QUIA RESOURCES INC.
Management's Discussion and Analysis
of Financial Condition and Results of Operation
December 31, 2010

Management's discussion and analysis (MD&A) is current to April 28, 2011 and is management's assessment of the operations and the financial results together with future prospects of Quia Resources Inc. ("Quia", "Corporation", or the "Company"). This MD&A should be read in conjunction with our audited consolidated financial statements and related notes for the years ended December 31, 2010 and 2009, prepared in accordance with Canadian generally accepted accounting principles. All figures are in Canadian dollars unless stated otherwise. This discussion contains forward-looking statements that are not historical in nature and involves risks and uncertainties. Forward-looking statements are not guarantees as to Quia'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.

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1. Description of Business

Quia Resources Inc. (the "Company" or "Quia") was incorporated under the laws of the Province of Ontario, Canada by Articles of Incorporation dated October 26, 2007. The Company is engaged in the acquisition, exploration and development of the properties for the mining of precious metals in Colombia. The Company's operations in Colombia are affected by Colombia's political and economic environment. Although the environment has been relatively stable in recent years, there is the risk that this situation could deteriorate and adversely affect the Company's operations.

The profitability and operating cash flow of the Company is affected by various factors, including the market price of gold, operating costs, interest rates, regulatory and environmental compliance, general and administrative costs, the level of exploration and development expenditures and other discretionary costs. While Quia seeks to manage the level of risk associated with its business, many of the factors affecting these risks are beyond the Company's control.

As at April 28, 2011, the directors and officers of the Company were:

Dan Noone	Chairman
Adam Szweras	Director
Robert Manning	Director
Richard Brown	Director and VP Business Development
Christopher Davie	Director
Yannis Banks	Chief Executive Officer
Andres Tinajero	Chief Financial Officer
Iain Kelso	VP Exploration
Monique Rabideau	Corporate Secretary
Paul Lin	Director

Iain Kelso, P.Geo. is the "Qualified Person" for the Company under the definition of National Instrument 43-101.

2. Developments during and subsequent to period ended December 31, 2010

Financing Developments

On December 22, 2010, the Company closed its qualifying transaction (the "Qualifying Transaction") with Onsino Capital Corporation. Pursuant to the Qualifying Transaction, which involved the amalgamation (the "Arrangement") of Quia and a wholly-owned subsidiary of Onsino, 1833668 Ontario Inc. ("Onsino Sub"), under the terms of a statutory plan of arrangement (the "Plan of Arrangement") completed in accordance with the *Business Corporations Act* (Ontario), Onsino acquired all of the issued and outstanding common shares of Quia (the "Quia Shares") in exchange for the issuance of an aggregate of 56,144,628 common shares of Onsino (the "Onsino Shares"). In addition, Onsino issued 22,176,574 common share purchase warrants of the Company in exchange for 22,176,574 common share purchase warrants of Quia (the "Quia Warrants"), 2,905,959 broker's warrants of the Company in exchange for 2,905,959 broker's warrants of Quia (the "Quia Broker's Warrants") and 1,040,000 options of the Company in exchange for 1,040,000 options of Quia . The Arrangement was approved by the shareholders of

Quia on December 17, 2010 and the final order from the Ontario Superior Court of Justice (Commercial List) with respect to the Plan of Arrangement was obtained on December 20, 2010.

In connection with the Qualifying Transaction and immediately prior to its completion, the Company changed its name to "Quia Resources Inc." and consolidated its common shares on the basis of one (1) post –consolidation share for every 1.5 pre-consolidation shares.

Concurrently with the closing of the Qualifying Transaction, Quia completed a brokered private placement (the " Concurrent Financing") of 7,000,000 units ("Quia Units") at $0.50 per Quia Unit for aggregate gross proceeds of $3,500,000, with each Quia Unit comprised of one (1) Quia Share and one-half of one (1/2) Quia Warrant, with each Quia Warrant exercisable to acquire one (1) additional Quia Share at $0.80 for a period of 24 months from the date of issuance. Canaccord Genuity Corp. ("Canaccord") and Foundation Markets Inc. ("Foundation" and together with Canaccord, the "Agents") acted as co-lead agents in the Concurrent Financing.

The Agents received a cash commission equal to 8% of the gross proceeds received pursuant to the Concurrent Financing, and Quia Broker's Warrants to purchase 560,000 Quia Shares exercisable at $0.50 for a period of 24 months from the date of issuance. In addition, Quia has paid Canaccord a corporate finance fee and issued 20,000 Quia Shares at $0.50..

On November 2, 2010, the Company completed a private placement financing for gross proceeds of $2,000,000 comprised of 5,000,000 units (the "Yamana Units") at $0.40 per Yamana Unit (the "Offering"). Each Yamana Unit consisted of one common share of the Company (a "Quia Share") and three-quarters of one (3/4) Quia Share purchase warrant (each whole purchase warrant, a "Quia Warrant"), each Quia Warrant exercisable into one Quia Share at an exercise price of $0.70 for a period of two years from the date of issuance provided, however, that in the event that the closing price of the Quia Shares (or such other securities issued to the holder in exchange for the Quia Shares as part of a restructuring transaction involving the Company) on the TSX Venture Exchange or the Toronto Stock Exchange is greater than $1.25 for a period of 20 consecutive trading days, the Company may, at its option, accelerate the expiry date of the Quia Warrants by giving notice to the holder and in such case the Quia Warrants will expire on the date which is the earlier of: (i) the 30th day after the date on which such notice is given by the Company ; and (ii) two years from the date of issuance.

The sole subscriber under the Offering was Yamana Gold Inc. ("Yamana"). Pursuant to the terms of the Offering, the Company has granted Yamana the right, so long as Yamana maintains a minimum ownership of 8% of the issued and outstanding Quia Shares (or such other securities issued to Yamana in exchange for Quia Shares as part of a restructuring transaction involving the Company) on a non-diluted basis, to (a) participate in future financings or issuances of equity securities of the Company by up to 50% of any such individual financing, provided, however, that Yamana shall not exceed ownership of more than 19.9% of the issued and outstanding Quia Shares (or such other securities issued to Yamana in exchange for Quia Shares as part of a restructuring transaction involving the Company); and (b) exercise a right of first refusal in respect of a sale of the San Lucas Property by the Company , either directly or indirectly.

In connection with the Offering, a cash finder's fee of $160,000 has been paid to Canaccord Genuity Corp. ("Canaccord") equal to 8% of the gross proceeds received pursuant to the Offering. In addition, Canaccord has received compensation warrants (the "Finder's

Warrants") to purchase 400,000 Quia Shares equal to 8% of the Yamana Units sold pursuant to the offering, exercisable at $0.40 per Quia Share for a period of 24 months from the closing of the Offering.

On August 16, 2010, Quia entered into an engagement letter (the "Engagement Letter") with Canaccord Genuity Corp. ("Canaccord"), pursuant to which Canaccord has agreed to act as Quia's sponsor for the proposed QT pursuant to the sponsorship policies of the Exchange, subject to completing its due diligence. In addition, Canaccord has also agreed to act as co-lead agent together with Foundation Markets Inc. (together with Canaccord, the "Agents") in connection with the contemplated issuance of units of Quia ("Units") at the issue price of $0.50 per Unit for aggregate gross proceeds of up to CDN$3,000,000, by way of a marketed private placement offering on a commercially reasonable basis, to be closed concurrently with the proposed QT (the "Financing"). Each Unit shall consist of one (1) common share of Quia (each a "Common Share") and one-half of one (1/2) common share purchase warrant of Quia (each a "Warrant"). Each Warrant shall allow the holder thereof to purchase one additional Common Share at $0.80, exercisable for a period of 24 months from closing. Quia has agreed to grant Canaccord an option to purchase additional 1,000,000 Units to raise additional gross proceeds of up to CDN$500,000, exercisable 48 hours prior to closing.

As compensation, the Agents, will receive a commission (the "Cash Commission") equal to 8% of the gross proceeds received pursuant to the Financing, and compensation warrants (the "Agent's Warrants") to purchase a number of Common Shares of Quia equal to 8% of the Units sold pursuant to the Financing, exercisable at the same issue price of the Units for a period of 24 months from the closing of the Financing..

On June 7, 2010, the Company issued 139,667 units at $0.30 for settlement of debt. On May 4, 2010, the Company also issued 62,000 units at $0.25, and 16,667 at $0.30 pursuant to a private placement for gross proceeds of $20,500. Each of the 139,667 and 62,000 units consisted of one common share and one-half common share purchase warrant. Each common share purchase warrant is exercisable for one common share at a price of $0.50 per share, expiring on May 4,2012. Each of the 16,667 units consisted of one common share and one common share purchase warrant. Each common share purchase warrant is exercisable for one common share at a price of $0.50 per share, expiring on May 4, 2015 or 2 years from the date of a business combination between the Company and a public company pursuant to a reverse take-over, merger, amalgamation, take-over bid, insider bid, reorganization, joint venture sale or exchange of assets or similar transaction ("business combination") or IPO.

On April 23, 2010, the Company issued 11,781,593 units at $0.30 pursuant to a private placement for gross proceeds of $3,534,478. The Company also issued 1,063,331 units at $0.30 for settlement of debt and services rendered by related parties. Each unit consisted of one common share and one common share purchase warrant. Each common share purchase warrant is exercisable for one common share at a price of $0.50 per share, expiring on April 23, 2015 or 2 years from the date of a business combination between the Company and a public company pursuant to a reverse take-over, merger, amalgamation, take-over bid, insider bid, reorganization, joint venture, sale or exchange of assets or similar transaction ("business combination") or IPO.

On April 23, 2010, the Company issued 240,000 units at $0.25 pursuant to a private placement for gross proceeds of $60,000. Each unit consisted of one common share and one half common share purchase warrant. Each whole common share purchase warrant is exercisable for one common share at a price of $0.50 per share, expiring on April 23, 2015 or 2 years from the date of a business combination between the Company and a public company pursuant to a reverse take-over, merger, amalgamation, take-over bid, insider bid, reorganization, joint venture, sale or exchange of assets or similar transaction ("business combination") or IPO.

On February 3, 2010, the Company issued 364,121 units at $0.30 pursuant to a private placement for gross proceeds of $109,236. The Company also issued 183,336 units at $0.30 for settlement of debt. Each unit consisted of one common share and one common share purchase warrant. Each common share purchase warrant is exercisable for one common share at a price of $0.50 per share, expiring on February 3, 2015 or 2 years from the date of a business combination between the Company and a public company pursuant to a reverse take-over, merger, amalgamation, take-over bid, insider bid, reorganization, joint venture, sale or exchange of assets or similar transaction ("business combination") or IPO.

On January 27, 2010, the Company issued 210,380 units at $0.30 pursuant to a private placement for gross proceeds of $63,114. Each unit consisted of one common share and one common share purchase warrant. Each common share purchase warrant is exercisable for one common share at a price of $0.50 per share, expiring on January 10, 2015 or 2 years from the date of a business combination between the Company and a public company pursuant to a reverse take over, merger, amalgamation, take over bid, insider bid, reorganization, joint venture, sale or exchange of assets or similar transaction ("business combination") or IPO. The Company also issued 1,368,133 shares at $0.24 for consulting.

Exploration Developments

The San Lucas Property (the "San Lucas Property") consists of 17 semi-contiguous concession contracts comprising a total area of approximately 6,980 hectares in the Departments of Bolivar and Antioquia, Colombia. Quia, through its wholly owned subsidiary San Lucas Gold Corp., holds 100% interest in San Lucas Property.

The Company engaged Caracle Creek International Consulting ("CCIC") in December 2007 to conduct a site visit and limited surface sampling from artisanal mine sites on the San Lucas Property in Colombia. Twenty-four grab samples were collected by CCIC from various artisanal mine sites covering a 3 km^2 area. All samples were collected in-situ from weathered or fresh rock exposures. The analytical results of the samples are summarized as follows:

Location	Sample	g Au/t	oz Au/t	g Ag/t	Cu (%)	Pb (%)	Zn (%)
Oro Blanco	**Q001**	**10.66**	0.31	4	0.02	0.38	0.02
	Q002	**7.46**	0.22	3	0.02	0.28	0.02
	Q003	**4.57**	0.13	6	0.01	0.23	0.02
	Q004	**1.93**	0.06	<1	0	0.02	0
	Q005	**1.52**	0.04	<1	0	0.02	0

	Q006	**1.83**	0.05	<1	0	0.02	0
	Q007	**19**	0.55	26	0	0.06	0.01
	Q008	**17.43**	0.51	31	0.01	0.06	0.02
	Q009	**39.76**	1.16	>100	0.03	0.43	0.01
Mina Nueva	**Q011**	**691.39**	20.17	70	0.3	0.04	0.12
	Q011	**835.33**	24.37	73	0.28	0.04	0.12
	Q012	**40.05**	1.17	53	6.19	0.1	0.71
	Q013	**137.18**	4	24	0.07	0.02	0.01
	Q014	**162.8**	4.75	>100	3.16	0.49	0.11
	Q015	**83.32**	2.43	>100	0.34	0.06	0.03
	Q016	**405.45**	11.83	>100	0.98	0.45	0.16
	Q017	**462.21**	13.48	>100	3.72	0.4	0.08
	Q018	**86.53**	2.53	>100	0.4	0.05	0.02
Oro Lindo	**Q019**	**1.63**	0.05	<1	0.01	0.02	0
	Q021	**4.09**	0.12	2	0.01	0.04	0.01
	Q021	**4.2**	0.12	3	0.01	0.04	0.01
Mina Rico	**Q022**	**2,342.92**	68.35	>100	0.1	0.24	0.03
	Q023	**326.81**	9.53	69	0.02	0.12	0.03
	Q024	**208.76**	6.09	44	0.01	0.1	0.01

April 21, 2011 The Company signed a contract with Mincivil S.A. for two drill rigs to complete 5,000 metres of diamond drilling at Quia's San Lucas property, Colombia. This initial drill program will test three high priority targets that have been outlined through geophysics, soil sampling and mapping:

- Target 1: a 1,000 metre long by 500 metre wide anomaly overlying the contact between gneissic rocks and a quartz diorite porphyry unit.
- Target 2: a 3,000 metre long anomaly coincident with a trend of artisanal mine sites where a number of high grade samples have been obtained.
- Target 3: a 1,200 metre long by 750 metre wide lower grade anomaly overlying a highly silicified sub volcanic unit with an epithermal signature.

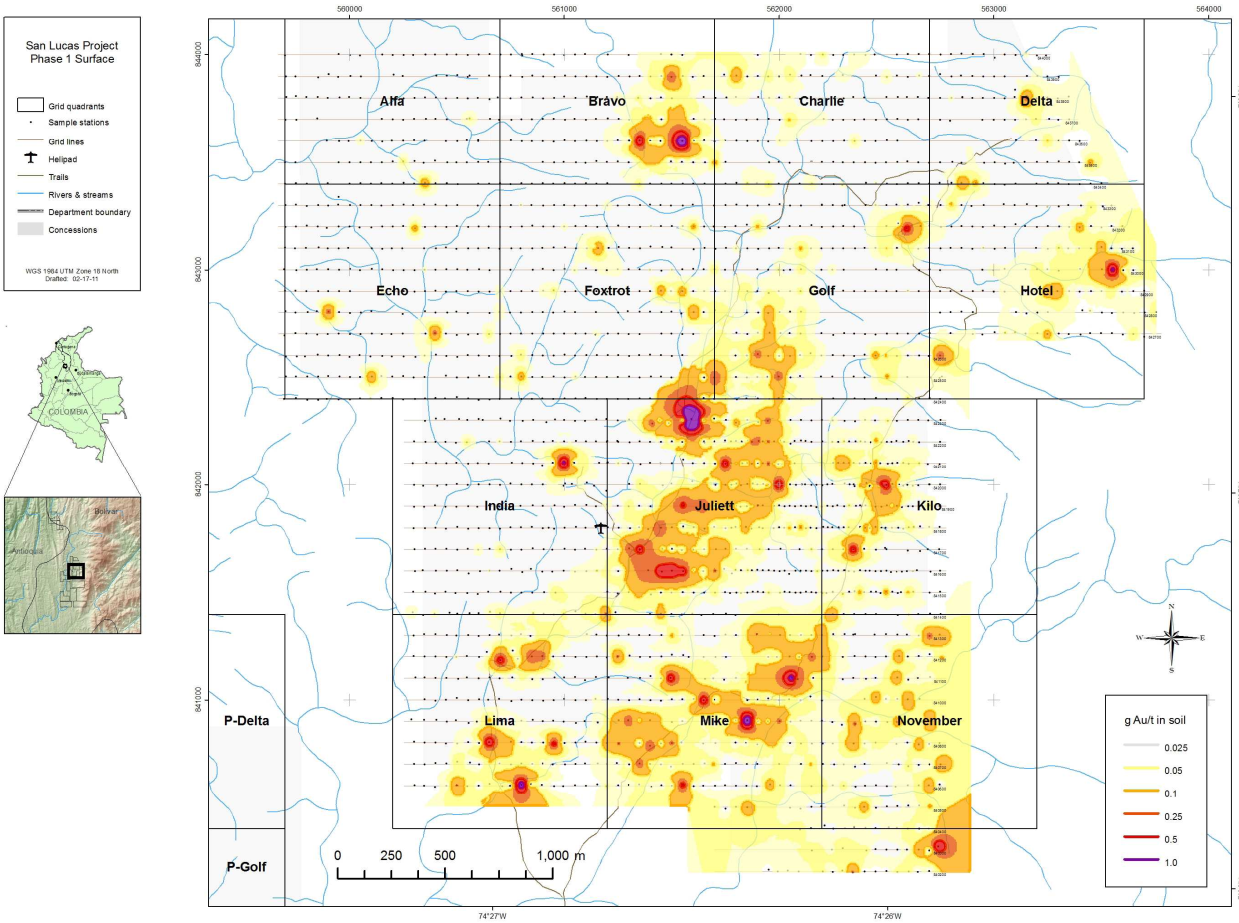
The program is expected to commence in early May. The Company is also continuing its regional soil sampling program in other areas of the property.

Quia has been engaged since August 2010 in surface sampling and mapping at its 100% owned San Lucas properties in the San Lucas mountain range situated in the province of Bolívar in the northern part of Colombia. As reported in a January 6th, 2011 press release, some 19 sq km of systematic surface sampling and mapping were completed. Current information (Graph 1.1) shows gold soil anomalies (areas with greater than 25 ppb Au in soil) which appear to coincide with observed extensional structural and intrusive features, magnetic highs in the airborne geophysics and known areas of artisanal mining. Examples of newly recognized anomalies and anomalies which have been extended in size include:

• A 600 metre long, 55° trending anomaly in the Golf and Hotel quadrants that overlies quartz diorite porphyritic rocks. Au in soil within this anomaly reaches 0.6 g Au/t.
• A 1200 metre long and, at its greatest width, 750 m wide, lower-grade anomaly in the November quadrant. This anomaly is associated with disseminated pyrite and pyrrhotite (with some chalcopyrite) that overlies a highly silicified, subvolcanic unit. Alteration and anomalous metal signatures (e.g. Sb) over this rock unit may suggest an epithermal genesis. Au in soil within this anomaly reaches 0.6 g Au/t.
• A 3000 metre long, 20° trending anomaly in the Kilo, Mike and Hotel quadrants that overlies a granodioritic subvolcanic unit and a magnetic high previously identified as the "Chicago trend". Au in soil within this anomaly reaches 1.7 g Au/t.
• A 1900 metre long, 20° trending anomaly in the Juliett and Golf quadrants that overlies the contact between gneissic rocks and quartz diorite porphyritic rocks and a magnetic high previously identified as the "Rico Trend". Au in soil within this anomaly reaches 0.9 g Au/t.

The area of the Chicago grid is characterized by a series of intrusive rocks: gneissic, quartz-diorite porphyritic, massive quartz-dioritic, and late, subvolcanic granodioritic rocks. Northeast trending structures which control the majority of vein occurrences appear to post-date intrusive emplacement. The highest-grade soil sample (5.35 g Au/t) collected thus far overlies one such structure in the Juliet quadrant. Late, northwest trending faults offset some units and veins but do not appear to control mineralization.

In June 2009 the Company conducted an 1100 metre scout drilling program at a second property it owned at the time, known as the Federation property, to test vein systems proximal to known artisanal mine sites. The program confirmed the presence of gold-bearing quartz veins ranging in widths up to approximately 3 metres and gold-bearing mineralization extending around the veins in the wall-rock in a halo up to 28 metres in width. The Federation Property is no longer considered a material property of the Company as the Company has chosen to focus on its 100% owned San Lucas Property. Nevertheless the program added to the Company's knowledge of the gold mineralization and geology in the Norosí Batholith in which the San Lucas Property is also located.


San Lucas Project
Phase 1 Surface
Grid quadrants
Sample stations
Grid lines
Helipad
Trails
Rivers & streams
Department boundary
Concessions
COLOMBIA
560000
561000
562000
563000
564000
Alfa
Bravo
Charlie
Delta
Echo
Foxtrot
Golf
Hotel
India
Juliett
Kilo
Lima
Mike
November
P-Delta
P-Golf
0
250
500
1,000 m
g Au/t in soil
0.025
0.05
0.1
0.25
0.5
1.0

Graph 1.1

3. Overall Performance

For the year ended December 31, 2010, the Company's cash position increased by $5,415,225 to $5,515,661 from $100,436 at December 31, 2009. This increase is due to the private placements during the period amounting to net proceeds of $7,893,665 after commissions, legal fees and other costs of issuing the securities, offset by exploration and evaluation expenditures and general operating costs.

The Company is engaged in the business of preliminary or early stage mineral exploration and mine development. The Company holds no interests in producing or commercial ore deposits. The Company has no production or other revenue. There is no operating history upon which investors may rely. Commercial development of any kind will only occur in the event that sufficient quantities of ore containing economic concentrations of gold or other mineral resources are discovered. If in the future a discovery is made, substantial financial resources will be required to establish ore reserves. Additional substantial financial resources will be required to develop mining and processing for any ore reserves that may be discovered. If the Company is unable to finance the establishment of ore reserves or the development of mining and processing facilities it will be required to sell all or a portion of its interest in such property to one or more parties capable of financing such development.

Results of Operations

Selected Annual Information

	Year Ended December 31, 2010	Year Ended December 31, 2009	Year Ended December 31, 2008
	$	$	$
Loss before income taxes	2,162,932	1,115,673	2,356,230
Net Loss	2,162,932	1,115,673	2,356,230
Loss per weighted average share – basic and fully diluted	$0.044	$0.023	$0.11
Total Assets	8,718,742	2,004,343	1,900,240

Three month period ended December 31, 2010
The Company incurred a net loss of $100,910 or $0.001 a share for the three month period ended December 31, 2010, compared with a net loss of $216,648 or $0.01 a share for the same period ended December 31, 2009.

The Company incurred stock-based compensation expense for the year three month period ended December 31 2010 of $(21,600) compared to $nil for the same period in 2009. Stock based compensation expenses are booked based on the valuation of options using the Black-Scholes model and based on other payment of expenses in shares. The decrease is due to reclassification of expenses between accounts.

For the three month period ended December 31, 2010, management and consulting fees decreased by $262,061 to $69,046 from $331,107 in the same period in 2009. Management and Consulting fees decreased due to the fact that in 2009, the Company was trying to get caught up on it's records after a significant amount of time of inactivity.

Professional fees increased by $216,822 to $246,231 during the three month period ended December 31, 2010 compared to $29,409 in the same period in 2009. The increase is attributable to higher legal fees on general corporate matters as the Company looks to advance its current mineral properties and seeks out potential new investments. Legal costs increased due to a contractual dispute in Colombia as well. Other professional fees increased due to the Company working towards the qualifying transaction with Onsino and catching up after significant time of inactivity.

Promotion and travel expenses for the three month period ended December 31, 2010 decreased by $5,618 to $11,680 from $17,298 in the same period in 2009. The amount remained fairly constant with the prior year's quarter and the small decrease is due to the fact the United States office was closed in 2010 and thus, less travel to and from that destination.

Total office and general costs increased in the three month period ended December 31, 2010, by $38,027 to $(61,858) from $(99,885) in 2009. The negative amounts are attributable to reclassifications during both years and the increase is due to operations ramping up near the end of 2010 in Colombia and thus higher office costs in Colombia.

Year ended December 31, 2010

The Company incurred a net loss of $2,162,932 or $0.044 a share for the year ended December 31, 2010, compared with a net loss of $1,115,672 or $0.040 a share for the same period ended December 31, 2009.

The Company incurred stock-based compensation and other stock based payment expenses for the year ended December 31 2010 of $627,352 compared to $nil for the same period in 2009. Stock based compensation expenses are booked based on the valuation of options using the Black-Scholes model and based on other payment of expenses in shares. The increase is due to the issuance of options and value of options based on the Black-Scholes model as well as the Company issuing shares to cover expenses during a period of tight cash flows in the first half of the year.

For the year ended December 31, 2010, management and consulting fees decreased by $39,017 to $624,494 from $663,511 in the same period in 2009. Management and Consulting fees decreased due to the fact that these fees were higher in 2009 as the Company had offices and management in the United States as well as current management in Canada and Colombia. During the year, the United States office was closed and resources were better allocated to reduce management and consulting fees. Fees also decreased due to the fact that in 2009, the Company was catching up on several years of fairly dormant operations and as such, more resources were needed to get caught up.

Professional fees increased by $262,860 to $439,333 during the year ended December 31, 2010 compared to $176,473 in the same period in 2009. The increase is attributable to higher legal fees on general corporate matters as the Company looks to advance its current mineral properties and seeks out potential new investments. Legal costs increased due to a contractual dispute in

Colombia as well. Other professional fees increased due to the Company working towards the qualifying transaction with Onsino and catching up after several years of inactivity.

Promotion and travel expenses for the year ended December 31, 2010 increased by $23,368 to $133,322 from $109,954 in the same period in 2009. The cost remained fairly constant with the prior year due to the same level of travel as the Company mostly concentrated on getting the Company listed on the TSX-V during the year.

Total office and general costs increased during the year ended December 31, 2010, by $158,879 to $322,567 from $163,688 in 2009. The increase is attributable to insurance expenses and higher operating costs as the company has more staff and office space and prepares for the upcoming exploration phase.

4. Summary of Quarterly Results

Working Capital

As at December 31, 2010, the Company had a net working capital of $5,213,508 compared to a working capital deficiency of $1,361,594 as at December 31, 2009.

A summary of the Company's cash position and changes in cash for the year ended December 31, 2010, are provided below:

	Year ended December 31,	
	2010	2009
Cash used in operating activities - net	**(2,242,584)**	(1,037,947)
Cash used in investing activities	**(205,787)**	(526,899)
Cash provided by financing activities	**7,863,596**	1.009,234
(Decrease) increase in cash	**5,415,225**	(555,612)
Cash, beginning of period	**100,436**	656,048
Cash, end of period	**5,515,661**	100,436

Liquidity Outlook

Quia had cash of $5,515,661 available at December 31, 2010, an increase of $5,415,225 from the balance at December 31, 2009 of $100,436.

As noted above, the Company's working capital increased by $6,575,102 to $5,213,508 from a working capital deficiency of $1,361,594 at December 31, 2009.

The Company believes that between its current cash balances, it has the necessary funds available to meet its operating, investing and financing obligations and execute its current business plans.

5. Related-party Transactions

During the period ended December 31, 2010, $67,006 (December 31, 2009 - $15,029) was paid as a salary to the Vice President and Director. Included in loans payable is $nil (December 31, 2009 - $15,833) owing to the President and Director as well as $nil (December 31, 2009 - $38,852) which is included in loans receivable owing from the President and Director and Vice President, Corporate Development.

During the year ended December 31, 2010, $417,831 (December 31, 2009 - $168,671) was paid for consulting fees to a companies in which the Secretary and Director of the Company is a director. Included in the amount are 1,368,133 shares at $0.24 issued to Foundation Markets Inc for consulting services (see note 10 (b)(xiii). Included in loans and interest payable are $nil (December 31, 2009 - $108,308). Included in accounts payable is $nil (December 31, 2009 - $108,249 in due to related parties).

During the year ended December 31, 2010, $256,540 (December 31, 2009 - $121,132) was paid for legal fees to a company in which the Secretary and Director of the Company is a partner. Included in accounts payable is $nil (December 31, 2009 - $93,360 in due to related parties) payable to this company.

Included in loans and interest payable are amounts payable to the Secretary and Director of the Company of $nil (December 31, 2009 - $49,457).

During the year ended December 31, 2010 $144,000 (December 31, 2009 - $68,433) was paid to one of the Directors for exploration related costs. In addition, 166,666 shares (2009 – nil) were issued in lieu of compensation of $50,000 (2009 – $nil) for services rendered. As at December 31, 2010, $35,112 is included in due to related parties (December 31, 2009 - $62,010).

During the year ended December 31, 2010, $62,613 (December 31, 2009 - $175,033) was paid to The Vice-President, Business Development and a Director for exploration related costs. 33,333 shares (2009 – nil) were also issued in lieu of compensation of $10,000 (2009 – $nil) for services rendered. As at December 31, 2010, due to related parties included $62,513 (December 31, 2009 - $124,035) .

During the year ended December 31, 2010, $109,550 (December 31, 2009 - $nil) was paid for services to the chief executive officer. 60,000 shares were issued valued at $14,400 for partial payment of the above fees.

During the year ended December 31, 2010, $58,000 (December 31, 2009 - $nil) was paid for services to the chief financial officer. Included in due to related parties is $5,650 (December 31, 2009 - $nil) payable to the CFO.

During the year ended December 31, 2010, the Chairman of the Board, was issued 166,667 shares (2009 – nil) in lieu of compensation of $50,000 (2009 – $nil) for services rendered.

During the year ended December 31, 2010, a former director of the Company, was issued 33,333 shares (2009 – nil) in lieu of compensation of $10,000 (2009 – $nil) for services rendered.

Disclosure of Outstanding Share Data April 28, 2011

	Authorized	Outstanding
Voting or equity securities issued and outstanding	Unlimited Common Shares	62,180,146 Common Shares
Securities convertible or exercisable into voting or equity shares		a) Options to acquire up to 4,349,500 common shares b) 25,461,533 Warrants exercisable to acquire common shares of the Company.

Off-Balance Sheet Arrangements
The Company has no off-balance sheet arrangements.

Dividends
The Corporation has neither declared nor paid any dividends on its Common Shares. The Corporation intends to retain its earnings, if any, to finance growth and expand its operation and does not anticipate paying any dividends on its Common Shares in the foreseeable future.

Critical Accounting Estimates

Assessment of Recoverability of Mineral Property Costs
Quia defers the costs of exploration on existing projects and carries them as assets until production commences. The amounts at which mineral properties and deferred exploration costs are recorded do not necessarily reflect present or future values. If a project is successful, the related mineral properties and deferred exploration costs are amortized over the estimated economic life of the project. If a project is unsuccessful, or if exploration has ceased because of continuation is not economically feasible, the mineral properties and the related deferred exploration costs are written off. Option payments received are applied against the mineral property or deferred exploration costs.

The Company's recorded value of its exploration properties 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.

Assessment of Recoverability of Future Income Tax Assets
Quia follows the asset and liability method of accounting for income taxes. Under this method, future tax liabilities and assets are recognized for the estimated tax consequences attributable to differences between the financial statement carrying amounts of assets and liabilities and their respective tax bases. Future tax liabilities and assets are measured using enacted tax rates. The effect on the future tax liabilities and assets of a change in tax rates is recognized in the period that the change occurs.

In preparing the consolidated financial statements, the Company is required to estimate its income tax obligations. This process involves estimating the actual tax exposure together with assessing temporary differences resulting from differing treatment of items for tax and accounting purposes.

The Company assesses, based on all available evidence, the likelihood that the future income tax assets will be recovered from future taxable income and, to the extent that recovery cannot be considered "more likely than not," a valuation allowance is established. If the valuation allowance is changed in a period, an expense or benefit must be included within the tax provision on the consolidated income statement.

Estimate of Stock Based Compensation and Associated Assumptions
Quia uses the fair value method in accounting for stock-based compensation. Under this method, stock-based payments are measured at the fair value of the equity instruments issued, and are amortized over the vesting period. The offset to the recorded cost is to contributed surplus.

The Company recorded stock-based compensation based on an estimate of the fair value on the grant date of stock options issued. This accounting required estimates of interest rate, life of options, stock price volatility and the application of the Black-Scholes option pricing model. See note 10 of the December 31, 2010 consolidated financial statements for a full disclosure.

Assessment of Recoverability of Receivables Including GST
The carrying amount of accounts receivables, and GST are considered representative of their respective values. The Company assesses the likelihood that these receivables will be recovered and, to the extent that recovery is considered doubtful a provision for doubtful accounts is recorded.

Impairment of Long-lived Assets
Quia reviews mineral properties and deferred costs for impairment on a periodic basis or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment losses on long-lived assets are recognized when events or changes in circumstances indicate that the undiscounted cash flows estimated to be generated by such assets are less than their carrying value and, accordingly, all or a portion of such carrying value may not be recoverable. Impairment losses then are measured by comparing the fair value of assets to their carrying amounts.

Asset Retirement Obligations
At December 31, 2010, the Company has made no provision for site restoration costs or potential environmental liabilities as all properties are sill in the exploration stages. Factors such as further exploration, inflation and changes in technology may materially change the cost estimate.

Use of Estimates
The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results may differ from those estimates. Areas where management uses subjective judgment include, but are not limited to, recoverability of mineral properties and related deferred costs, future income taxes and the valuation of warrants and options. Management believes that these estimates are reasonable.

Other Stock-based Payments

The Company accounts for other stock-based payments based on the fair value of services granted or the equity instruments issued in exchange for the receipt of goods and services from non-employees by using the stock price and other measurement assumptions at the measurement date, whichever is the more reliably measured.

6. Future Accounting Changes

Convergence with International Financial Reporting Standards

In 2006, the Canadian Accounting Standards Board ("AcSB") published a strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with International Financial Reporting Standards ("IFRS") over an expected five year transitional period. In February 2008, the AcSB announced that 2011 is the changeover date for publicly listed companies to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011, will require the restatement for comparative purposes of amounts reported by the Company for the year ended December 31, 2010. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

7. Financial Instruments and other Instruments

Net Fair Value of Financial Assets and Liabilities

The Company's financial instruments comprise cash, accounts receivable, accounts payable and accrued liabilities.

Cash has been designated as held-for-trading, which are measured at fair value. Accounts receivable is classified as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities and are classified as other financial liabilities, which are measured at amortized cost. The Company has no available for sale instruments.

Additional Capital

The exploration activities of the Company may require substantial additional financing. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration and development of any of the Company's properties. 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. In addition, low commodity prices may affect the Company's ability to obtain financing.

Environmental and Permitting

All phases of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. These regulations, among other things, mandate the maintenance of air and water quality standards, land reclamation, transportation, storage and disposal of hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors, and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations.

Acquisition
The Company uses its best judgment to acquire mining properties for exploration and development in pursuit of such opportunities, the Company may fail to select appropriate acquisition candidates or negotiate acceptable agreements, including arrangements to finance the acquisitions and development, or integrate such opportunity and their personnel with the Company. The Company can not assure that it can complete any acquisition that it pursues or is currently pursuing, on favorable terms, or that any acquisition completed will ultimately benefit the Company.

Competition
The mining industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than itself. Competition in the mining business could adversely affect the Company's ability to acquire suitable producing properties or prospectus for mineral exploration in the future.

Financial Risk Factors

Fair Value

The carrying amount of cash, accounts payable and accrued liabilities approximate fair value due to the relatively short term maturity of these financial instruments. The fair value of loans receivable, contingent liabilities and due to related parties cannot be determined with sufficient reliability as there are no fixed terms of repayment. The carrying value of loans and interest payable approximate the fair value based on discounted cash flows. Fair value represents the amount that would be exchanged in the arm's length transaction between willing parties and is best evidenced by a quoted market price if one exist.

Fair value hierarchy and liquidity risk disclosure

The following summarizes the methods and assumptions used in estimating the fair value of the Company's financial instruments where measurement is required. The fair value of short-term financial instruments approximates their carrying amounts due to the relatively short period to maturity. These include cash as at December 31, 2010. Fair value amounts represent point-in-time estimates and may not reflect fair value in the future. The measurements are subjective in nature, involve uncertainties and are a matter of significant judgment. The methods and assumptions used to develop fair value measurements, for those financial instruments where fair value is recognized in the balance sheet, have been prioritized into three levels as per the fair value hierarchy included in GAAP.

(i) Level one includes quoted prices (unadjusted) in active markets for identical assets or liabilities.

(ii) Level two includes inputs that are observable other than quoted prices included in level one.

(ii) Level three includes inputs that are not based on observable market data.

All of the Company's cash is a level one as per the fair value hierarchy included in GAAP.

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

A) Credit Risk

The Company's credit risk is primarily attributable to cash and loans receivable. The Company has no significant concentration of credit risk arising from operations. Cash is held with reputable Canadian, United States and Colombian chartered banks which are closely monitored by management. Financial instruments included in loans receivable consist of loans to its President and Director and to the Vice President, Corporate Development. Management believes that the credit risk concentration with respect to financial instruments included in cash and loans receivable is minimal.

B) Market Risk

i.) Interest Rate Risk

The Company has cash balances and no variable interest bearing debt. The Company has fixed rates on its debt, changes in interest rates could result in fair value risk on the Company's fixed rate debt.

ii.) Foreign Currency Risk

The Company's functional currency is the Canadian dollar. The Company operates in Canada, Colombia and the United States, giving rise to market risks from changes in foreign exchange rates. The Company believes that the results of the operations and cash flows would be affected by a sudden change in foreign exchange rates, but would not impair or enhance its ability to pay its U.S. dollar and Colombian pesos denominated obligations.

iii.) Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company. The Company generates cash flow primarily from its financing activities. As at December 31, 2010, the Company had a cash balance of $5,515,661 (December 31, 2009 - $100,436) to settle current liabilities of $484,315 (December 31, 2009 - $1,462,030). All of the Company's financial liabilities have contractual maturities of less than 365 days and are subject to normal trade terms. A majority of creditors are currently accepting extended payment terms in light of the Company's current liquidity. The Company is seeking sources of additional capital to improve its liquidity position.

iv.) Commodity Price Risk

Commodity price risk could adversely affect the Company. In particular, the Company's future profitability and viability of development depends upon the world market price of precious metals. These metal prices have fluctuated significantly in recent years. There is no assurance that, even as commercial quantities of these metals may be produced in the future, a profitable market will exist for them. As of December 31, 2010, the Company was not a producing entity. As a result, commodity price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

v.) Political Risk

Exploration is presently carried out in Colombia. This exposes the Company to risks that may not otherwise be experienced if all operations were domestic. Political risks may adversely affect the Company's potential projects and operations. Real and perceived political risk in Colombia may also affect the Company's ability to finance exploration programs and attract joint venture partners, and future mine development opportunities.

vi.) Community Risk

Community Risk: The Company is currently negotiating with the local communities on its mineral property concessions for access to facilitate the completion of environmental and geological studies and exploration work programs. The Company's operations could be significantly disrupted or suspended by activities such as protests or blockades that may be undertaken by such certain groups or individuals within the community.

Sensitivity Analysis

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

(i) The Company is exposed to foreign currency risk on fluctuations of financial instruments related to cash, loans receivable, accounts payable, due to related parties, loans and interest payable and contingent liability that are denominated in US dollars and Colombian pesos. As at December 31, 2010, had the Canadian dollar weakened/strengthened by 10% against the U.S. dollar with all other variables held constant, the Company's income for the year ended December 31, 2010 would have been approximately $1,900 higher/lower respectively as a result of foreign exchange losses/gains on translation of Canadian dollar denominated financial instruments. As at December 31, 2010, had the Canadian dollar weakened/strengthened by 10% against the Colombian peso with all other variables held constant, the Company's income for the year ended December 31, 2010 would have been approximately $26,000 higher/lower respectively as a result of foreign exchange losses/gains on translation of Canadian dollar denominated financial instruments.

Internal Control over Financial Reporting

Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation.

During the most recent year end there were no changes in the Company's internal control over financial reporting that materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Proposed Transactions

In the normal course of business, as an ongoing part of the exploration process, the Company investigates mineral properties which are submitted to the Board of Directors for consideration.

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the Corporation's Chief Executive Officer and Chief Financial Officer, on a timely basis so that appropriate decisions can be made regarding public disclosure. As at the end of the year covered by this management's discussion and analysis, management of the Corporation, with the participation of the Chief Executive Officer and the Chief Financial Officer, evaluated the effectiveness of the Corporation's disclosure controls and procedures as required by Canadian securities laws. Based on that evaluation, the Chief Executive Officer and the Chief Financial Officer 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 of the Corporation, including the Chief Executive Officer and the Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

8. Status of Quia's Transition to International Financial Reporting Standards ("IFRS")

The AcSB has confirmed that IFRS will replace current Canadian GAAP for publicly accountable enterprises, effective for fiscal years beginning on or after January 1, 2011. Accordingly, the Company will report interim and annual financial statements (with comparatives) in accordance with IFRS beginning with the quarter ended March 31, 2011.

The Company has commenced the development of an IFRS implementation plan to prepare for this transition, and is currently in the process of analyzing the key areas where changes to current accounting policies may be required. While an analysis will be required for all current accounting policies, the initial key areas of assessment will include:

- Exploration and development expenditures;
- Property, plant and equipment (measurement and valuation);
- Provisions, including asset retirement obligations;
- Stock-based compensation;
- Accounting for joint ventures;
- Accounting for income taxes; and
- First-time adoption of International Financial Reporting Standards (IFRS 1).

As the analysis of each of the key areas progresses, other elements of the Company's IFRS implementation plan will also be addressed, including: the implication of changes to accounting policies and processes; financial statement note disclosures on information technology; internal controls; contractual arrangements; and employee training.

The table below summarizes the expected timing 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.	Completed
Final determination of changes to accounting policies and choices to be made with respect to first-time adoption alternatives	Completed
Resolution of the accounting policy change implications on information technology, internal controls and contractual arrangements	Completed
Management and employee education and training	Completed
Quantification of the Financial Statement impact of changes in accounting policies	In progress

The Company continues to monitor the deliberations and progress on plans to converge to IFRS by accounting standard setting bodies and securities regulators in Canada.

The following provides a summary of the Company's evaluation to date of potential changes to accounting policies in key areas based on the current standards and guidance within IFRS. This is not intended to be a complete list of areas where the adoption of IFRS will require a change in accounting policies, but is intended to highlight the areas the Company has identified as having the most potential for a significant change. The International Accounting Standards Board has a number of ongoing projects, the outcome of which may have an effect on the changes required to the Company's accounting policies on adoption of IFRS. At the present time, however, the Company is not aware of any significant expected changes prior to its adoption of IFRS that would affect the summary provided below:

1) Exploration and Evaluation Expenditures

Subject to certain conditions, IFRS currently allows an entity to determine an accounting policy that specifies the treatment of costs related to the exploration for and evaluation of mineral properties. The Company expects to establish an accounting policy to expense all costs relating to exploration and test these balances for impairment on a quarterly basis.

The application of this policy on the adoption of IFRS will result in the expensing of all future costs of exploration and for comparative purposes.

2) Impairment of (Non-financial) Assets

IFRS requires a write down of assets if the higher of the fair market value and the value in use of a group of assets is less than its carrying value. Value in use is determined using discounted estimated future cash flows. Current Canadian GAAP requires a write down to estimated fair value only if the undiscounted estimated future cash flows of a group of assets are less than its carrying value.

The Company's accounting policies related to impairment of non-financial assets will be changed to reflect these differences. However, the Company does not expect that this change will have an immediate impact on the carrying value of its assets. The Company will perform impairment assessments in accordance with IFRS at the transition date.

3) Share-based Payments

In certain circumstances, IFRS requires a different measurement of stock-based compensation related to stock options than current Canadian GAAP.

The Company does not expect changes to its accounting policies related to share-based payments that would result in a significant change in line items within its financial statements.

4) Asset Retirement Obligations (Decommissioning Liabilities)

IFRS requires the recognition of a decommissioning liability for legal or constructive obligations, while current Canadian GAAP only requires the recognition of such liabilities for legal obligations. A constructive obligation exists when an entity has created reasonable expectations that it will take certain actions.

The Company's accounting policies related to decommissioning liabilities will be changed to reflect these differences. However, the Company does not expect this change will have an immediate impact on the carrying value of its assets.

5) Property and Equipment

IFRS contains different guidance related to recognition and measurement of property and equipment than current Canadian GAAP.

The Company will need to analyze and componentize specific assets and amortize each component separately, which are largely made up of assets at our mine site. The Company is in the process of reviewing its fixed asset ledger to ensure compliance with IFRS accounting but does not expect this difference to have a material impact upon the transition to IFRS.

Under IFRS 1 exemptions, adoption of IAS 16 "*Property, Plant and Equipment*" would require the Company to restate all property, plant and equipment balances from the date of acquisition until the transition date to IFRS of January 1, 2010. The applicable IFRS 1 election allows the Company to report property, plant and equipment in its opening balance sheet on the transition date at a deemed cost instead of actual cost. The Company will elect its deemed cost to be the net book value of the assets at the date of transition.

6) Income Taxes

In certain circumstances, IFRS contains different requirements related to recognition and measurement of future income taxes.

The Company does not expect any changes to its accounting policies related to income taxes that would result in a significant change to line items within its financial statements.
Subsequent Disclosures

Further disclosers of the IFRS transition process are expected as follows:

- The Company's MD&A for the year ended December 31, 2010 will include updates on the progress of the transition plan, and, to the extent known, further information regarding the impact of adopting IFRS on key line items in the annual financial statements.

- The Company's first financial statements prepared in accordance with IFRS will be the interim 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 financial statements for the three months ending March 31, 2011, will also include the comparative period adjusted to comply with IFRS, and the Company's transition date IFRS statement of financial position (at December 31, 2009).

9. Cautionary Note Regarding 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 the Company 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 Quia to fund the capital and operating expenses necessary to achieve the business objectives of Quia, 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 the Company. Due to the risks, uncertainties and assumptions inherent in forward-looking statements, prospective investors in securities of the Company 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 press release 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.

10. Management's Responsibility for Financial Information

Management is responsible for all information contained in this report. The unaudited consolidated 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 report is consistent with that contained in the unaudited consolidated 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.

External auditors, appointed by the shareholders, have examined the consolidated financial statements for the year ended December 31, 2010.

The Audit Committee has reviewed the audited consolidated financial statements with management. The Board of Directors has approved the audited consolidated financial statements on the recommendation of the Audit Committee.

April 28, 2011

Andres Tinajero
Chief Financial Officer