

MINERVA MINERALS CORPORATION
MANAGEMENT DISCUSSION & ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS
FORM 51-102F for the three month period ended December 31, 2010

MINERVA MINERALS LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS
OF OPERATIONS

Interim Report for the three months ended December 31, 2010 and 2009

MINERVA MINERALS CORPORATION
MANAGEMENT DISCUSSION & ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS
FORM 51-102F for the three month period ended December 31, 2010

INDEX

Introduction	3
Date of Report	3
Overview	3
Selected Annual Information	4
Results of Operations	4
Summary of Quarterly Results	6
Liquidity and Capital Resources	6
◦ Cash and Financial Conditions.....	7
◦ Investor relations.....	7
◦ Dividends.	8
◦ Asset-Backed Commercial Paper	8
◦ Financial Instruments	8
Share Capital	8
Outlook	8
◦ General Economic Conditions	8
◦ Capital and Exploration Expenditures.....	9
Off-Balance Sheet Arrangements	9
Contractual Obligations	9
Market Risk Disclosures	9
Changes in Accounting Policies	9
International Financial Reporting Standards (the “IFRS”)	10
Critical Accounting Estimates	10
◦ Mineral Exploration Property Costs, Capital Assets (Property Plant and Equipment)...	10
◦ Stock Option and Warrant Valuation	11
◦ Income and Mining Taxes	11
Risk Factors Relating to the Company’s Business.....	12
Related-Party Transactions	12
Managements Report on Internal Control Over Financial Reporting	13
Forward-Looking Statements	13
Approval	14

MINERVA MINERALS CORPORATION
MANAGEMENT DISCUSSION & ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS
FORM 51-102F for the three month period ended December 31, 2010

INTRODUCTION

This Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") of Minerva Minerals Limited ("Minerva," the "Company") should be read in conjunction with the audited financial statements of the Company and the related notes thereof for the three month period ended December 31, 2010 (the "first quarter 2011") and 2009, together with the unaudited financial statements for all prior periods in the current year. In this discussion and analysis, unless the context otherwise dictates, a reference to the Company refers to Minerva Minerals Limited. Additional information relating to the Company is available for viewing under the Company's profile on the SEDAR website at www.sedar.com.

This discussion and analysis contains forward-looking statements. Please refer to the cautionary language on page 14.

DATE OF REPORT

This management discussion and analysis is prepared as of February 28, 2011, and contains information up to and including the Report Date. These interim unaudited financial statements have been prepared in accordance with generally accepted accounting principles applicable to a going concern, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. All amounts in the financial statements and this management discussion and analysis are expressed in Canadian dollars unless otherwise indicated.

OVERVIEW

Minerva was incorporated on June 5, 2006 under the Canada Business Company's Act. The shares of the Company were listed on the Canadian National Stock Exchange ("the CNSX"), (formerly the Canadian Trading and Quotation System Inc. Stock Exchange), commencing trading on August 13, 2007. The Company is in the business of location, acquisition, exploration and development of mineral properties.

The Company's exploration efforts are focused on the exploration and development of its properties in Canada. The Company is in the process of exploring its resource properties and has not yet determined whether the properties contain minerals or mineral reserves that are economically recoverable.

The general business strategy of the Company is to acquire mineral properties either directly or through the acquisition of operating entities. The continued operations of the Company and the recoverability of mineral property costs and any related deferred costs is dependent upon the existence of economically recoverable mineral reserves, confirmation of the Company's interest in the underlying mineral claim, the ability of the Company to obtain necessary financing to complete the development and upon future profitable production from the property or proceeds from the disposition thereof. The amounts shown as mineral property costs on the Balance Sheet represent costs to date and do not necessarily represent present or future values. The Company has incurred recurring operating losses since inception, has not generated any operating revenues to date. The Company requires additional funds to meet its obligations and maintain its operations. These conditions raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in this regard are to raise equity financing through private or public equity investment in order to support existing operations and expand its business. There

MINERVA MINERALS CORPORATION
MANAGEMENT DISCUSSION & ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS
FORM 51-102F for the three month period ended December 31, 2010

is no assurance that such additional funds will be available to the Company when required or on terms acceptable to the Company. The December 31, 2010 interim unaudited financial statements do not include any adjustments that would be necessary to the carrying amounts and classifications of assets and liabilities that might result from this uncertainty.

On October 29, 2010, the Company completed a non-brokered private placement consisting of 400,000 common shares of the Company at a price of \$0.15 per Share to raise gross proceeds of \$60,000. The net proceeds from the Private Placement will be used for general working capital purposes.

SELECTED ANNUAL INFORMATION

The following information has been extracted from the Company's annual financial statements for each of the three most recently completed financial years:

	As at and for the financial year ended		
	December 31		
	2010	2009	2008
(i) Net sales or total revenue (\$000s)	\$Nil	\$Nil	\$Nil
(ii) Net loss:			
(i) in total	\$ (64,716)	\$ (55,958)	\$ (153,841)
(ii) per share ¹	(\$0.01)	(\$0.01)	(\$0.04)
(iii) Total assets	\$ 19,306	\$ 28,409	\$ 80,169
(iv) Total long-term financial liabilities	\$Nil	\$Nil	\$Nil
(v) Cash dividends declared per share	n/a	n/a	n/a

- (1) Fully diluted loss per share amounts have not been calculated as they would be anti-dilutive.
(2) The Company was incorporated on June 5, 2006.

RESULTS OF OPERATIONS

Three month period ended December 31, 2010

Our general and administrative expenses consist primarily of personnel costs, legal costs, shareholder/investor relations costs, stock based compensation costs, accounting costs and other professional and administrative costs. For the three months ended December 31, 2010 the Company recorded a net loss of \$16,642 (2009 – \$12,085) or \$(0.00) per share (2009 - \$0.00). This amount includes professional fees – accounting \$10,700 (2009 - \$9,500) and legal \$3,418 (2009 – \$196).

MINERVA MINERALS CORPORATION
MANAGEMENT DISCUSSION & ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS
FORM 51-102F for the three month period ended December 31, 2010

Exploration Activities

	Balance September 30 2010 \$	Additions 2010/2011 \$	Write-down 2010/2011 \$	Balance December 31 2010 \$
Resource Properties				
Canada:				
Ashcroft 1 Claim	1	-	-	1
Lone Tree Showing Claims	15,420	720	-	16,140
	<u>15,421</u>	<u>720</u>	<u>-</u>	<u>16,141</u>

The Company's exploration properties are in the exploration stage, have not commenced commercial production and consequently the Company has no history of operating earnings or cash flow from operations. The success of exploration programs and other property transactions can have a significant impact on spending requirements. Minerva currently finances its activities primarily by the private placement of securities. There is no assurance that equity funding will be accessible to the Company at the times and in the amounts required to fund the Company's activities. There are many conditions beyond the Company's control which have a direct bearing on the level of investor interest in the purchase of Company securities. The Company may also attempt to generate additional working capital through the operation, development, sale or possible joint venture development of its properties, however, there is no assurance that any such activity will generate funds that will be available for operations.

Effective June 6, 2006 the Company acquired a 100% mineral interest in the Ashcroft 1 Claim, a 491 hectare property located near Cache Creek in the Kamloops Mining Division, British Columbia for cash consideration of \$100.

The claim is currently in good standing until June 14, 2011. Exploration expenditures of \$8 per hectare, or payment in lieu of such expenditures, will be required to renew the claim beyond that date. For the three months ended December 31, 2010, the Company incurred exploration expenses of \$0 (years ended September 30, 2010 - \$4,124; 2009 - \$4,124 and 2008 - \$52,413).

Effective December 3, 2007 the Company acquired a 100% interest in the Lone Tree Showing claims for cash consideration of \$12,000. The four mineral claims, totaling 409.077 hectares are located directly to the west of our Ashcroft property and are near Cache Creek in the Kamloops Mining Division, British Columbia.

The claims are in good standing with renewal dates ranging from August 8, 2011 to November 17, 2011. Exploration expenditures of \$4 per hectare, or payment in lieu of such expenditures, are required to renew the claim beyond the initial claim register dates (August 8, 2007 to November 17, 2007) for each of the second and third anniversary years, and \$8 per hectare for each subsequent anniversary year. During the three months ended December 31, 2010, the Company incurred payment in lieu of exploration expenditures totalling \$720 (year ended September 30, 2010 - 1,800; 2009 - \$1,620), which were recorded as capitalized mineral property costs.

MINERVA MINERALS CORPORATION
MANAGEMENT DISCUSSION & ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS
FORM 51-102F for the three month period ended December 31, 2010

SUMMARY OF QUARTERLY RESULTS

The following tables summarize information derived from the Company's financial statements for each of the eight most recently completed quarters:

	Quarter Ended:	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31
	Year:	2010	2010	2010	2010	2009	2009	2009	2009
		\$	\$	\$	\$	\$	\$	\$	\$
(i) Net sales or total revenue (\$000s)		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(ii) Income (loss) from: continuing operations									
(i) in total		(16,642)	(5,344)	(39,705)	(7,582)	(12,085)	(21,306)	(900)	(10,913)
(ii) per share ¹		(0.00)	(0.00)	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
(iii) Net income or (loss):									
(i) in total		(16,642)	(5,344)	(39,705)	(7,582)	(12,085)	(21,306)	(900)	(10,913)
(ii) per share ¹		(0.00)	(0.00)	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)

(1) Fully diluted loss per share amounts have not been calculated as they would be anti-dilutive.

Net loss has remained relatively consistent over the past eight quarters.

LIQUIDITY AND CAPITAL RESOURCES

The Company's exploration properties are in the exploration stage, have not commenced commercial production and consequently the Company has no history of earnings or cash flow from its operations. As a result, the Company is reviewing its 2010/2011 exploration and capital spending requirements in light of the current and anticipated, global economic environment.

The Company currently finances its activities primarily by the private placement of securities. There is no assurance that equity funding will be accessible to the Company at the times and in the amounts required to fund the Company's activities. There are many conditions beyond the Company's control which have a direct bearing on the level of investor interest in the purchase of Company securities. The Company may also attempt to generate additional working capital through the operation, development, sale or possible joint venture development of its properties; however, there is no assurance that any such activity will generate funds that will be available for operations. Debt financing has not been used to fund the Company's property acquisitions and exploration activities and the Company has no current plans to use debt financing. The Company does not have "standby" credit facilities, or off-balance sheet arrangements and it does not use hedges or other financial derivatives. The Company has no agreements or understandings with any person as to additional financing.

Our general business strategy is to acquire mineral properties either directly or through the acquisition of operating entities. Our financial statements have been prepared in accordance with generally accepted accounting principles in Canada and applicable to a going concern which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. As discussed

MINERVA MINERALS CORPORATION
MANAGEMENT DISCUSSION & ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS

FORM 51-102F for the three month period ended December 31, 2010

in note 1 to the financial statements, we have incurred recurring operating losses since inception, have not generated any operating revenues to date and used cash of \$38,712 from operating activities in 2010 through December 31. We require additional funds to meet our obligations and maintain our operations.

We do not have sufficient working capital to (i) pay our administrative and general operating expenses through December 31, 2011 and (ii) to conduct our preliminary exploration programs. Without cash flow from operations, we may need to obtain additional funds (presumably through equity offerings and/or debt borrowing) in order, if warranted, to implement additional exploration programs on our properties. While we may attempt to generate additional working capital through the operation, development, sale or possible joint venture development of its properties, there is no assurance that any such activity will generate funds that will be available for operations. Failure to obtain such additional financing may result in a reduction of our interest in certain properties or an actual foreclosure of its interest. We have no agreements or understandings with any person as to such additional financing.

Our exploration properties have not commenced commercial production and we have no history of earnings or cash flow from its operations. While we may attempt to generate additional working capital through the operation, development, sale or possible joint venture development of its property, there is no assurance that any such activity will generate funds that will be available for operations.

Cash and financial Conditions

At December 31, 2010 the Company held cash of \$22,119 (September 30, 2010 - \$1,552), a working capital deficiency of \$13,552 (September 30, 2010 working capital deficiency - \$56,190) and an accumulated deficit of \$406,693 (September 30, 2010 - \$390,051). The Company has no long-term debt or capital commitments and current liabilities at December 31, 2010 were \$37,645 (September 30, 2010 - \$60,075), an decrease of \$22,430.

Operating activities: We used cash of \$38,713 (2010 - \$4,502) through the three month period ended December 31, 2010. The following is a breakdown of cash used for operating activities: Changes in receivables resulted in an increase in receivables of \$359 compared to a decrease of \$97 in 2009. There was an decrease in accounts payable and accrued expenses of \$22,430 compared to an increase of \$7,680 in 2009. Cash flow for the three month period ended December 31, 2010, was down in comparison with the same period in 2009 as a result of decreased expenditures and investments on project development, corporate costs and other operating activities.

Investing Activities: During the three months ended December 31, 2010 investing activities consisted of expenditures on resource properties of \$720 (2009 - \$720) respectively.

Financing Activities: We intend to finance our activities by raising capital through the equity markets. On October 29, 2010, the Company completed a non-brokered private placement consisting of 400,000 common shares of the Company at a price of \$0.15 per Share to raise gross proceeds of \$60,000. The net proceeds from the Private Placement will be used for general working capital purposes.

There were no exercises of stock options during the three month period ended December 31, 2010 and 2009.

Investor relations

The Company retained no investor relations firms during the three month periods ended December 31, 2010 and 2009.

MINERVA MINERALS CORPORATION
MANAGEMENT DISCUSSION & ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS
FORM 51-102F for the three month period ended December 31, 2010

Dividends

The Company has neither declared nor paid any dividends on its Common stock. The Company intends to retain its earnings to finance growth and expand its operations and does not anticipate paying any dividends on its Common shares in the foreseeable future.

Asset-Backed Commercial Paper

The Company has no asset-backed commercial paper.

Financial Instruments

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair value.

The carrying value of cash, receivables and accounts payable and accrued expenses approximate their fair value because of the short-term nature of these instruments. The fair value of these financial instruments approximates their carrying value due to their short-term maturity or capacity of prompt liquidation. The Company places its cash with high credit quality financial institutions and did not have funds deposited in banks beyond the insured limits at December 31, 2010 and 2009. Management is of the opinion that the Company is not exposed to significant interest or credit risks arising from these financial instruments.

SHARE CAPITAL

At February 28, 2011, the Company had:

- Authorized capital stock consists of an unlimited number of common shares with no par value.
- 4,731,000 common shares issued and outstanding as at February 28, 2011 (December 31, 2010 - 4,731,000 common shares) or 5,151,000 on a fully diluted basis. If the holders were to acquire all 420,000 shares issuable upon the exercise of all incentive stock options outstanding, the Company would receive an additional \$75,600.
- 420,000 stock options outstanding under the Company's incentive stock option plan. The stock options are exercisable at \$0.18 per share, with expiry dates ranging from November 15, 2011 to March 21, 2012.

OUTLOOK

The information below is in addition to the disclosure concerning specific operations included in the Review of Operations section of this management discussion and analysis.

The Company does not have sufficient working capital to fund exploration activities and its general and administrative expenditures to December 31, 2011. It is anticipated that for the foreseeable future, the Company will rely on the equities markets to meet its financing need. The Company will also consider entering into joint venture arrangements to advance its projects.

MINERVA MINERALS CORPORATION
MANAGEMENT DISCUSSION & ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS
FORM 51-102F for the three month period ended December 31, 2010

Capital and Exploration Expenditures

We are reviewing our capital and exploration spending in light of current market conditions. As a result of our review, the Company may curtail a portion of its capital and exploration expenditures during 2011.

We are currently concentrating our exploration activities in British Columbia, Canada and examining data relating to the potential acquisition or joint venturing of additional mineral properties in either the exploration or development stage in Canada.

OFF-BALANCE SHEET ARRANGEMENTS

During the three month periods ended December 31, 2010 and 2009, the Company was not a party to any off-balance-sheet arrangements that have, or are reasonably likely to have, a material current or future effect on the results of operations, financial condition, revenues or expenses, liquidity, capital expenditures or capital resources of the Company.

CONTRACTUAL OBLIGATIONS

As at December 31, 2010, there are no significant contractual obligations and commercial commitments.

MARKET RISK DISCLOSURES

The Company has not entered into derivative contracts either to hedge existing risks or for speculative purposes.

CHANGES IN ACCOUNTING POLICIES

International Financial Reporting Standards (“IFRS”)

In February 2008 the Canadian Accounting Standards Board announced 2011 as the changeover date for publicly-listed companies to use IFRS, replacing Canadian GAAP. The specific implementation is set 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 restatement for comparative purposes of amounts reported by the Company for the year ended September 30, 2010. The Company does not expect that implementation of IFRS will have any material impact on the Company’s disclosure controls and procedures.

Business Combinations, Consolidations and Non-controlling Interest

In January 2009, the CICA issued Handbook Sections 1582, *Business Combinations*, 1601, *Consolidated Financial Statements* and 1602, *Non-controlling Interests* which replace CICA Handbook Sections 1581, *Business Combinations* and 1600, *Consolidated Financial Statements*. Section 1582 establishes standards for the accounting for business combinations that is equivalent to the business combination accounting standard under IFRS. Section 1601 together with Section 1602 establishes standards for the preparation of consolidated financial statements. These Sections are applicable for interim and annual consolidated

MINERVA MINERALS CORPORATION
MANAGEMENT DISCUSSION & ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS
FORM 51-102F for the three month period ended December 31, 2010

financial statements for fiscal years beginning January 1, 2011. Early adoption of these Sections is permitted and all these Sections must be adopted concurrently. The Company has determined that there will be no impact of the adoption of these standards on its financial statement

INTERNATIONAL FINANCIAL REPORTING STANDARDS (THE “IFRS”)

In February 2008, the AcSB confirmed that Canadian GAAP for publicly accountable enterprises will be converged with IFRS effective in calendar year 2011, with early adoption allowed starting in calendar year 2009. IFRS uses a conceptual framework similar to Canadian GAAP, but there are significant differences on recognition, measurement and disclosures. In the period leading up to the changeover, the AcSB will continue to issue accounting standards that are converged with IFRS, thus mitigating the impact of adopting IFRS at the changeover date.

For the Company, the changeover to IFRS will be required for interim and annual financial statements beginning on January 1, 2011, with comparative information to be provided under the IFRS rules as well. As a result, the Company has begun to develop a plan to convert its Consolidated Financial Statements to IFRS. Accounting policies initially identified for evaluation include First Time Adoption (IFRS 1), Exploration for and Evaluation of Mineral Resources (IFRS 6, IAS 16, IAS 38), Impairment of Assets (IAS 36, IFRIC10) and Share-based Compensation (IFRS 2). As part of its preparation for the changeover, the Company has begun providing training to key employees, arranging for personnel to attend workshops and industry-sponsored conferences, and circulating copies of newsletters and pamphlets distributed by accounting firms and others on various IFRS issues and topics to those individuals responsible for developing and implementing the conversion plan.

The Company will be monitoring the impact of the transition to IFRS on its business practices, systems and internal controls over financial reporting. The Company does not expect that implementation of IFRS will have any material impact on the Company’s disclosure controls and procedures. In addition, at the present time it does not appear conversion to IFRS will impact on such matters as foreign currency transactions and hedging activities, as the Company does not engage in the latter activity and its foreign currency transactions, which are relatively minor, are funded in US dollars.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the financial statements in conformity with generally accepted accounting principals in Canada requires the Company to establish accounting policies and to make estimates that affect both the

amount and the timing of the recording of assets, liabilities, revenues and expenses. Some of these estimates require judgments about matters that are inherently uncertain. The Company’s accounting policies are described in note 2 to its annual financial statements.

Mineral Exploration Property Costs, Capital Assets (Property Plant and Equipment)

Mineral exploration property costs represent the most significant assets of the Company. All direct costs, net of preproduction revenue relative to the acquisition of mineral rights and concessions, exploration for and development of the Company’s exploration properties are capitalized. Costs associated with resource properties and/or property, plant and equipment also include acquired interests in production, development and exploration stage properties representing the fair value at the time they were acquired. All sales and option proceeds received are first credited against the costs of the related property, with any excess credited to earnings. Exploration activities conducted jointly with others are reflected at the

MINERVA MINERALS CORPORATION
MANAGEMENT DISCUSSION & ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS
FORM 51-102F for the three month period ended December 31, 2010

Company's proportionate interest in such activities. The values of the mineral resource properties are primarily driven by the nature and amount of the mineral interests believed to be contained or potentially contained, in properties to which they relate. The Company reviews and evaluates its capitalized resource property costs and property plant and equipment costs for impairment annually or when events or changes in circumstances indicate that the related carrying amounts may not be recoverable. Impairment is considered to exist if the total estimated future undiscounted cash flows are less than the carrying amount of the assets. An impairment loss is measured and recorded based on discounted estimated future cash flows. Future cash flows are estimated based on expected future production, commodity prices, operating costs and capital costs.

Depreciation and depletion is determined based on property, plant and equipment carrying values. Depreciation is based on the estimated useful lives of the assets and is computed using the straight-line method. Equipment is recorded at cost. Once commercial production has commenced, the net deferred costs of the applicable property are charged to operations. Depletion is calculated using the unit-of-production method based on estimated proven and probable recoverable reserves. Mineral resources or reserves are an estimate of the quantity of economically recoverable ore and/or mineralization and will change from time to time as a result of additional geological information, actual grade or recoveries different from original estimates or commodity price changes.

The net costs related to abandoned properties or where mineral rights expire is charged to operations.

Costs related to site restoration programs are accrued over the life of the project.

As at December 31, 2010 and 2009, the Company's mineral exploration properties did not have proven reserves.

Stock Option and Warrant Valuation

The determination of the fair value of incentive stock options and warrants issued requires management to estimate future stock volatility, expected life, and a risk-free rate of return. The Company uses the fair-value method of accounting for stock-based compensation related to incentive stock options and warrants granted, modified or settled. Under this method, compensation cost attributed to options granted is

measured at the fair value at the grant date and expensed over the vesting period with the corresponding increase charged to contributed surplus. In determining the fair value, the Company makes estimates of the expected volatility of the stock as well as an estimated discount rate. Changes to these estimates could result in the fair value of the stock-based compensation being less than or greater than the amount recorded. During the three month periods ended December 31, 2010 and 2009, the Company recorded stock-based compensation costs of \$0 (year ended September 30, 2009 - \$0) in accordance with the vesting provisions of the 2007 grant of stock options.

Income and Mining Taxes

The Company uses the liability method of accounting for income taxes. Under the liability method, future income tax assets and liabilities are computed based on differences between the carrying amount of assets and liabilities on the balance sheet and their corresponding tax values, using the substantively enacted income tax rates at each balance sheet date. Future income tax assets also result from unused loss carryforwards and other deductions. The value of future income tax assets is reviewed quarterly and adjusted, if necessary, by use of a valuation allowance to reflect the estimated net realizable amount.

MINERVA MINERALS CORPORATION
MANAGEMENT DISCUSSION & ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS
FORM 51-102F for the three month period ended December 31, 2010

RISK FACTORS RELATING TO THE COMPANY'S BUSINESS

The Company is subject to all of the risks inherent to an exploration stage business enterprise, such as limited capital, mineralized material, lack of manpower and possible cost overruns associated with our exploration programs. The Company's financial success will be dependent upon the extent to which it can discover mineralization or acquire properties and the economic viability of developing its properties. The development of mineral resources involves many risks which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Developing mineral deposits is subject to various risks and is dependent on a number of criteria, including the deposit size, grade, proximity to infrastructure, as well as commodity prices. If we do not establish reserves, the Company may be required to curtail or suspend our operations. We have only completed the initial stages of exploration of our properties.

The Company competes with many companies possessing greater financial resources and technical facilities than itself.

The market price of precious and base metals are volatile and are affected by numerous factors beyond the Company's control. These factors include International economic and political trends, expectations of inflation, global and regional demand, currency exchange fluctuations, interest rates, global or regional consumption patterns, speculative activities, increased production due to improved mining and production methods and economic events.

All the Company's operating cash flow must be derived from external financing. Actual funding may vary from what is planned due to a number of factors including the progress of exploration and development of its current properties. Should changes in equity market conditions prevent the Company from obtaining additional financing, the Company will need to review its exploration properties and prioritize project expenditures based on funding availability.

RELATED-PARTY TRANSACTIONS

There are no family relationships among or between any of our officers and directors.

Our proposed business raises potential conflicts of interests between certain of our officers and directors and us. Certain of our directors are directors of other mineral resource companies and, to the extent that such other companies may participate in ventures in which we may participate, our directors may have a conflict of interest in negotiating and concluding terms regarding the extent of such participation. In the event that such a conflict of interest arises at a meeting of our directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In appropriate cases, we will establish a special committee of independent directors to review a matter in which several directors, or management, may have a conflict. From time to time, several companies may participate in the acquisition, exploration and development of natural resource properties thereby allowing for their participation in larger programs, involvement in a greater number of programs and reduction of the financial exposure with respect to any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment.

In determining whether we will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the potential benefits to us, the degree of risk to which we may be exposed and its financial position at that time. Other than as indicated, we have no other procedures or

MINERVA MINERALS CORPORATION
MANAGEMENT DISCUSSION & ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS
FORM 51-102F for the three month period ended December 31, 2010

mechanisms to deal with conflicts of interest. We are not aware of the existence of any conflict of interest as described herein.

Other than as disclosed below, during the three month periods ended December 31, 2010 and 2009, none of our current directors, officers or principal shareholders, nor any family member of the foregoing, nor, to the best of our information and belief, any of our former directors, senior officers or principal shareholders, nor any family member of such former directors, officers or principal shareholders, has or had any material interest, direct or indirect, in any transaction, or in any proposed transaction which has materially affected or will materially affect us.

There have been no transactions or proposed transactions with officers and directors during the last two years to which we are a party except as follows:

During the three months ended December 31, 2010, the Company incurred management fees of \$0 (year ended September 30, 2010, \$0) to an individual who is a director and officer of the Company. The transactions were in the normal course of business and were measured at the agreed amount, which was the amount of consideration established and agreed to with the related parties. Advances from a director and officer of the Company are unsecured, non-interest bearing and have no specific terms of repayment.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

In connection with Exemption Orders issued in November 2007 and revised in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis.

In contrast to the certificate under National Instrument ("NI 52-109") (Certification of Disclosure in Issuer's Annual and Interim Filings), the Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

FORWARD-LOOKING STATEMENTS

This management discussion and analysis contains certain forward-looking statements and information relating to the Company that are based on the beliefs of its management as well as assumptions made by and information currently available to the Company. When used in this document, the words "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital and the estimated cost and availability of funding for the continued exploration and development of the Company's exploration properties. Such statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

MINERVA MINERALS CORPORATION
MANAGEMENT DISCUSSION & ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS
FORM 51-102F for the three month period ended December 31, 2010

APPROVAL

The Board of Directors of Minerva Minerals Limited has approved the disclosure contained in this management discussion and analysis. A copy of this management discussion and analysis will be provided to anyone who requests it.