MINERVA MINERALS LIMITED

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

Interim Report for the three and six months ended March 31, 2011 and 2010

MINERVA MINERALS CORPORATION
MANAGEMENT DISCUSSION & ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS
FORM 51-102F FOR THE THREE AND SIX MONTH PERIODS ENDED MARCH 31, 2011

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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 and six month periods ended March 31, 2011 (the "second quarter 2011") and 2010, 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 MD&A is prepared as of May 30, 2011. All amounts in the financial statements and this MD&A 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.

These 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 monetary amounts are in Canadian dollars unless otherwise noted.

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 is no assurance that such additional funds will be available to the Company when required or on terms acceptable to the Company. The March 31, 2011 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 September 30		
		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.

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:	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30
	Year:	2011	2010	2010	2010	2010	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	(10,166)	(16,642)	(5,344)	(39,705)	(7,582)	(12,085)	(21,306)	(900)
	(ii) per share[1]	(0.00)	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)
(iii)	Net income or (loss):								

(i) in total	(10,166)	(16,642)	(5,344)	(39,705)	(7,582)	(12,085)	(21,306)	(900)
(ii) per share[1]	(0.00)	(0.00)	(0.00)	(0.01)	(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.

RESULTS OF OPERATIONS

Three month period ended March 31, 2011

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 March 31, 2011 the Company recorded a net loss of $10,166 (2010 – $7,582) or $(0.00) per share (2010 - $0.00). This amount includes professional fees – accounting $0 (2010 - $1,200) and legal $4,256 (2010 – $0).

Six month period ended March 31, 2011

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 six months ended March 31, 2011 the Company recorded a net loss of $26,808 (2010 – $19,667) or $(0.01) per share (2010 - $0.00). This amount includes professional fees – accounting $10,700 (2010 - $10,700) and legal $7,674 (2010 – $196).

Exploration Activities

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

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 six month period ended March 31, 2011, the Company incurred exploration expenses of $720 (year ended September 30, 2010 - $4,124).

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 six months ended March 31, 2011, 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.

SUBSEQUENT EVENTS

In May 2011, the company announced that it had arranged a non-brokered private placement of up to 4,000,000 units (the “Units”) at a price of $0.07 per Unit to raise gross proceeds of up to $280,000. Each Unit will consist of one common share and one-half of one share purchase warrant (the “Warrants”). Each whole Warrant will entitle the holder to purchase one additional common share at a price of $0.10 per common share for a period of 12 months following the closing date, scheduled for May 31, 2011.

The Company will pay finder’s fees of 8% in cash and 8% in finder’s warrants (the “Finder’s Warrants”) to Gillford Capital Inc. (the “Finder”) in relation to this financing, in accordance with regulatory policies. Each Finder’s Warrant will entitle the Finder to purchase one common share at a price of $0.10 per common share for a period of 12 months following the closing date.

The proceeds from the Private Placement will be used for general working capital purposes.

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 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.

At March 31, 2011, the Company had cash of $5,626 (March 31, 2010 - $2,326), working capital deficiency of $23,718 (March 31, 2010 – working capital deficiency $10,061) and an accumulated deficit of $416,859 (March 31, 2010 - $345,002) and shareholders' deficiency of $7,577 (March 31, 2010 - shareholders' equity of $4,280). As at March 31, 2011, the Company did not have sufficient cash or any other assets to meet its obligations for accounts payable and accrued liabilities. Cash outflow from operations for the six months ended March 31, 2011, was up in comparison with the same period in 2010 as a result of increased legal costs. The movement in working capital in 2011 resulted from the planned expenditures and investments on exploration, project development, corporate costs and other operating activities. The Company has no long-term debt or capital commitments and current liabilities at March 31, 2011 were $31,706 (March 31, 2010 - $12,594).

Cash Flow

Operating activities: The Company's cash outflow from operating activities was $55,206 (March 31, 2010 – used cash of $11,742) through the six months ended March 31, 2010. Changes in receivables resulted in an increase of $29 compared to a increase of $207 in 2010. There was an decrease in accounts payable and accrued expenses of $28,369 compared to an increase of $8,132 in 2010.

Investing Activities: During the six months ended March 31, 2011, investing activities consisted of expenditures on mineral properties of $720 (March 31, 2010 - $720).

Financing Activities: The Company intends to finance its 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.

Investor relations

The Company retained no investor relations firms during the three and six month periods ended March 31, 2011 and 2010.

Dividends

The Company has neither declared nor paid any dividends on its Common stock. The Company intends to retain it's 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

Cash is reported at fair value. Amounts receivable and accounts payable and accrued liabilities are considered to be a reasonable approximation of their fair value due to the short-term nature of these instruments. Investments are reported at fair value which is determined based on quoted market prices.

Cash is designated as held-for-trading, amounts receivable are designated as loans and receivables, investments are designated as available-for-sale, and accounts payable are designated as other financial liabilities.

The Company's financial instruments are exposed to a number of financial and market risks, including credit, liquidity and foreign exchange risks. The Company may, or may not, establish from time to time active policies to manage these risks. The Company does not currently have in place any active hedging or derivative trading policies to manage these risks since the Company's management does not believe that the current size, scale and pattern of its operations would warrant such hedging activities.

The Company places its cash with high credit quality financial institutions. The Company did not have funds deposited in banks beyond the insured limits at March 31, 2011 and September 30, 2010.

Additional information can be found within Notes 8, 11 and 12 of the Company's 2010 annual financial statements.

SHARE CAPITAL

At May 30, 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 (March 31, 2011 - 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 MD&A.

General Economic Conditions

Volatility of exchange traded commodity prices in recent months, including precious and base metal prices has been unusually high. It is difficult in these conditions to forecast metal prices and demand trends for products that we would produce if we had current mining operations. Credit market conditions have also increased the cost of obtaining capital and limited the availability of funds. Accordingly, management is reviewing the effects of the current conditions on our business.

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.

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 Canada and examining data relating to the potential acquisition or joint venturing of additional mineral properties in either the exploration or development stage.

OFF-BALANCE SHEET ARRANGEMENTS

During the six months ended March 31, 2011 and 2010, 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 March 31, 2011, there were no significant contractual obligations and commercial commitments.

MARKET DISCLOSURES

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

CHANGES IN ACCOUNTING POLICIES

There have been no changes in accounting policies during the six months ended March 31, 2011.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the consolidated financial statements in conformity with Canadian GAAP 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 consolidated financial statements.

Mineral Properties

Mineral properties can 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 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 that 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 carrying values of mineral properties, if any. Depreciation is based on the estimated useful lives of the assets and is computed using the straight-line method. 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 March 31, 2011 and September 30, 2010, 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 six months ended March 31, 2011, the Company recorded stock-based compensation costs of $0 (March 31, 2010 - $0).

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.

INTERNATIONAL FINANCIAL REPORTING STANDARDS (the "IFRS")

In February 2008, the Canadian Accounting Standards Board confirmed that publicly accountable enterprises are required to adopt IFRS for fiscal years beginning on or after January 1, 2011. To date the Company's consideration of the impact of IFRS has not been significant. The Company is required to issue its first annual and interim consolidated financial statements prepared under IFRS no later than its fiscal year ended September 30, 2012 and three months ended December 31, 2011, respectively, with restatement of comparative information presented. The transition to IFRS will impact the Company's accounting policies as noted below, information technology and data systems, internal control over financial reporting, disclosure controls and procedures and financial expertise and training requirements. The transition may also impact business activities such as agreed terms of certain contractual arrangements.

As of the date of this MD&A the Company is working on the scoping and planning phase for the adoption of IFRS ("phase 1") whereby the Company identifies key areas affected and developed a project implementation plan. Thereafter, the Company will start a detailed assessment phase ("phase 2") which includes identification of any significant differences between the Company's current accounting policies under GAAP and those permitted under IFRS, the selection of accounting policies in accordance with IFRS and identifies transitional exemptions allowable under IFRS 1.

The table below is a summary of key elements of the Company's changeover plan and the Company's progress towards changeover to IFRS.

Key Activities	Milestones	Status
Accounting policies and procedures:		
• Identify differences between IFRS and the Company's existing policies and procedures. • Analyze and select ongoing policies when alternatives are permitted. • Revise accounting policies.	• Senior management approval and audit committee review of initial and final policy decisions by the time 2012 Q1 interim financial statements are filed. • Revised accounting policies and procedures in place.	• Differences between the Company's current accounting policies and those presented under IFRS to be identified. • Initial accounting policy decisions for key areas of the financial statements are subject to approval by senior management and the audit committee. • Revisions to accounting policies and procedures will be drafted and updated by the time 2012 Q1 interim financial statements are filed as final accounting policy decisions are made.
Financial statement preparation:		
• Prepare financial statements and note disclosures in compliance with IFRS. • Quantify the effects of converting to IFRS. • Prepare first-time adoption reconciliations.	• Senior management approval of opening balance sheet for audit committee review by the time 2012 Q1 interim financial statements are filed. • Senior management approval and audit committee review of financial statement format by the time 2012 Q1 interim financial statements are filed and full pro forma financial statements prior to changeover.	• Financial statement shell is ready. • The majority of the effects of conversion have been quantified. Management believes any further adjustments which may be identified will not be material. • Q2 2012 activities will include: - Preparation of opening balance sheet and approval by senior management and audit committee. - Draft note disclosures for IFRS-compliant financial statements.

Key Activities	Milestones	Status
Training and communication:		
• Ensure topic-specific training is received for the project team. • Establish company-wide awareness of the likely impacts of the transition. • Provide company-specific training on revised policies and procedures to impacted personnel. • Provide timely communication of the impacts of conversion to external stakeholders.	• Training resources accessed as topics commence. • Company-specific training provided prior to changeover date. • Impacts of conversion prior to changeover date.	• Project team members have received training on topics covered to date. • Finance staff will continue training through the changeover. • Communication to external stakeholders has been ongoing through MD&A disclosures.
Business impact:		
• Identify impacts of conversion on contractual arrangements. • Identify impacts of conversion on taxation.	• Initial impacts on contracts identified to be finalized. • Initial impact on taxation identified to be finalized.	• The impact of contractual arrangements as a result of the transition to IFRS is not significant. • Preliminary assessment is that implications are not significant. Further analysis will be undertaken to finalize analysis during Q2 2012.
IT systems:		
• Identify changes required to IT systems and implement solutions. • Determine and implement solution for capturing financial information under Canadian GAAP and IFRS during the year of transition to IFRS (for comparative information).	• Necessary changes to IT systems implemented at a date to be determined by management. • Assessment of information capture undertaken by the time Q1 2012 interim financial statements are filed.	• No required information is considered unavailable and therefore no changes required immediately.
Control environment:		
• For all changes to policies and procedures identified, assess effectiveness of internal controls over financial reporting ("ICFR") and disclosure controls and procedures ("DC&P) and implement any necessary changes. • Design and implement internal controls over the IFRS changeover process.	• Sign-off by senior management on effectiveness of internal controls. • Internal controls over IFRS changeover process in place by the time Q1 2012 interim financial statements are filed.	• The Company is currently incorporating the internal control requirements while the transition to IFRS is not considered to have significant impact on internal control requirements.

RISKS AND UNCERTAINTIES

The Company is subject to all of the risks inherent to an exploration stage business enterprise, such as limited capital, absence of 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 that 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

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 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 six month periods ended March 31, 2011 and 2010, 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 six months to which we are a party except as follows:

During the six months ended March 31, 2011, the Company incurred management fees of $0 (year ended September 30, 2010 - $0; March 31, 2010 - $0) with directors. The transactions were recorded at the exchange amount, being the value established and agreed to by the related parties.

MANAGEMENTS 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 ("MD&A") 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.

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.