OTTERBURN VENTURES INC.

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

APRIL 30, 2011

BACKGROUND

The following information, prepared as of June 28, 2011, should be read in conjunction with the unaudited financial statements of Otterburn Ventures Inc. (the "Company") for the period ended April 30, 2011 as well as the audited financial statements of the Company for the year ended July 31, 2010. The financial statements are prepared in accordance with Canadian generally accepted accounting principles.

The Company's critical accounting estimates, significant accounting policies and risk factors have remained substantially unchanged and are still applicable to the Company unless otherwise indicated. All amounts are expressed in Canadian dollars unless noted otherwise.

CAUTIONARY NOTE REGARDING FORWARDING LOOKING STATEMENTS

Certain statements contained in the foregoing management discussion & analysis (the "MD&A") constitutes forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks set forth below.

DESCRIPTION OF BUSINESS

The Company was incorporated on November 29, 2006 pursuant to the *Business Corporations Act,* British Columbia. The Company's principal business activity is the exploration of mineral properties. The Company was listed for trading on the Canadian National Stock Exchange (the "CNSX" and formerly known as the CNQ) beginning February 4, 2008 under the trading symbol "OTBN". On September 25, 2008, under the then CNQ policy, the Company's trading symbol was changed to "OTB".

The Company is a junior mineral exploration company engaged in the acquisition and exploration of strategic mineral properties. The Company is currently evaluating mineral properties that may have the potential for further examination and development.

CHANGES IN MANAGEMENT

During the quarter ended April 30, 2011, the Company continued to increase its operations and strengthen its management team.

On May 9, 2011, Robert Cairns resigned as a director.

On December 10, 2010, Mr. Savio Chiu was appointed a director of the Company.

The Company's Board of Directors now consists of following: David Eaton, Peter Hughes and Savio Chiu.

OVERALL PERFORMANCE

The following discussion of the Company's financial performance is based on the unaudited financial statements for the quarter ended April 30, 2011 and audited financial statements for the year ended July 31, 2010.

As at April 30, 2011, the Company had cash of $1,732,268 (July 31, 2010 - $173,817). Total current assets amount to $1,753,822 (July 31, 2010 - $176,336). The increase in total current assets is mainly due to the subscription payment of $1,614,462 received from the non-brokered private placement that was announced on March 31, 2011.

Current liabilities at April 30, 2011 total $271,869 (July 31, 2010 - 37,141). Shareholders' equity is comprised of share capital of $1,293,367 (July 31, 2010 - $1,293,367), contributed surplus of $307,844 (July 31, 2010 - $307,844), shares to be issued of $1,614,462 (July 31, 2010 – Nil) and a deficit of $1,729,013 (July 31, 2010 – $1,460,926) for a net amount of $1,486,660 (July 31, 2010 - $140,285). The increase in shareholder's equity is due to the subscription payment received from the non-brokered private placement that was announced on March 31, 2011.

Working capital, which is current assets less current liabilities, is $1,481,953 at April 30, 2011 compared to a working capital of $139,195 at July 31, 2010.

During the quarter ended April 30, 2011, the Company reported a net loss of $101,287 ($0.01 basic and diluted loss per share) compared to a net loss of $3,996 ($0.00 basic and diluted loss per share) reported for the quarter ended April 30, 2010.

RESULTS OF OPERATIONS

Current Quarter

During the current quarter, the Company incurred a net loss of $101,287 compared to $3,996 in the same period last year. The net loss of $101,287 was mainly due to consulting fees of $59,648 (April 30, 2010 – ($16,000)) related to administration and management services provided by directors, officers and a consultant of the Company; professional fees of $25,734 (April 30, 2010 - $9,709) related to corporate and accounting matters; project investigation fees of $3,680 (April 30, 2010 - $Nil) related to seeking potential mineral properties; and transfer agent and filing fees of $4,242 (April 30, 2010 - $5,586).

During the current quarter, the consulting fees of $59,648 have significantly increased compared to the same period last year of a credit balance of $16,000. This was mainly due to an increase in the number of consulting agreements the Company has entered into during the fiscal year ended 2010. During the current quarter, the Company has two consulting services agreements with two directors, effective on June 1, 2010, which resulted the recording of $21,000 consulting fees. $15,000 was recorded as consulting fees for the financial consulting services that a consultant provided to the Company. The Company also recorded a consulting fee of $1,148 for the geological services provided by a consultant to the Company and a consulting fee of $22,500 for to a consulting company for providing the Company with corporate marketing communications services.

Year to Date

During the current period, the Company incurred a net loss of $268,087 compared to $46,766 in the same period last year. The net loss of $268,087 was mainly due to consulting fees of $125,241 (April 30, 2010 - ($16,000)) related to administration and management services provided by directors, officers and a consultant of the Company; professional fees of $37,642 (April 30, 2010 - $29,322) related to corporate matters; project investigation fees of $65,409 (April 30, 2010 - $Nil) related to seeking potential mineral properties; and transfer agent and filing fees of $13,273 (April 30, 2010 - $14,194).

During the current period, the consulting fees of $125,241 have significantly increased compared to the same period last year of a credit balance of $16,000. This was mainly due to an increase in the number of consulting agreements the Company has entered into during the fiscal year ended 2010. During the current period, the Company has two consulting services agreements with two directors, effective on June 1, 2010, which resulted the recording of $51,000 consulting fees. $45,000 was recorded as consulting fees for the financial consulting services that a consultant provided to the Company. The Company also recorded a consulting fee of $6,741 for the geological services provided by a consultant to the Company and a consulting fee of $22,500 for to a consulting company for providing the Company with corporate marketing communications services.

Due to the Company being in its exploration stage, management foresees further increases in the Company's expenses during the coming year resulting from its exploration activities. These expenses are contingent upon the Company's ability to fund these projects through private placements and other forms of financing. In the event that the Company does not receive the required funding, management will review all on-going expenditures and take appropriate actions to remedy the funding shortage.

The remaining proceed resulted from the private placement closed in July 2010 will mainly be used for general and administrative expenses and expenses for evaluating mineral properties that may have the potential for further examination and development.

As at April 30, 2011, the Company has cash of $1,732,268 (July 31, 2010 - $173,817), GST/HST receivables of $21,554 (July 31, 2010 - $2,519), and accounts payable and accrued liabilities of $271,869 (July 31, 2010 - $37,141) for total working capital of $1,481,953 (July 31, 2010 –$139,195).

SUMMARY OF QUARTERLY RESULTS

The following table presents unaudited selected financial information for each of the last eight quarters:

	2011			2010				2009
	Qtr 3	**Qtr 2**	**Qtr 1**	**Qtr 4**	**Qtr 3**	**Qtr 2**	**Qtr 1**	**Qtr 4**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Revenue	-	-	-	-	-	-	-	-
Net Loss	(101,287)	(111,997)	(54,803)	(482,331)	(3,996)	(21,342)	(22,081)	(89,514)
Basic and diluted loss per share	(0.006)	(0.007)	(0.004)	(0.411)	(0.000)	(0.002)	(0.002)	(0.008)

Net Loss

The increase in quarterly losses for Quarter 2 and 3 comparing to Quarter 1 in fiscal 2011 were primarily the result of recognizing significant amounts of consulting fees, professional fees, project investigation fees and transfer agent fees and filling fees.

Overall, consulting fees, professional fees and filing transfer agent fees and filling fees are the major components that caused variances in net losses from quarter to quarter.

MINERAL PROPERTIES AND DEFERRED EXPLORATION EXPENDITURES

Suskwa Mineral Claims – Omineca Mining Division, British Columbia, Canada

On March 26, 2008, the Company obtained an assignment of an option agreement (the "Suskwa Option Agreement") to acquire an undivided 100% interest in two mineral claims called the Suskwa Mineral Claims, located in the Omineca Mining Division, BC.

The Suskwa Option Agreement, as amended by agreement dated November 17, 2008, requires total payments of $105,000 and the issuance of 600,000 common shares to CJL Enterprises Ltd. (the "Optionor", owned by Lorne Warren, a former director of the Company) over a period of four years. The Optionor retains a 2% Royalty. Exploration expenditures of $500,000 are required.

On March 28, 2008, the Company issued 100,000 common shares to the Optionor at a deemed price of $0.23 per share. On November 28, 2008, the Company issued 300,000 common shares to the Optionor at a deemed price of $0.10 per share.

The assignor, Canew Development Corp. (owned by James Newton, a former director of the Company), received $50,000 and 100,000 common shares from the Company on March 31, 2008 and March 28, 2008, respectively. The shares were issued at a deemed value of $0.23 per share.

The Optionor will receive an advance royalty of $20,000 and payable on September 30 of each year, commencing on September 30, 2011. The advance royalties will be credited to the royalty due on commencement of commercial production. Within 15 business days after the commencement of commercial production, the Company shall issue 200,000 common shares to the Optionor and pay 2% Royalty on minerals from the Suskwa Mineral Claims. 1% of the Royalty may be purchased at any time for a purchase price of $1,000,000.

On October 27, 2009, the Company entered into an amendment with the Optionor of Suskwa property to defer the cash portion of the property payment of $40,000 due on September 30, 2009 to September 30, 2010.

On November 20, 2009, the Company issued 100,000 common shares to the Optionor at a deemed price of $0.045 per share.

The payment, share issuance and exploration expenditure requirements are as follows:

	Date	Cash	Shares	Exploration Expenditures
Year 1	On September 30, 2007	$5,000 (*)		
	On March 31, 2008	$10,000 (*)		
	On March 28, 2008		100,000 (issued)	$ 50,000 (spent)
Year 2	On or before December 31, 2008	Nil	300,000 (issued)	$100,000 (spent)
Year 3	On September 30, 2009		100,000 (issued)	$100,000 (spent)
	On September 30, 2010	$40,000		
Year 4	On September 30, 2010	$50,000	100,000	$250,000

* Paid by assignor.

During the year ended July 31, 2010, the Company received a B.C. Mineral Exploration tax credit of $100,936.

On September 29, 2010, the Company decided to terminate the Suskwa Option Agreement and returned the claims to the Optionor. As the result, the remaining outstanding option obligations were not fulfilled. The Company wrote off all the related exploration expenditures and acquisition costs of the Suskwa property in fiscal year 2010. As a condition to terminate the option agreement, the Company paid $12,000 to the Optionor on October 4, 2010 and the Optionor agreed to release the Company from leaving the claims in good standing for a period of at least 12 months from the date of termination. The Company wrote off this amount at the quarter ended October 31, 2010.

Lake Victoria Mineral Claims, Tanzania, East Africa

On March 21, 2011, the Company signed four letter of intents with the Lake Victoria Mining Company Inc. proposing the right for the Company to acquire up to an undivided 70% interest in the following four projects, North Mara Gold Project, Kalemela Gold Project, Singida Gold Project and Geita Gold Project (collectively the "Properties") located in Lake Victoria Greenstone Belt in Tanzania, East Africa.

LIQUIDITY AND CAPITAL RESOURCES

The Company has financed its operations to date through the issuance of common shares. The Company will continue to seek capital through the issuance of common shares and/or debt. The Company's operating, investing and financing activities for the nine months ended April 30, 2011 resulted in a net cash increase of $1,558,451. As at April 30, 2011, the Company's current assets include cash of $1,732,268 and HST receivables of $21,554 and the Company's current liabilities include accounts payable and accrued liabilities of $271,869. The current liabilities and accounts payable mainly include $100,000 of subscription fund to be refunded to one of the subscribers of the non brokered provide placement that was announced on March 30, 2011, $24,500 consulting fees owed to a director and $30,400 owed to two consulting firms and $24,864 of legal fees.

	As at April 30, 2011	As at July 31, 2010
Working capital	$1,481,953	$139,195
Deficit	$ (1,729,013)	$ (1,460,926)

The Company will continue to require funds for future property acquisitions and exploration work as well as to meet its ongoing day-to-day operating requirements and will have to continue to rely on equity and debt financing. The Company's capital resources are largely determined by the strength of the junior resource markets and by the status of the Company's projects in relation to these markets, and its ability to compete for investor support of its projects. There can be no assurance that financing, whether debt or equity, will always be available to the Company in the amount required at any particular period or if available, that it can be obtained on terms satisfactory to the Company.

OFF BALANCE SHEET ARRANGEMENTS

To the best of management's knowledge, there are no off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company.

RELATED PARTY TRANSACTIONS

For the period ended April 30, 2011, the Company has paid management consulting fees of $11,500 (April 30, 2010 - $Nil) to the director of the Company for providing corporate management services (the "Management Services") and accrued $9,500 (April 30, 2010 - $Nil) to a company owned by a director of the Company for providing corporate communication services (the "Corporate Communication Services").

For the period ended April 30, 2011, the Company has paid consulting fees of $7,500 (April 30, 2010 - $Nil) and accrued $7,500 (April 30, 2010 - $Nil) to a consulting firm affiliated to a director of the Company.

On June 1, 2010, the Company entered into a consulting services agreement with the Company's CEO and director for providing corporate Management Services. The term of agreement is 24 months beginning June 1, 2010 and the Company will pay $2,500 plus applicable taxes per month for the management services provided. On April 1, 2011, the Company and the Company's CEO and director have cancelled the consulting services agreement signed on June 1, 2010 and entered into a new consulting services agreement. The term of the new consulting services agreement is 36 months beginning April 1, 2011 and the Company will pay $6,500 plus applicable taxes per month for the management services provided.

On June 1, 2010, the Company entered into a consulting services agreement with TransMax Investing, a company owned by a director of the Company, for providing Corporate Communication Services. The term of agreement is 24 months beginning June 1, 2010 and the Company will pay $2,500 plus applicable taxes per month for the Corporate Communication Services provided. On April 1, 2011, the Company and the director have cancelled the consulting services agreement signed on June 1, 2010 and entered into a new consulting services agreement. The term of the new consulting services agreement is 36 months beginning April 1, 2011 and the Company will pay $4,500 plus applicable taxes per month for the management services provided.

On June 1, 2010, the Company entered into an advisory agreement (the "Advisory Agreement") with a consulting firm to provide accounting and administrative services (the "Advisory Services"). The term of agreement is 12 months and the Company will be charged $5,000 cash fee plus applicable taxes per month for the Advisory Services provided. On June 1, 2011, the monthly Advisory Services fee was increased to $15,000 per month plus applicable taxes.

These transactions were conducted in the normal course of operations, on commercial terms established and agreed to by the related parties, and were recorded at the exchange amount.

PROPOSED TRANSACTIONS

The Company does not currently have any proposed transactions approved by the Board of Directors. All current transactions are fully disclosed in the financial statements for the quarter ended April 30, 2011.

SIGNIFICANT ACCOUNTING POLICIES

All significant accounting policies are fully disclosed in Note 2 of the financial statements for the quarter ended April 30, 2011.

Recent Accounting Pronouncements

In January 2009, the CICA issued Section 1582 "Business Combinations" to replace Section 1581. Prospective application of the standard is effective January 1, 2011, with early adoption permitted. This new standard effectively harmonizes the business combinations standard under Canadian GAAP with International Financial Reporting Standards ("IFRS"). The new standard revises guidance on the determination of the carrying amount of the assets acquired and liabilities assumed, goodwill and accounting for non-controlling interests at the time of a business combination.

The CICA concurrently issued Section 1601 "Consolidated Financial Statements" and Section 1602 "Non-Controlling Interests" which replace Section 1600 "Consolidated Financial Statements. Section 1601 provides revised guidance on the preparation of consolidated financial statements and Section 1602 addresses accounting for non-controlling interests in consolidated financial statements subsequent to a business combination. These standards are effective January 1, 2011, unless they are early adopted at the same time as Section 1582 "Business Combinations".

In January 2009, the CICA issued EIC Abstract 173, "Credit Risk and the Fair Value of Financial Assets and Financial Liabilities". The EIC requires the Company to take into account the Company's own credit risk and the credit risk of the counterparty in determining the fair value of financial assets and financial liabilities, including derivative instruments. The abstract applies to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2010. There was no impact on the adoption of this standard.

In December 2009, the CICA issued EIC 175, Multiple Deliverable Revenue Arrangements, replacing EIC 142, Revenue Arrangements with Multiple Deliverables. This abstract was amended to: (1) provide updated guidance on whether multiple deliverables exist, how the deliverables in an arrangement should be separated, and the consideration allocated; (2) require, in situations where a vendor does not have vendor specific objective evidence ("VSOE") or third-party evidence of selling price, that the entity allocate revenue in an arrangement using estimated selling prices of deliverables; (3) eliminate the use of the residual method and require an entity to allocate revenue using the relative selling price method; and (4) require expanded qualitative and quantitative disclosures regarding significant judgments made in applying this guidance.

The accounting changes summarized in EIC 175 are effective for fiscal years beginning on or after January 2011, with early adoption permitted. Adoption may either be on a prospective basis or by retrospective application. If the Abstract is adopted early, in a reporting period that is not the first reporting period in the entity's fiscal year, it must be applied retroactively from the beginning of the Company's fiscal period of adoption

The Company is currently assessing the future impacts of these amendments on its financial statements and has not yet determined the timing and method of its adoption.

The Canadian Accounting Standards Board ("AcSB") has set January 1, 2011 as the date for publicly listed companies to adopt International Financial Reporting Standards ("IFRS"). Accordingly, IFRS compliant financial statements for the Company will be required for the first quarter of 2012. Comparative figures presented in these financial statements are also required to comply with IFRS.

The Company's conversion plan to transition from Canadian GAAP to IFRS consists of three phases:

- Phase 1 (scoping and diagnostic) – A preliminary diagnostic review which included the determination, at a high level, of the financial reporting differences and options under IFRS and the key areas that may be impacted with completion expected in the first half of fiscal year 2011.

- Phase 2 (Impact, analysis, quantification and evaluation) – In this phase, the Company will perform a detailed assessment and technical analysis of each area identified from Phase 1 that will result in the conclusion of IFRS transitional adjustments, decisions on accounting policy choices and the drafting of accounting policies. The Company has started this second phase with completion expected in the second half of fiscal year 2011.

- Phase 3 (Implementation phase) – This phase includes the collection of financial information necessary to compile IFRS compliant financial statements and the preparation of the opening balance sheet as at August 1, 2011 and will be carried out in the second half of fiscal year 2011.

Based on the review in Phase 1 and Phase 2, a number of key accounting areas were identified where IFRS differs from current GAAP, which are expected to have an impact on the Company's financial statements. These key areas are explained below. It would appear that IFRS will require more extensive disclosure and analysis of balances and transactions in the notes to the financial statements. The Company's review has not identified significant impact on its accounting processes, financial reporting systems and controls.

IFRS 1, First-time Adoption of IFRS

IFRS 1 provides entities adopting IFRS for the first time with a number of optional exemptions and mandatory exceptions, in certain areas, to the general requirement for full retrospective applications of IFRS. The purpose of the options is to provide relief to companies and simplify the conversion process by not requiring them to recreate information that may not exist or may not have been collected at the inception of the transaction. We have analyzed the various exemptions available and are working towards implementing those most appropriate in our circumstances.

Mineral Properties, Exploration and Development Costs

IFRS currently allows exploration and evaluation expenses to be either capitalized or expensed. The Company expects to continue to capitalize its exploration and evaluation expenses.

Impairment of Mineral Properties

Canadian GAAP provides for a two step test with no impairment being required if the undiscounted future expected cash flows relating to an asset are higher than the carrying value of that asset. Under IFRS, the undiscounted cash flows are not considered and an impairment is recorded when the recoverable amount (defined as the higher of 'value in use' and 'fair value less costs to sell') is below the asset's carrying value.

The Company will be required to adopt the discounted future cash flow approach with respect to impairment analysis of its mineral properties. Impairment under this approach may generate a greater likelihood of write-down in the future.

Write-down to net realizable value can be reversed under IFRS if the conditions of impairment cease to exist. This difference in approach between Canadian GAAP and IFRS could result in potentially significant volatility in earnings.

Asset Retirement Obligations

IFRS defines asset retirement obligations ("ARO") as legal or constructive obligations. Under IFRS, ARO is calculated using a current pre-tax discount rate (which reflects current market assessment of the time value of money and the risk specific to the liability) and is revised every reporting period to reflect changes in assumptions or discount rates. Under Canadian GAAP, ARO is calculated using a current credit-adjusted, risk-free rate for upward revisions and the original credit-adjusted, risk-free rate for downward revisions. The original liability is not adjusted for changes in current discount rate. The change in calculation of ARO and the discounting process will likely generate some changes in the other value of ARO on transition.

Stock-Based Compensation

Under IFRS, each instalment is to be treated as a separate share option grant with graded-vesting features, forfeitures are to be estimated at the time of grant and revised if actual forfeitures are likely to differ from previous estimates and options granted to parties other than employees are measured on the date the goods or services received. The concept of employees and others providing similar services under IFRS is a broader concept under IFRS. The Company is currently recording its stock-based compensation expenses on a straight line basis over the vesting period and forfeitures as they occur. The transition to IFRS would likely result in more variability in the compensation expenses.

Other IFRS Considerations

The conversion to IFRS will impact the way the Company presents its financial results. The first financial statements prepared using IFRS, the Company's interim financial statements for the three months ended October 31, 2011, will include extensive notes disclosing transitional information and disclosure of all new, IFRS-compliant and accounting policies.

The Company has obtained an understanding of IFRS from training from its consultant who has experience in preparing financial statements under IFRS.

The Company has evaluated the impact of the conversion on its accounting systems and has determined that the impact should not be significant.

In addition, the Company will evaluate its internal and disclosure control processes as a result of its conversion to IFRS, assess the impacts of adopting IFRS on its contractual arrangements to identify any material compliance issues such as debt covenants and other commitments and consider the impacts the transition will have on its internal planning process and compensation arrangements. Management is currently undergoing this process.

The Company continues to monitor IFRS standards development as issued by the International Accounting Standard Board and the regulators which may affect the timing, nature and disclosure of the Company's adoption of IFRS.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates. Areas requiring significant management estimates relate to the determination of impairment of mineral properties, expected tax rates for future income tax recoveries, fair value of stock-based payments and useful lives for amortization of long-lived assets.

CHANGES IN ACCOUNTING POLICIES

Stock-based Compensation

The Company changed its accounting policy for awards of stock based compensation granted to the Company's officers, directors, employees and consultants with a graded vesting schedule. Prior to August 1, 2010, the fair value of stock options with a graded vesting schedule was recognized as compensation expense and a credit to Contributed surplus on a straight line basis over the applicable vesting period. Effective August 1, 2010, the fair value of stock options with a graded vesting schedule is determined based on different expected lives for the options that vest each year, as it would be if the award is viewed as several separate awards, each with a different vesting date, and it is accounted for on that basis. The new accounting policy provides more reliable and relevant information because it more closely reflects the substance of the expected lives of each option or unit of award.

The impact of the change in accounting policy for awards granted to the Company's officers, directors, employees and consultants with a graded vesting schedule was immaterial to the current or any prior periods and therefore was not adjusted

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

a) Categories of Financial Assets & Liabilities

In accordance with Canadian generally accepted accounting principles, financial instruments are classified into one of the five following categories: held-for-trading, held-to-maturity investments, loans and receivables, available-for-sale financial assets and other financial liabilities. Cash is designated as held-for-trading and its carrying value approximates fair value. Interests receivable is classified as loans and receivables and its carrying value approximates fair value due to its limited time to maturity. Accounts payable and accrued liabilities are classified as other financial liabilities and their carrying value approximates fair value due to their limited time to maturity.

Amended CICA section 3862 establishes a fair value hierarchy that reflects the significance of inputs used in making fair value measurements as follows:

Level 1 - quoted prices in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly
(i.e. as prices) or indirectly (i.e. from derived prices); and

Level 3 - inputs for the asset or liability that are not based upon observable market data.

At April 30, 2011, the following table sets forth the levels in the fair value hierarchy into which the Company's financial assets and liabilities are measured and recognized in the balance sheet. Assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

		April 30, 2011	**July 31, 2010**
Cash and cash equivalents	Level 1	$1,732,268	$173,817
Accounts payable and accursed liabilities	Level 1	$271,869	$37,141

The Company has determined the estimated fair values of its financial instruments based upon appropriate valuation methodologies. At April 30, 2011, there were no financial assets or liabilities measured and recognized in the balance sheet at fair value that would be categorized as Level 2 or Level 3 in the fair value hierarchy previously noted.

The Company's financial instruments are exposed to certain financial risks, including credit risk, liquidity risk and interest risk.

Credit risk
The Company's cash is held at a Canadian financial institution. The Company does not have any asset-backed commercial paper included in cash.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages liquidity risk through the management of its capital structure.

Accounts payable and accrued liabilities are classified as current and the Company intends to settle these with funds from its working capital position.

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of the cash is limited because of its short-term investment nature.

Currency risk
As at April 30, 2011, the Company does not believe its overall exposure to currency risk for its obligations denominated in United States dollars is significant.

OTHER MD&A DISCLOSURE REQUIREMENTS

Disclosure of Outstanding Share Data

The following information relates to share data of the Company as at the date of this MD&A.

Share capital

As at the date of this MD&A, the Company had one class of share capital, being common shares without par value, of which 34,920,775 were issued and outstanding.

Warrants

As at the date of this MD&A, the Company has 8,503,551 warrants outstanding.

Options

As at the date of this MD&A, the Company has 2,750,000 options outstanding.

Additional Disclosure For Junior Issuers

The Company has expensed the following material cost components:

	Quarter Ended April 30, 2011 $	Quarter Ended April 30, 2010 $
Consulting Fees	59,648	(16,000)
Professional Fees	25,734	9,709

Project Investigation Fees	3,680	-

Consulting fees incurred during the quarter ended April 30, 2011 totalling $59,648 (April 30, 2010 – ($16,000)) were mainly paid to the consultants of the Company as a result of contracts entered into in fiscal 2010 for providing management and administrative consulting services. The transactions were conducted in the normal course of operations, on commercial terms established and agreed to by the related parties, and were recorded at the exchange amount.

Professional fees incurred during the quarter ended April 30, 2011 totalling $25,734 (April 30, 2010 - $9,709) were paid for corporate related legal services and accounting services.

Project investigation fees incurred during the quarter ended April 30, 2011 totalling $3,680 (April 30, 2010 - $Nil) were mainly paid for the expenses incurred when the Company was actively seeking new mineral properties with the potential to add significant value to the Company.

RISKS AND UNCERTAINTIES

Resource exploration is a speculative business and involves a high degree of risk. There is no certainty that the expenditures made by the Company in the exploration of properties will result in discoveries of commercial quantities of minerals. Exploration for mineral deposits involves risks which even a combination of professional evaluation and management experience may not eliminate. Significant expenditures are required to locate and estimate ore reserves, and further the development of the property. Capital expenditures to bring a property to a commercial production stage are also significant. There is no assurance the Company has, or will have, commercially viable ore bodies. There is no assurance that the Company will be able to arrange sufficient financing to bring ore bodies into production. The following are some of the risks to the Company, recognizing that it may be exposed to other additional risks from time to time.

- Limited business history of the Company, including lack of revenues and no assurance of profitability
- Dependence on key management personnel
- Reliance on availability and performance of independent contractors
- Challenges by other unknown parties to property title
- Environmental issues
- Federal and provincial political risk
- Commodity price risk
- Financial markets
- Foreign jurisdictions

The Company is diligent in minimizing exposure to business risk, but by the nature of its activities and size, will always have some risk. These risks are not always quantifiable due to their uncertain nature. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, then actual results may vary materially from those described on forward-looking statements.

SUBSEQUENT EVENTS

On May 6, 2011, the Company entered into four option agreements (the "Option Agreements") with Lake Victoria, whereby Lake Victoria has granted the Company the right to acquire up to an undivided 70% interest in and to certain primary mineral licenses and prospecting licenses owned by Lake Victoria known as the Singida Gold Project, North Mara Gold Project, Kalemela Gold Project and Geita Gold Project. Upon completion of the Option Agreements, the Company issued 1,000,000 common shares at a price of $0.45 per share to two finders on May 20, 2011.

On May 9, 2011, the Company closed a private placement. The private placement consisted of issuance of 15,065,775 units at a price of $0.45 per unit, for gross proceeds of $6,779,599. Each unit consists of one common share and one-half of one share purchase warrant. Each whole warrant entitles the holder thereof to purchase one additional common share of the Company at a price of $0.65 per share for a period of two years from the closing date of the private placement. As at April 30, 2011, the Company had received $1,614,462 subscriptions related to the private placement.

On May 11, 2011, the Company entered into an investor relations agreement with a consultant for providing investor relations services. The agreement commenced on May 11, 2011 and will expire on Nov 11, 2011. The Company agrees to pay the consultant 6 monthly payments of $4,250 plus applicable taxes as compensation for the investor relations services.

On May 11, 2011, the Company has granted 2,650,000 options to the officers, directors and consultants of the Company pursuant to the Company's Stock Option Plan. The options are exercisable at $0.46 per share and will expire on May 11, 2016.

On May 16, 2011, the Company has granted 100,000 options to a consultant of the Company pursuant to the Company's Stock Option Plan. The options are exercisable at $0.46 per share and will expire on May 16, 2016.

On May 20, 2011, the Company has retained Lake Victoria Mining Company Inc. to carry out the exploration expenditures through its wholly owned Tanzanian subsidiary company, Lake Victoria Resources Ltd. Lake Victoria Resources Ltd. will receive a 12% management fee for all exploration services to be conducted.

On June 6, 2011, the Company appointed Steven M. Green as the President of the Company.

ADDITIONAL INFORMATION

Additional information about the Company is available for viewing on SEDAR at www.sedar.com.