS financial statements.

3. Implementation and review phase ("Phase III") – Involves training key finance and other personnel and implementation of the required changes to our information systems and business policies and procedures. It will enable the Company to collect the financial information necessary to prepare IFRS financial statements and obtain audit committee approval of IFRS financial statements.

The Company has substantially completed Phases I and Phase II and is currently engaged in Phase III.

The table below summarizes the current status of activities related to the Company's transition to IFRS.

Initial analysis of key areas for which changes to accounting policies may be required	Completed
Detailed analysis of all relevant IFRS requirements and identification of areas requiring accounting policy changes or those with accounting policy alternatives	Completed
Assessment of first-time adoption (IFRS 1) requirements and alternatives	Substantially completed
Final determination of changes to accounting policies and choices to be made with respect to first-time adoption alternatives	Substantially completed
Resolution of the accounting policy change implications on information technology, internal controls and contractual arrangements	Substantially completed
Management and employee education and training	Continuing through transition
Quantification of the Financial Statement impact of changes in accounting policies	Continuing through transition

The differences that have been identified in the diagnostic phase are summarized below.

a) Transitional Impact on Financial statement presentation

The Company's financial statements will have a different format upon transition to IFRS. The components of a complete set of IFRS financial statements are: statement of financial position (balance sheet), statement of comprehensive income, statement of changes in equity, statement of cash flows, and notes including accounting policies. Income statement will be presented as a component of the statement of comprehensive income. Balance sheet may be presented in ascending or descending order of liquidity. Income statement is classified by nature of items or by each major functional area.

Impact on Company: *The Company will reformat the financial statements in compliance with IAS 1.*

b) IFRS-1 Transitional policy choices and exceptions for retrospective application

IFRS-1 contains the following policy choices with respect to first-time adoption that are applicable to the Company.

Property, plant & equipment:

IFRS-1 provides a choice between measuring property, plant and equipment at its fair value at the date of transition and using those amounts as deemed cost or using the historical valuation under the prior GAAP.

Impact on Company: *The Company has decided to elect to use the historical cost carrying values as determined under Canadian GAAP for transitional purposes.*

c) Mandatorily applicable standards with retrospective application (not specifically exempt under IFRS - 1)

Deferred mineral exploration costs:

Upon adoption of IFRS the Company will have a choice between retaining its existing policy of capitalizing all pre feasibility evaluation and exploration ("E&E") expenditures and electing to change its policy retrospectively to expense some or all pre feasibility costs.

Impact on Company: *The Company has decided to retain its policy of capitalizing its E&E expenditures and further determined that the adoption of the provisions of IFRS 6 Exploration for and Evaluation of Mineral Resources will not result in any transitional impact at January 1, 2010.*

Property, plant and equipment – cost:

IFRS: IAS 16 contains more extensive guidance with respect to components within PP&E. When an item of property, plant and equipment comprises individual components for which different depreciation methods or rates are appropriate, each component is accounted for separately (component accounting).

Canadian GAAP: Section 3061 essentially contains similar guidance but is less extensive.

Impact on Company: *The Company has determined that there is no impact upon transition as at January 1, 2010.*

Share based compensation:

IFRS: Under IFRS 2, graded vesting awards must be accounted for as though each installment is a separate award. IFRS does not provide for an election to treat the instruments as a pool and recognize expense on a straight line basis.

Canadian GAAP: Straight line basis is permissible under Canadian GAAP.

Impact on Company: *The Company has recognized option expense on a graded basis that is consistent with the IFRS 2 amortization methodology. Accordingly, the Company has determined that there is no transitional impact at January 1, 2010.*

Impact on information systems and processes and controls:

Based on work completed so far the Company has determined that adoption of IFRS does not have a pervasive impact on its present systems and processes. The Company expects to implement certain minor changes to the general ledger account descriptions as well as the calculation methodologies currently in use for certain specific financial statement areas such as asset impairment, share based compensation, etc. The certifying officers are currently evaluating the effectiveness of, any significant changes to controls if any, to prepare for certification under IFRS in 2011.

Subsequent Disclosures:

The Company's first financial statements prepared in accordance with IFRS will be the interim consolidated financial statements for the three months ending March 31, 2011, which will include notes disclosing transitional information and disclosure of new accounting policies under IFRS. The interim consolidated financial statements for the three months ending March 31, 2011, will also include 2010 consolidated financial statements for the comparative period, adjusted to comply with IFRS, and the Company's transition date IFRS statement of financial position at January 1, 2010.

1.14 Financial Instruments and associated risk factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk
The Company's credit risk is primarily attributable to short-term investments included in cash and cash equivalents. The Company has no significant concentration of credit risk arising from operations. Short-term investments consist of bankers acceptances, which have been invested with reputable financial institutions, from which management believes the risk of loss to be remote. Other financial instruments consist of goods and services tax due from the Federal Government of Canada. Management believes that the credit risk concentration with respect to these financial instruments is remote.

Liquidity risk
The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2010, the Company had a cash and cash equivalent balance of $943,408 to settle current financial liabilities of $841,037.

Market risk
(a) Interest rate risk
The Company has cash balances and no debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

(b) Foreign currency risk
The Company's functional currency is the Canadian dollar and all major purchases are transacted in Canadian dollars. Management believes the foreign exchange risk is negligible and therefore does not hedge its foreign exchange risk.

(c) Price risk
The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

Sensitivity analysis
The Company has designated its cash and cash equivalents as loans and receivables, which are measured at fair value. Financial instruments classified as loans and receivables are measured at amortized cost. Accounts payable and accrued liabilities, classified as other financial liabilities, are measured at amortized cost.

As at December 31, 2010, the carrying and fair value amounts of the Company's financial instruments are the same.

The Company’s financial instruments that are carried at fair value, consisting of cash equivalents have been classified as Level 1 within the fair value hierarchy.

Based on management's knowledge and experience of the financial markets, the Company believes the following movements are "reasonably possible" over a three month period.

Cash and cash equivalents include liquid investments which are at variable rates. Sensitivity to a plus or minus 1% change in rates would affect net loss by $9,400.

The Company does not hold balances in foreign currencies to give rise to exposure to foreign exchange risk.

Price risk is remote since the Company is not a producing entity.

1.15 Other MD&A Requirements

5.3 Additional disclosure of Venture Issuers without Significant Revenue.

Attawapiskat- James Bay Lowlands

The project comprises of 39 claims, comprising of 561 units and covering approximately 9,000 hectares in the Mcfaulds Lake area of Ontario's James Bay Lowlands. These claims are strategically located around the "Ring of Fire" structure that appears to host MMS and VMS sulphide targets and kimberlite targets. The 39 claims consist of 18 original claims staked prior to 2007, 3 "Solna" claims purchased on May 7, 2007 and 18 "Casey" claims purchased on January 22, 2009.

Solna claims - On May 7, 2007 the Company signed an Option Interest Assignment Agreement (the "Agreement") with a private company to purchase four staked mining claims in the Attawapiskat District, Lower James Bay Region, Porcupine Mining Division, Ontario (the "Property"). Under the terms of the Agreement, Renforth purchased a 100% interest in the Property, subject to a Net Smelter Royalty of 2%, for consideration consisting of 500,000 common shares of Renforth issued at $0.50 per share. The Property is adjacent to several of Renforth's other claims in the Mcfaulds Lake area of Ontario's James Bay Lowlands. Subsequently, due to unfavourable geophysical testing, the Company let one of these claims lapse. The remaining claims consist of 17 claim units and cover approximately 272 hectares.

Casey Claims - On January 22, 2009 the Company finalized an agreement to acquire 100% interest in 18 claims (consisting of 288 units, covering approximately 4,608 hectares) located in the James Bay Lowlands, Ontario. Under the terms of the agreement the Company received 100% interest in the 18 claims in exchange for $150,000 and 3,200,000 (valued at $64,000) common shares of the Company. The $150,000 was advanced in 2008, the share portion was issued on February 16, 2010. The claims are in the same area as several of Renforth's other claims in the Mcfaulds Lake area of Ontario's James Bay Lowlands.

During the period the Company's interest in the original 18 claims (staked prior to 2007) was reduced to 55%. This reduction was concurrent with the Company's increase in interest in the Kyle Kimberlites to 55% (as per the earn in detailed in the option agreement with Spider and KWG (see Kyle Kimberlites below)).

Exploration

No exploration was conducted on these properties during the year ended December 31, 2010. Expenditures on these properties in 2010 amounted to $3,590 and consisted of data compilation and management fees.

Kyle Kimberlites

On July 26, 2006 Renforth, Spider Resources Inc. ("Spider") and KWG Resources Inc. ("KWG") entered into an option agreement (the "Option Agreement") whereby Renforth could earn a 55% interest in five diamondiferous kimberlite properties, consisting of eight claims which comprised of 128 units (the "Kyle Properties"), located in the James Bay Lowlands area of Northern Ontario. Spider and KWG own 100% interest in the Kyle Properties by virtue of a Joint Venture Agreement ("JV"). In accordance with the Option Agreement, the Company could earn the 55% interest by:

1. Completing an exploration and development program of not less than $6 million over a period of three years, with annual exploration expenditures at the minimum rate of $2 million to be spent by June 30, 2007, 2008 and 2009; and
2. Contributing, on completion of the option period, the Company's interest in the existing 22 claims comprised of 289 units in the Attawapiskat River area of the James Bay Lowlands to the mutual joint venture amongst Renforth and Spider/KWG.

The annual $2 million expenditure commitment could be spent between the Kyle and the Renforth claims, but not less than seventy-five percent of the annual $2 million expenditure is to be dedicated to the Kyle properties. Renforth agreed to fund the project in its entirety for the first three years and was the operator.

On September 27, 2007 the Company executed an amending letter to the Option Agreement. The terms of the letter were as follows:

> (a) Renforth will issue to KWG & Spider (the "Optionors") 2,000,000 of its common shares at a deemed price of $0.50 per share in exchange for (i) making up any real or perceived shortfalls in the first $2 million of expenditures pursuant to the terms of the option Agreement, (ii) postpone the work costs otherwise due to be incurred on or before June 30, 2008 (pursuant to the Option Agreement) to the later of June 30, 2009 and the date that is one year after the date on which Renforth's common shares begin trading on the TSX Venture Exchange, and (iii) postpone the work costs otherwise due to be incurred on or before June 30, 2009 (pursuant to the Option Agreement) to the day that is one year after the second payment date.
> (b) Renforth will receive a fully vested 20% interest in the Kyle Claims, upon the issuance of the 2,000,000 common shares, and a subsequent 17.5% fully vested interest for each additional $2 million in work costs which it incurs on the Kyle Claims, up to a maximum 55% interest. The Optionors will receive a fully vested 9% interest (4.5% each) in the Renforth Claims and subsequent 18% fully vested interests (9% each) at the time that Renforth receives each additional 17.5%, up to a maximum 45% interest (22.5% each) in the Renforth claims.

During 2010 Renforth analysed the expenses incurred on the property and together with Spider and KWG concluded that Renforth had completed its 55% earn-in on the Kyle Series of diamondiferous kimberlites in the James Bay Lowlands region of Northern Ontario. The requirements for the earn-in was set out in the Option Agreement. As part of the option agreement, KWG and Spider collectively earned a 45% interest in certain massive sulphide targets held by Renforth in the same region. Renforth, Spider and KWG are currently working towards formalizing their relationship in the form of a joint venture agreement.

The Kyle Series of kimberlites encompasses 5 kimberlites which have been proven to be diamondiferous, with varying stages of work completed on each.

Presently Renforth has no immediate short term plans for these properties, due in part to the fact that Spider has been taken over, and in the short term it is not clear what their intentions are with regard to the jointly held property.

Management is in discussions with its' joint venture partners and reviewing various options with regard to these properties and will inform shareholders further as information is available.

<u>Exploration</u>

No exploration was conducted on the properties during the year ended December 31, 2010.

<u>New Alger Property</u>
On October 13, 2009 Renforth entered into a joint venture agreement with Cadillac Ventures Inc ("Cadillac") whereby Renforth shall have the right to acquire from Cadillac a 51% interest in the New Alger gold property in Quebec (the "Property"). Renforth may acquire a 51% interest in the Property through (a) the payment of $250,000 in cash over a period of 3 years to Cadillac, (b) the issuance of 2,500,000 common shares over a period 2 years to Cadillac and (c) upon spending a minimum of $2,500,000 in exploration on the Property over a period of 3 years. Upon completion of its obligations, the parties shall be contributing as to the property – 51% Renforth and 49% Cadillac.

The joint venture ("Joint Venture") became effective on November 1, 2009.

As at the date of this MD&A the Company had paid $50,000 of the cash component to Cadillac and has issued 1,500,000 shares.

Renforth is the operator and supervisor of exploration for the Joint Venture. Renforth may determine not to proceed at any time, and in that case shall have no further right or interest provided that upon $1,500,000 in exploration expenditures and pro rata payments to Cadillac and share issuances ($150,000 and 1,500,000 common shares), Renforth shall have earned a 30% interest in the Joint Venture which may be repurchased by Cadillac for $150,000 at the end of 36 months if Renforth has not earned the full 51% interest.

The Property is currently owned by Cadillac and encompasses the historically productive Thomson-Cadillac mine. It is located in Mining Concession No C.M. 0240PTA. The Property covers an area of 317.4 hectares and is located within the Cadillac Mining Camp, only several hundred meters from the currently operating LaRonde Mine.

Thompson Cadillac mining Co. Ltd. mined the property from 1936-1939, producing 512 kg of gold and 26 kg of silver from 158,775 tons of ore at an average grade of 3.22 g/t Au. Various companies carried out limited amounts of underground and surface exploration work from 1940 – 1990.

In the Company's MD&A's dated June 30, 2010, March 31, 2010, December 31, 2009 and September 30, 2009 there was a statement that the assay results of a 2008 drill program conducted by Cadillac would be released once available. This statement was an error as the Company is not expecting to receive any such results. The 2008 drill program was conducted prior to the Company entering in to the joint venture with Cadillac. The Company was informed by Cadillac that the 2008 drill program was not completed and that any assay results reflected no new additional material information.

Exploration

Renforth completed its 2010-2011 winter drill program in February 2011. Nine holes were drilled for a total of 2,231 metres. The results from the holes that were drilled are as follows;

Ren-10-01 –104 samples were selected from this hole and sent for assaying.

REN-10-02 –77 samples were taken from this hole and sent for assaying.

REN-10-03 –57 samples were taken from this hole overall and sent for assaying.

REN-10-04 –71 samples were taken in this hole and sent for assaying.

REN-10-05 –78 samples were taken in total and sent for assaying.

REN-10-06 –82 samples were collected for analysis and sent for assaying.

REN-10-07 –63 samples were taken in this hole overall and sent for assaying.

REN-10-08 –130 samples have been collected and sent for assaying.

REN-10-09 –A total of 51 samples were taken from this hole and sent for assaying.

All of the samples selected in this program were under the supervision of Brian H. Newton P.Geo. They were bagged and tagged onsite, and securely transported to assay facilities. The results of the assaying will be released after completion and internal study.

Exploration expenditures capitalized to this property during 2010 were as follows: $17,700 in exploration management, $44,000 to the technical director for geological consulting, $43,107 for drilling, $32,735 in geological evaluation, $1,500 for other and $2,000 for core storage.

Mina Maria Luisa Project

On September 22, 2010 the Company finalized the acquisition of the rights to acquire a 100% interest in the Mina Maria Luisa project (the "Property") located in Southwestern Spain, approximately 30 kilometres from the Aguas Tenidas Mine.

The Property project includes the past-producing Maria Luisa mine, which is situated in the Ossa Morena Zone of the Northern part of Huelva province in Spain, approximately 117 kilometres north of Seville, alongside the main highway between the towns of Huelva and Badajoz as shown above. The Property consists of a 24 square kilometres land package, including the old plant, historic tailings dumps and an open pit remaining from historic mining activities. In addition the project includes a valid water license.

Renforth has obtained the right to acquire 100% ownership interest in Promotora Minera del Sur, SL ("Promotora"), a corporation which owns the Property, along with the right to explore the Property. Additional terms of the agreement are:

1. During a 5 year period Renforth has the right to rent the Property from Promotora for annual payments of 42,000 Euros, for a total of 210,000 Euros over the complete 5 year term. Upon making the first annual payment of 42,000, Renforth will acquire an initial 5% ownership interest.
2. During the 5 year rental term Renforth has an option to acquire the remaining 95% of Promotora in exchange for a payment of 2,400,000 Euros.
3. Renforth has the right to terminate this agreement at any time.

Management of the Company believes that the term of the agreement provides Renforth with sufficient time to conduct a prudent level of legal and technical due diligence on the Property. In addition, if Renforth elects to purchase the balance of Promotora, after proving up the value of the Property through a drilling program, the Company will become the sole owner of the Property, not subject to any royalties or concessions.

5.4 Disclosure of Outstanding Share Data

The following is for disclosure of information relating to the outstanding securities of the Company:

As at the date of this MD&A the Company had 88,724,139 common shares issued and outstanding.

As at the date of this MD&A the Company had 8,816,000 warrants outstanding exercisable at $0.10 expiring on October 22, 2012 and 3,557,333 warrants exercisable at $0.12 expiring on November 19, 2012.

Shares to be issued

The following details shares to be issued to satisfy existing liabilities:

		2010	2009
Payable to Greenstone with respect to the Attawapiskat property.	$	275,000	$ 275,000

Stock option plan

As at the date of this MD&A, 2010 the Company had the following stock options outstanding:

Black-Scholes Value	Number of Options Outstanding	Exercise Price	Expiry Date	Number of Options Exercisable	Weighted Average Remaining Life
$71,749	400,000	0.25	14-Jun-11	400,000	0.45
80,403	450,000	0.25	28-Aug-11	450,000	0.66
71,362	400,000	0.25	13-Nov-11	400,000	0.87
50,898	250,000	0.28	19-Mar-12	250,000	1.21
30,468	150,000	0.28	1-Feb-13	150,000	2.08
60,756	300,000	0.28	10-Apr-13	300,000	2.27
312,033	1,500,000	0.28	10-Nov-13	1,500,000	2.87
17,680	680,000	0.10	14-Oct-11	170,000	0.79
73,800	1,800,000	0.10	26-Oct-15	450,000	4.82
$769,149	5,930,000			4,070,000	2.64

Other Disclosure

Risks

The Corporation's business is subject to a variety of risks and uncertainties. The exploration and development of mineral properties entails significant financial risk. Significant expenditures are required to assess a property and its mineralization.

Price Volatility

Any future earnings will be directly related to the price of precious and base metals. Such prices have fluctuated over time and are affected by numerous factors beyond the control of the Corporation.

Mining Risk

Renforth's mining exploration operations are subject to conditions beyond its control, which can affect the cost of the work for varying lengths of time.

Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that exploration efforts will be successful. Success in establishing reserves is a result of a number of factors, including the quality of management, the Corporation's level of geological and technical expertise, the quality of land available for exploration and other factors. Once mineralization is discovered, it may take several years in the initial phases of drilling until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish mineral reserves through drilling, to determine the optimal metallurgical process to extract the metals from the ore and, in the case of new properties, to construct mining and processing facilities. Because of these uncertainties no assurance can be given that exploration programs will result in the establishment or expansion of resources or reserves.

Environment

Operations, development and exploration projects could potentially be affected by environmental laws and regulations of the country in which the activities are undertaken. The environmental standards continue to change and the global trend is to a longer, more complex process. Although the Corporation continuously reviews environmental matters and undertakes to comply with changes as expeditiously as possible, there is no assurance that existing or future environmental regulation will not materially adversely affect the Corporation's financial condition, liquidity and results of operation.

Certain environmental issues, such as storm events, tailings storage seepage, dust and noise emissions, while having been assessed and strategies based on best practices have been adopted, there can be no assurance an unforeseen event will not occur which could have a material adverse effect on the viability of the Corporation's business and affairs.

Government Regulation

The Corporation's operations are subject to significant regulation and laws which control not only the exploration and mining of mineral properties but also the possible effects of such activities upon the environment. Changes in current legislation or future legislation could result in additional expenses, restrictions and delays.

Key Personnel

The Corporation's future success is dependent in large part upon the continued services of certain key personnel. Failure to retain such personnel or failure to attract qualified management in the future, could adversely affect the Corporation's ability to manage its operations.

Financing

Renforth is dependent upon raising financing from third parties in order to continue its operations. There is no guarantee that such financing will be available on commercially suitable terms or at all. Failure to obtain additional financing will materially adversely affect the operations and business of the Corporation.

Disclosure Controls and Procedures

Management of the Corporation, consisting of the President and Chief Executive Officer and the Chief Financial Officer, have evaluated the effectiveness of the Corporation's disclosure controls and procedures as required by Canadian securities laws. Based on that evaluation, they have concluded that, as of the end of the period covered by this Management's Discussion and Analysis, the disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the Corporation's annual filings and interim filings (as such terms are defined under Multilateral Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings) and other reports filed or submitted under Canadian securities laws is recorded, processed, summarized and reported within the time periods specified by those laws and that material information is accumulated and communicated to management as appropriate to allow timely decisions regarding required disclosure.

Internal Control Risks

The Chief Executive Officer and Chief Financial Officer ("CFO") are responsible for designing internal controls over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's financial statements for external purposes in accordance with Canadian GAAP. The design of the Company's internal control over financial reporting was assessed as of the date of this Management Discussion and Analysis.

Based on this assessment, it was determined that certain weaknesses existed in internal controls over financial reporting. As indicative of many small companies, the lack of segregation of duties and effective risk assessment were identified as areas where weaknesses existed. The existence of these weaknesses is to be compensated for by senior management monitoring, which exists. The officers will continue to monitor very closely all financial activities of the Company and increase the level of supervision in key areas. It is important to note that this issue would also require the Company to hire additional staff in order to provide greater segregation of duties. Since the increased costs of such hiring could threaten the Company's financial viability, management has chosen to disclose the potential risk in its filings and proceed with increased staffing only when the budgets and work load will enable the action. The Company has attempted to mitigate these weaknesses, through a combination of extensive and detailed review by the CFO of the financial reports, the integrity and reputation of senior accounting personnel, and candid discussion of those risks with the audit committee.

Forward-Looking Statements

This Management's Discussion and Analysis of Financial Conditions and Results of Operations contains certain forward-looking statements. All statements other than statements of historical fact that address activities, events or developments that the Corporation believes, expects or anticipates will or may occur in the future are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "contemplate", "target", "believe", "plan", "estimate", "expect" and "intend" and statements that an event or result "may", "will", "can", "should", "could" or "might" occur or be achieved and other similar expressions. These statements are based upon certain assumptions and analyses made by management in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believes are appropriate in the circumstances. However, whether actual results and developments will conform with management's expectations is subject to a number of risks and uncertainties, including the considerations discussed herein and in other documents filed from time to time by the Corporation with Canadian security regulatory authorities, general economic, market or business conditions, the opportunities (or lack thereof) that may be presented to and pursued by management, competitive actions by other companies, changes in laws or regulations and other factors, many of which are beyond the Corporation's control. These factors may cause the actual results of the Corporation to differ materially from those discussed in the forward-looking statements and there can be no assurance that the actual results or developments anticipated by management will be realized or, even if substantially realized, that they will have the expected results on Renforth Resources Inc. All of the forward-looking statements made herein are qualified by the foregoing cautionary statements.