Management's Discussion and Analysis of the Unaudited Condensed Interim Consolidated Financial Statements
For the three and nine month periods ended September 30, 2011

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MINSUD RESOURCES CORP.
MANAGEMENT'S DISCUSSION & ANALYSIS
For the three and nine month periods ended September 30, 2011

INTRODUCTION

The following is Management's Discussion and Analysis ("MD&A") of the financial condition and results of operations of Minsud Resources Corp. (the "Corporation") to enable a reader to assess the financial condition and results of operations of the Corporation for the three and nine month periods ended September 30, 2011.

This MD&A has been prepared as at November 29, 2011 unless otherwise indicated.

This MD&A should be read in conjunction with the Corporation's unaudited condensed interim consolidated financial statements for the nine months ended September 30, 2011 (the "Financial Statements"), including the related note disclosure. The Financial Statements are presented on a consolidated basis and include the accounts of its wholly-owned subsidiary Minsud Argentina Inc. ("MAI"), and MAI's subsidiary Minera Sud Argentina S.A. ("MSA"), an Argentinean company in which MAI has a 97.3% ownership interest. The Financial Statements are prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS"). All dollar figures included therein and in the following MD&A are expressed in Canadian dollars unless otherwise indicated.

The Corporation's head office and principal business address is 56 Temperance Street, Suite 200, Toronto, Ontario M5H 3V5. The Corporation is a reporting issuer in the provinces of British Columbia, Alberta and Ontario and trades on the TSX Venture Exchange (the "Exchange"), under the symbol MSR. Additional information relevant to the Corporation's activities, including press releases, can be found on SEDAR at www.sedar.com.

MANAGEMENT'S RESPONSIBILITIES FOR FINANCIAL REPORTING

The Financial Statements have been prepared by management in accordance with IFRS and have been approved by the Corporation's board of directors (the "Board"). The integrity and objectivity of these Financial Statements are the responsibility of management. In addition, management is responsible for ensuring that the information contained in the MD&A is consistent where appropriate, with the information contained in the Financial Statements.

The Financial Statements may contain certain amounts based on estimates and judgments. Management has determined such amounts on a reasonable basis to ensure that the Financial Statements are presented fairly in all material respects.

The Board is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The Board carries out this responsibility principally through its audit committee. The members of the audit committee are appointed by the Board and have sufficient financial expertise to assume this role with the Corporation. The majority of the audit committee members are not involved in the Corporation's daily operations.

CAUTIONARY NOTE

This document contains or refers to forward-looking information. Such forward-looking information includes, among other things, statements regarding targets, estimates and/or other conditions, and is based on current expectations that involve a number of business risks, uncertainties and assumptions.

Factors that could cause the Corporation's actual results to differ materially from any forward-looking statements include, but are not limited to: delay in obtaining permits and environmental impact report ("EIR") approvals, failure to find an economically viable mineral deposit, the grade and recovery of ore which is mined varying from estimates; exploration and development costs varying significantly from estimates; inflation; fluctuations in commodity prices; delays in development of any project caused by unavailability of equipment, labour or supplies, climatic conditions or otherwise; failure to raise additional funds required to finance the completion of a project and other factors.

Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. These forward-looking statements are made as of the date hereof and the Corporation assumes no responsibility to update them or revise them to reflect new events or circumstances, except as required by law.

CORPORATE OVERVIEW

Principal Business and Corporate History

Minsud Resources Corp. (TSX.V MSR)

The Corporation, formerly Rattlesnake Ventures Inc. ("Rattlesnake"), was incorporated under the *Ontario Business Corporations Act* ("OBCA") on October 11, 2007. The Corporation was formerly a "Capital Pool Company" ("CPC"), as defined in Exchange Policy 2.4.

1830835 Ontario Inc.

1830835 Ontario Inc. ("CPC Subco"), a wholly-owned subsidiary of Rattlesnake, was incorporated under the OBCA by articles of incorporation dated July 21, 2010, solely for the purposes of completing a Qualifying Transaction (see "Completed Qualifying Transaction and Brokered Offering" below).

Minsud Resources Inc.

Minsud Resources Inc. ("MSR") was a private company incorporated under the OBCA on August 12, 2010.

Minsud Argentina Inc:

MSR changed its name to MAI after the amalgamation with the CPC Subco to form Amalco (See "Completed Qualifying Transaction and Brokered Offering" below).

Minera Sud Argentina S.A.

MSA is a private Argentinean company focused on the business of mineral and resource exploration and development in Argentina and is a party to Exploration and Purchase Option Agreements for each of the Chita, Brechas Vacas and Minas de Pinto properties and holds a claim on the Chita II properties located in the San Juan Province of Argentina as described in the independent technical report dated October 27, 2010 and amended on February 15, 2011, entitled "Technical Review on the Chita Valley Project" by Velasquez Spring, P. Eng., of Watts, Griffis and McOuat (The "NI 43-101 Report"). This document was prepared for the Corporation and can be found on SEDAR at www.sedar.com.

Completed Qualifying Transaction and Brokered Offering

Pursuant to a definitive transaction agreement dated April 27, 2011, between the Corporation, MSR and MSA, the Corporation acquired all of the issued and outstanding MSR shares by way of a three cornered amalgamation, on May 10, 2011, resulting in the amalgamation of MSR and CPC Subco, to form MAI (the "Minsud Transaction" or "Qualifying Transaction").

Although the Minsud Transaction resulted in MSR becoming a wholly-owned subsidiary of the Corporation, the Minsud Transaction constituted a reverse take-over of the Corporation inasmuch as the former shareholders of MSR, together with the subscribers of the Brokered Offering, as defined below, became owners of a majority of the outstanding shares of the Corporation.

Prior to the completion of the Minsud Transaction, MSR entered into a definitive agreement with the shareholders of MSA, pursuant to which the shareholders of MSA exchanged, on the closing date, a sufficient amount of their shares of MSA, which amounted to a total of 10,852,000 shares, for 15,000,000 shares of MSR so that after the completion of such exchange, MSR became the owner of 10,309,400 (95%) of the total number of issued and outstanding shares of MSA (the "MSA Swap").

Upon completion of the MSA Swap, the Corporation entered into a put and call option agreement with respect to the remaining 542,600 shares of MSA (representing 5% of the total number of issued and outstanding shares of MSA) which included an irrevocable covenant to not divest or encumber such shares. The put and call option agreement allowed the remaining 542,600 shares of MSA to be exchanged at the same ratio used for the MSA Swap (790,000 common shares of the Corporation) at the option of either party, at any time.

The Minsud Transaction was completed contemporaneously with a brokered equity offering (the "Brokered Offering"). MSR received gross proceeds of $5,509,000 for the subscription of 13,772,500 units (the "Private Placement Units"). Each Private Placement Unit contained one common share and one non-transferrable common share purchase warrant (the "Warrants") with each Warrant entitling the holder thereof to purchase one common share at $0.60 per share for a period of 24 months from the close of the Minsud Transaction.

In connection with the Brokered Offering, the Corporation incurred costs of $645,564, of which $207,251 was allocated to warrant issuance costs and $438,313 was allocated to common share issuance costs. The Corporation also issued 919,900 Broker Warrants to a broker (the "Broker Warrants") with a fair value of $137,985 (included in total costs above). Each Broker Warrant entitles the holder to purchase one Private Placement Unit, as described above, for $0.40 for a period of 24 months from the close of the Minsud Transaction.

The proceeds from the Brokered Offering will be used by the Corporation for exploration of the MSA properties and general working capital requirements.

Transaction Costs

The Corporation incurred total transaction costs of $1,421,458 in connection with the Minsud Transaction. Included in this amount is $550,042 of non-cash costs related to the effect of accounting for the Minsud Transaction and the fair value of common shares issued for services rendered in connection with the Minsud Transaction. The remainder of the transaction costs have been, or will be, paid in cash.

Additional MSA Share Subscription

During the period ended September 30, 2011, and subsequent to the close of the Minsud Transaction, MAI subscribed for an additional 9,148,000 common shares of MSA for consideration of $2,169,377. Following this transaction, MAI's ownership of MSA increased to 19,457,400 of the 20,000,000 issued and outstanding common shares, representing an ownership percentage of 97.3%. The remaining 542,600 shares are subject to a put and call option agreement as described previously.

Current Board Members

On May 10, 2011, the Corporation's Board resolved to appoint new members in order to replace certain Board members who had tendered their resignations. Subsequent to September 30, 2011, a member of the Corporation's Board resigned and was replaced by another individual.

As a result, the current Board members as of the date of this MD&A are Carlos Alberto Massa (President and Chief Executive Officer), Diego Eduardo Perazzo (Chairman), Alberto Francisco Orcoyen, Scott White and Howard Coates. Mr. Orcoyen and Mr. Coates are independent directors and, together with Mr. White, form the Corporation's audit committee.

DEVELOPMENTS DURING THE NINE MONTHS ENDED SEPTEMBER 30, 2011

Exploration Activities

Chita Valley Project

The Chita Valley Project consists of four contiguous properties including: the Brechas Vacas, Chita and Minas de Pinto mineral concessions (8,350 ha); and Chita II (4,500 ha) a claim application that is still pending for concession.

The Brechas Vacas, Chita and Minas de Pinto properties are controlled by Minsud Resources Corp. through three separate Exploration and Purchase Option Agreements held by its 97.3%-owned subsidiary MSA.

Details on different mining rights included in these Agreements can be found in the Title Opinion issued November 30, 2010 by De Pablos & Asociados (Dr. Horacio H. Piccinini) filed on SEDAR on May 20, 2011 as "Material document – English". Management has already requested an update on this report which is expected to be obtained before year end.

Brechas Vacas Property

On September 7, 2007, the Corporation, through its subsidiary MSA, entered into an Exploration Agreement including a Purchase Option (the "Brechas Vacas Agreement") with the owners of the mining properties identified as Proyecto Brechas Vacas, located 35 km from Iglesia in the Chita Valley, in the Province of San Juan, Argentina.

Pursuant to the Brechas Vacas Agreement, the owners granted to the Corporation the irrevocable and exclusive right to evaluate, prospect and explore the properties using any method, and at the Corporation's sole discretion. In addition to the exploration rights, the owners granted to the Corporation an irrevocable and exclusive option to purchase a 50% ownership interest in these properties pursuant to certain terms and conditions stated in the Brechas Vacas Agreement.

In exchange for the right to evaluate, prospect and explore the properties, the Corporation shall pay to the owners a series of staggered payments totalling US$240,000 ($263,568) within four years of the date of the Brechas Vacas Agreement, and which, as of December 31, 2010, had been paid in full.

Pursuant to the Brechas Vacas Agreement, the Corporation was required to spend a minimum of US $600,000 on the properties within three years after executing the agreement. As at December 31, 2010 this obligation had been met.

On September 6, 2011, MSA exercised its option to purchase a 50% ownership interest in these properties for consideration of US$210,000. The payment will be made concurrent to the transfer of 100% of the mining rights to a trust in which MSA will have a 50% beneficial interest. The trustee will be designated by MSA.

Pursuant to the exercise of the purchase option, the Corporation is entitled to increase its ownership interest in the properties to 75% as long as it contributes the funds required to produce a pre-feasibility study.

Pending favourable results of the pre-feasibility study, a Joint Venture Agreement will be executed and if the minority partner does not contribute in proportion to its interest and is diluted to less than a 10% interest on a lineal basis, the minority partner's interest shall turn into a 1.5% Net Smelter Return ("NSR"). The Corporation shall have the option to purchase a 0.75% NSR for consideration of US$750,000.

Chita Property

On September 28, 2006, the Corporation, through MSA, entered into an Exploration Agreement including a Purchase Option (the "Chita Agreement") with the owners of the mining properties identified as Proyecto Chita, located 30 km from Iglesia, in the Chita Valley, in the Province of San Juan, Argentina.

Pursuant to the Chita Agreement, the owners granted to the Corporation the irrevocable and exclusive right to evaluate, prospect and explore the properties using any method, and at the Corporation's sole discretion. In addition to the exploration rights, the owners granted to the Corporation an irrevocable and exclusive option to purchase a 100% ownership interest in these properties pursuant to certain terms and conditions stated in the Chita Agreement.

In exchange for the right to evaluate, prospect and explore the properties, the Corporation shall pay to the owners a series of staggered payments totalling US$200,000 within seven years of the date of the Chita Agreement. As at September 30, 2011, the Corporation had paid US$130,000 ($135,563) related to seven instalments as required by the Chita Agreement.

If the purchase option relating to the mining properties described above were to be exercised, the Corporation would be required to make a payment of US$350,000 at any time during the life of the agreement, but no later than August 31, 2014.

Pursuant to the Chita Agreement, the Corporation was required to spend US$30,000 and US$50,000 in the first and second years, respectively, after executing the agreement. As of September 30, 2011, these obligations have been met.

Minas de Pinto Property

On May 7, 2010, the Corporation, through MSA, entered into an Exploration Agreement including a Purchase Option (the "Minas de Pinto Agreement")with the owners of the mining properties identified under the name of Proyecto Minas de Pinto, located 30 km from Iglesia, in the Chita Valley in the Province of San Juan, Argentina.

Pursuant to the Minas de Pinto Agreement, the owners granted to the Corporation the irrevocable and exclusive right to evaluate, prospect and explore the properties using any method, and at the Corporation's sole discretion. In addition to the exploration rights, the owners granted to the Corporation an irrevocable and exclusive option to purchase a 100% ownership interest in these properties pursuant to certain terms and conditions stated in the Minas de Pinto Agreement.

In exchange for the right to evaluate, prospect and explore the properties, the Corporation shall pay to the owners a series of staggered payments totalling US$365,000 within four years of the date of the Minas de Pinto Agreement. As at September 30, 2011, the Corporation had paid US$40,000 ($40,866) related to the first and second instalments as required by the Minas de Pinto Agreement.

Subsequent to September 30, 2011, MSA paid a further instalment of US$75,000 in connection with the Minas de Pinto Agreement.

If the purchase option relating to the mining properties described above were to be exercised, the Corporation would be required to make a payment of US$1,635,000 at any time during the life of the agreement, but prior to November 7, 2014.

Geological Features:

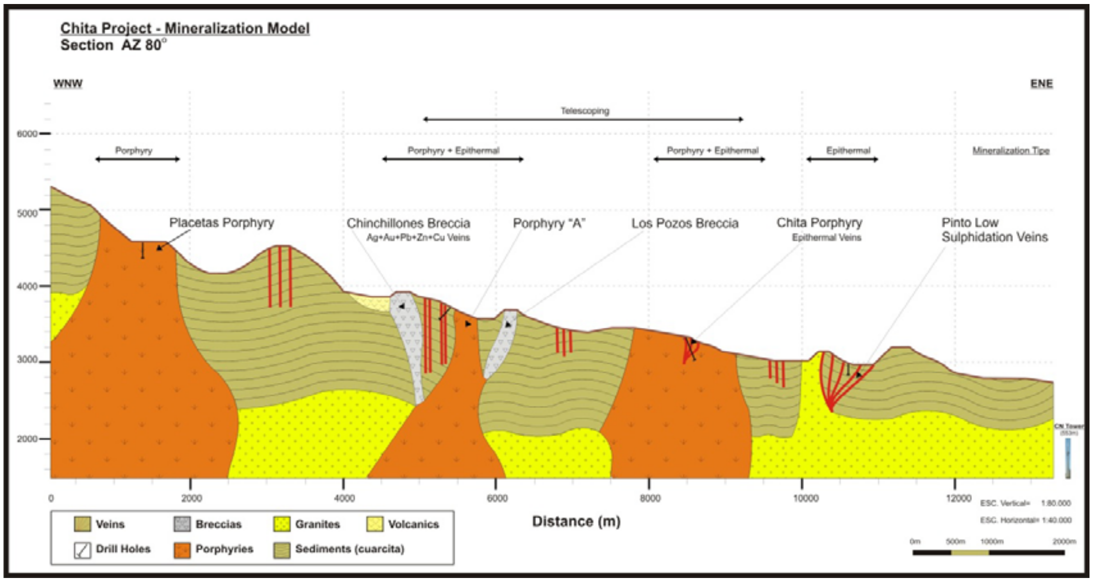
The Chita project is underlain by a large hydrothermal alteration system related to at least three separate porphyry intrusions; however less than 20% of the property has been systematically prospected and sampled.

The first documented exploration work started in 1968 by an Argentine government agency, the Direccion General de Fabricaciones Militares who drilled eight shallow diamond drill holes on porphyritic monzodiorite intrusives searching for a Cu-Mo porphyry type mineralized system. Subsequently the project was explored by Barlow Exploration (1989), Minas Argentinas (1995), Apex Silver (2006) and Rio Tinto (2008).

The Chita project is a large gold-silver-copper hydrothermal system (porphyry copper and low sulphidation epithermal system) located in the southern extension of the prolific El Indio - Veladero –

Pascua- Lama belt, hosting world class gold mines such as Veladero and Pascua-Lama (Barrick) and the Del Carmen project (Malbex Resources). Extensive low grade gold-silver-copper was discovered in hydrothermal breccias and altered granodiorite, high grade gold-silver-base metals were found on epithermal veins outside/inside of the porphyry system, showing evidence of overprinting and telescoping of mineralizating events. Drilling by previous groups was limited and very shallow in nature and many targets continue untested, especially at depth. The project has been only partially explored and has excellent potential for both structurally controlled mineralization (epithermal veins) and a porphyry style copper gold system.

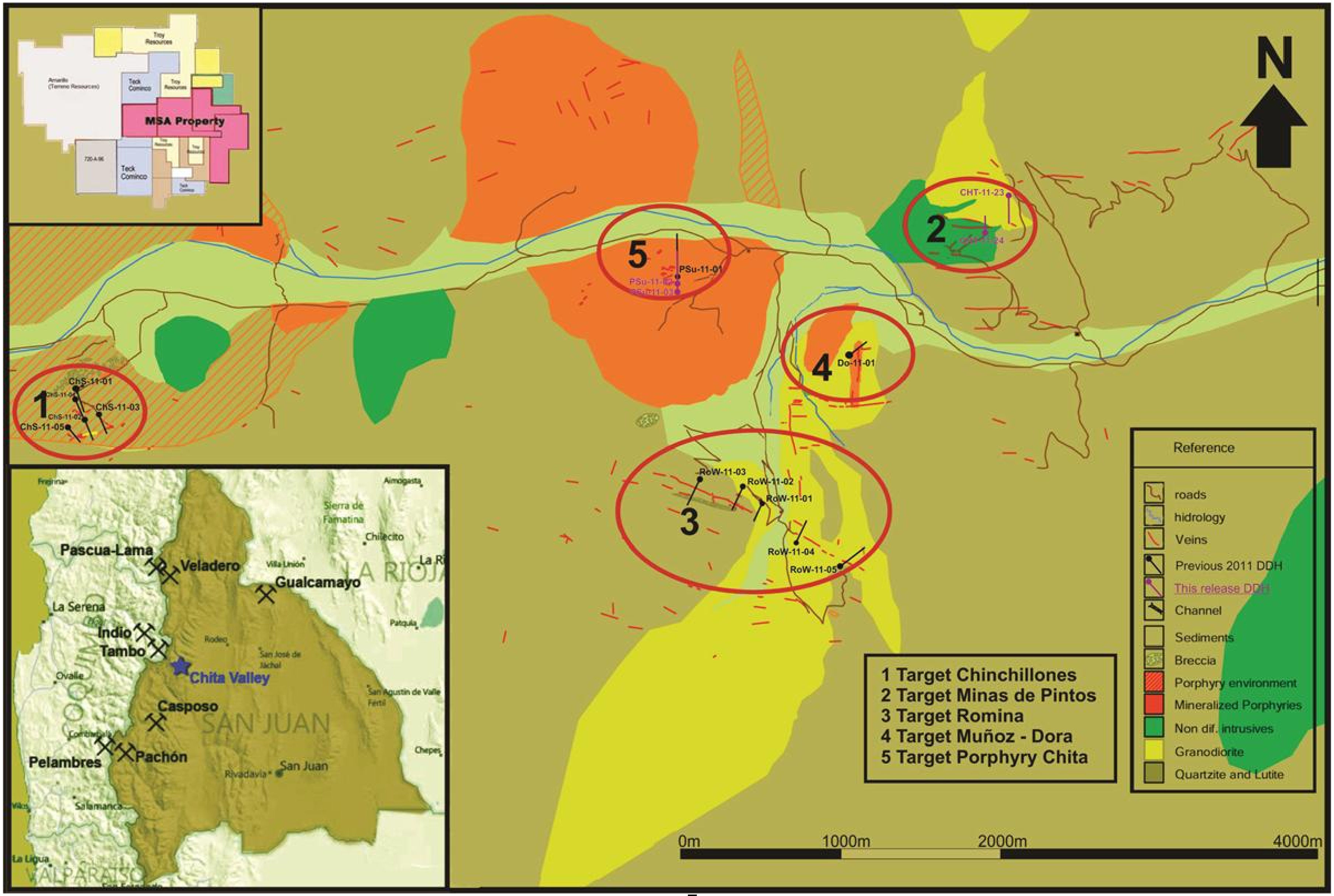
The following figure shows Chita Project mineralization model section AZ 80°:



On July 22, 2011 the Corporation announced the completion of 12 diamond drill holes with a cumulative length of 2,351.6 m, as described below:

1. Target Chinchillones: 915.0 m (five drill holes: ChS1101, ChS1102, ChS1103, ChS1104, ChS1105)
2. Target Romina: 1,044.6 m (five drill holes: RoW1101, RoW1102, RoW1103, Ro1104, Ro1105)
3. Target Muñoz-Dora: 81.0 m (one drill hole: DoM1101)
4. Target Porphyry Chita: 311.0 m (one drill hole: PSu1101)

A total 2,593 samples (including blanks and standards) were sent to the Alex Stewart (Assayers) Argentina S.A. laboratory in Mendoza, Argentina for multi-element analysis. This laboratory is internationally accredited and certified to ISO 9001 and ISO/IEC 17025 standards. All these samples were received and reported.



N
Troy Resources
Amarillo (Terreno Resources)
Teck Cominco
MSA Property
720-A-96
1
ChS-11-01
ChS-11-03
ChS-11-05
2
CHT-11-23
3
RoW-11-03
RoW-11-02
RoW-11-01
RoW-11-04
RoW-11-05
4
Do-11-01
5
PSu-11-01
Reference
roads
hidrology
Veins
Previous 2011 DDH
This release DDH
Channel
Sediments
Breccia
Porphyry environment
Mineralized Porphyries
Non dif. intrusives
Granodiorite
Quartzite and Lutite
1 Target Chinchillones
2 Target Minas de Pintos
3 Target Romina
4 Target Muñoz - Dora
5 Target Porphyry Chita
0m
1000m
2000m
4000m
Pascua-Lama
Veladero
Gualcamayo
La Serena
Indio
Tambo
Chita Valley
Casposo
Pelambres
Pachón
SAN JUAN
San Juan
LA RIOJA
Chilecito
Sierra de Famatina
Villa Unión
Rodeo
San José de Jáchal
Patquía
Ovalle
Rivadavia
Salamanca
La Ligua
VALPARAÍSO

The Corporation has designed and implemented a quality assurance/quality control (QA/QC) program for drilling programs conducted at its Projects. Diamond drill hole samples consist of HQ (63.5 mm diameter) size core that is sawn in half by electric saw on site. The quality assurance-quality control (QA/QC) program consists of the insertion in every 40 samples of at least two certified standard of known gold content, one blank (samples known to consist of very low levels of gold to ensure adequate cleaning of the sample preparation equipment between samples) and two field or lab duplicates. Samples of significant drill intercepts will be sent to an additional independent laboratory to verify gold and silver analyses. The half core remaining after sampling is retained on site for verification and reference purposes.

Drilling Results

On November 25, 2011, the Corporation announced the completion of its Phase I drilling program (total of 3,360.1 m drilled), at the Chita Valley Project.

This second drilling consisted of 4 diamond drill holes totaling 1,008.5 m distributed as follows (**see attached map**):

1. Target Porphyry Chita: 573.0 m (two drill holes: PSU-11-02 and PSU-11-03)

2. Target Minas de Pinto: 435.5 m (two drill hole: CHT-11-023 and CHT-11-024)

Subsequent to reception of geochemical results, management will perform an extensive evaluation of the Phase I drilling results, in order to define a future action plan to continue advancing the exploration on the Chita Valley Project.

Chita Porphyry

On September 6, 2011, the Corporation announced the interception of 11.33 g/t Gold over 3.0 m on the Chita Copper-Molybdenum Porphyry and strongly suggested a telescoped Porphyry-Epithermal System on Chita Valley project drill hole PSu1101 on Chita porphyry intersected gold-rich epithermal veins returning 3.0 m with 11.33 g/t gold and 29.02 g/t silver (including 1.0 m with 32.29 g/t Au and 36.10 g/t Ag); a wider interception of 6.0 m with 1.30 g/t Au and 67.0 g/t Ag (including 1.0 m with 2.29 g/t Au and 265.83 g/t Ag), and a long copper-molybdenum interval within an stockwork-style sericite+potassic alteration zone that stops due to a post-mineral breccia at the bottom of the drill hole, returning 98.0 m with 0.23% copper and 0.03% molybdenum. Drill hole PSU1101 also exhibits a long mineralized section returning 283.0 m averaging 0.13 % copper and 0.03 % molybdenum.

During November 2011, the Corporation drilled two additional holes, PSU1102 (252 m) and PSU1103 (321 m). A total of 636 samples including standard, blanks and duplicates were sent to Alex Stewart (Assayers) Argentina S.A. laboratory in Mendoza, Argentina for multi-element analysis. No assays have been received to date.

Chinchillones (Silver (±Au) and base metals mineralized corridor)

On September 14, 2011, the Corporation announced the intersection of 72.0 g/t Silver over 13.0 m in the Chinchillones target area at the Chita Valley project.

The Chinchillones target is silver (±Au) and base metals mineralized corridor (system of sheeted veins) striking NE hosted in Upper Carboniferous sandstones and shales. Within the northernmost part of the corridor drill hole ChS1104 intercepted 72.0 g/t silver and 0.23 g/t gold over 13.0 m and 393.0 g/t silver and 0.44 g/t gold over 1 m confirming the continuity up to 220 m depth of a mineralized section previously found by surface trenching and drill hole MSA08C over an area of 300 m long by 30 m wide. The veins are composed of crystalline, vuggy quartz often with comb-like structures infilled with sulphides and in some cases the vein structures are wider than 10 m with the individual veins three to four cm wide (locally up to 80 cm). Those thin veins were intersected in Chs1101 grading 105.0 g/t Ag, 0.18

g/t Au, 1.34 % Cu, 0.34% Pb, 1.56% Zn over 2 m, Ch1103 intersected 79.0 g/t Ag, 0.31 g/t Au, 0.13 % Cu, 6.71 % Pb, 20.45% Zn over 1 meter and CHS1105 intersected 136.0 g/t Ag, 0.40 g/t Au, 2.07 % Pb, 6.96 % Zn over 2 m.

Romina Vein (mineralized corridor silver, gold and copper rich veins**)**

On September 30, 2011, the Corporation announced the interception of 101.0 g/t silver and 3.2% copper over 4.0 m on the Romina corridor zone.

Drill hole Ro1104 collared in the 1,500 m long Romina mineralized corridor intercepted silver, gold and copper rich veins returning 4.0 m with 101 g/t silver, 0.83 g/t gold, and 3.20% copper hosted in altered granodiorite.

Minas de Pinto

During November 2011, the Corporation drilled two holes, CHT1123 (285 m) and CHT1124 (150 m). A total of 484 samples including standard, blanks and duplicates were sent to Alex Stewart (Assayers) Argentina S.A. laboratory in Mendoza, Argentina for multi-element analysis. No assays have been received to date.

Drilling Framework Agreement

As at September 30, 2011, the Corporation has made advance payments totalling $133,581 for exploration work to be performed in future periods in conjunction with phases I and II of the Corporation's drilling plan.

Work program going forward

The Corporation's plan for the fourth quarter of fiscal 2011 includes finishing assays QA/QC program including sending significant drill intercepts to another independent laboratory to verify gold and silver analyses, database compilation, historical GIS data to be compiled/validated under MINSUD database scheme, Target Minas de Pinto geological and 3D modeling.

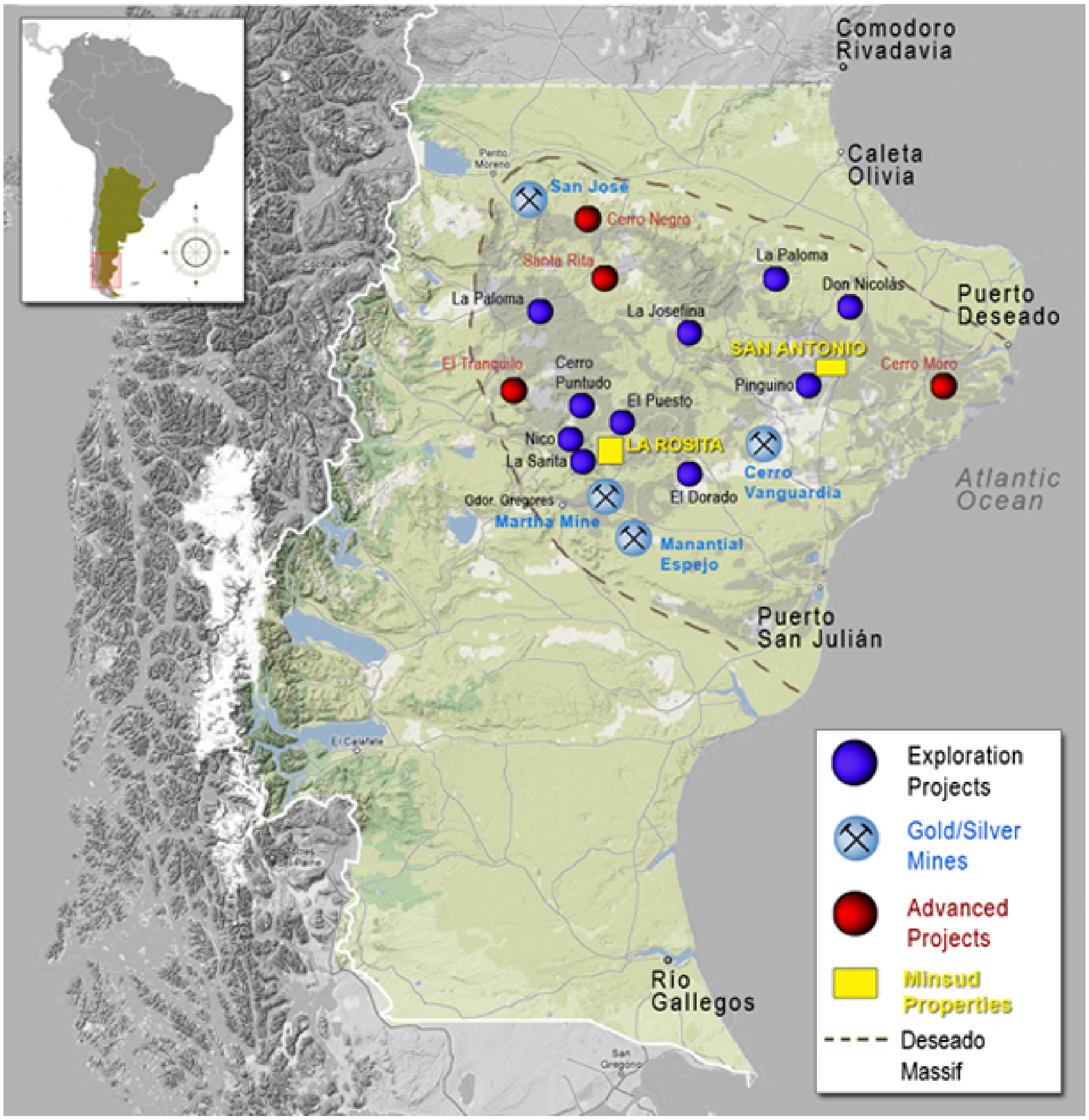
The purchase of a high definition satellite image (IKONOS or GEOYE) containing detailed topography to help mapping in detail the properties, commencing with Chita porphyry, Minas de Pinto and Chinchillones targets.

Santa Cruz Province:

Santa Cruz Province has four producing mines: Cerro Vanguardia Mine (AngloGold – Fomicruz), San Jose – Huevos Verdes Mine (Hochschild – Minera Andes), Martha Mine (Coeur d'Alene) and Manantial Espejo Mine (Pan American Silver). Additionally, several new projects are being readied for production and several others are advanced exploration projects in progress such as Cerro Negro (Goldcorp), Cerro Moro (Extorre), La Josefina (Hunt Mining), La Paloma (Minera IRL), El Tranquilo (Patagonia Gold), Joaquin-Santa Rita-Virginia (Mirasol Resources), Sierra Blanca and Las Calandrias (Mariana Resources), Pingüino (Argentex).

The Company has two early stage exploration projects in Santa Cruz province, La Rosita and San Antonio, both of which are located within the Area of Special Mining Interest delineated by the government of Santa Cruz, within the Deseado Massif.

An important issue in Santa Cruz is dealing with landowners to get permits to conduct exploration work over their farms. Landowners require monthly or yearly fees in order to allow exploration on their properties.



La Rosita Project

The La Rosita Project, a gold and silver project owned 100% by the Corporation, lies in the Jurassic (Chon-Aike Formation) of the Deseado Massif.

The project consists of mineral rights totaling an area of 9,971 ha., made up of the La Rosita granted claim (cateo) and two mining claims (Manifestación de descubrimiento or MDs) Alfa and Alfa II.

The project is located 50 km NE of the town of Gobernador Gregores, just 10 km NE away from Marta Mine (Coeur D'Alene) and 30 km from Manantial Espejo Mine (Panamerican Silver).

Basic exploration completed at La Rosita confirms the geology and mineralization favourable for epithermal gold-silver vein deposits similar in character and size to many of the other epithermal systems currently being exploited or developed in the Southern Patagonia region.

On May 2, 2011 Secretaría de Estado de Minería of Santa Cruz Province approved the Environmental Impact Report (EIR) filed by MSA for exploring the La Rosita claim and the mining concession requested within the limits of the claim, Alfa and Alfa II, not yet approved. MSA has requested permits to proceed with its trenches plan as well as potential drilling targets to perform the program.

On August 18 to 26, 2011 a ground magnetic survey was completed by AKUBRA S.A., an independent geophysical contractor based in Argentina. A total of 311.5 km were surveyed distributed in 89 lines oriented East-West at 50m line spacing with 2 North-South control lines 4.4 km long using portable magnetometers (GEMS Systems and GSM-19-Overhauser). The data is to be integrated with surface geology and geochemistry.

San Antonio Project

The San Antonio is a project owned 100% by the Corporation, located within the Area of Special Mining Interest of Santa Cruz Province.

The project consists of mineral rights totalling an area of 17,990 ha., made up of the San Antonio granted claim (cateo) and Santa Maria claim, registered but not yet granted, and three mining claims (Manifestación de descubrimiento or MDs) San Antonio I , II and III claimed within the conceded cateo but still pending for concession.

It is located half way between city of Gobernador Gregores and Pico Truncado, Santa Cruz province, 60 km away from Cerro Vanguardia (Anglogold –Ashanti) and 5 km away from Pinguino Project (Argentex). With excellent access, climate and physiography, this property is workable all year round.

The geological model is a typical epithermal system with clear geothermal features characterizing a "hot spring" environment.

The Corporation is dealing with land-owner permits for access to continue prospecting the property.

New Business Opportunities

Although no transactions are in progress currently, the Corporation will continue looking for growth through new project generation and selected acquisitions as well as project financing either by the way of Joint Venture partners or new access to capital markets.

SELECTED ANNUAL INFORMATION

The following selected financial data for the MSA's two most recently completed financial periods are derived from the audited financial statements of the Corporation which were prepared in accordance with IFRS-IASB.

	As at and for the Year Ended December 31, 2010 ($)	**As at and for the Year Ended December 31, 2009 ($)**
Other Income	10,236	1,277
Net loss for the period	(229,877)	(228,996)
Comprehensive loss for the period	(399,917)	(634,799)
Assets	2,004,394	1,574,629
Liabilities	43,744	21,439
Working Capital	145,114	281,551
Future Income Taxes	Nil	Nil
Share Capital	3,470,805	2,720,271
Shareholders' Equity	1,960,650	1,553,190

PROJECT EXPENDITURES

Project expenditures for the three month period ended September 30, 2011 are as follows:

Three months ended September 30, 2011	**Brechas Vacas ($)**	**Chita ($)**	**Minas De Pinto ($)**	**San Antonio ($)**	**La Rosita ($)**	**Other ($)**	**Total ($)**
Acquisition costs **(a)**	207,748	29,695	NIL	NIL	NIL	1,058	238,501
Drilling	(1,284)	(2,008)	NIL	NIL	NIL	NIL	(3,292)
Project Management	78,976	59,917	3,290	452	63,100	NIL	205,735
Road Construction	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Professional Fees	15,026	13,001	1,440	1,601	5,593	NIL	36,661
Topography	NIL	2,623	NIL	NIL	NIL	NIL	2,623
Travel and Lodging	5,648	8,836	NIL	109	13,747	NIL	28,340
Sampling	23,701	37,028	NIL	NIL	2,622	NIL	63,351
Geophysics	NIL	NIL	NIL	NIL	28,396	NIL	28,396
VAT Paid	5,682	9,130	133	148	7,747	NIL	22,840
Current Expenditures	**335,497**	**158,222**	**4,863**	**2,310**	**121,205**	**1,058**	**623,155**
Write-offs	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Currency Translation Adjustment	86,745	53,942	3,857	8,950	12,191	793	166,478
Balance – beginning of period	**1,290,435**	**851,140**	**66,741**	**163,223**	**111,929**	**13,635**	**2,497,103**
Balance – end of period	**1,712,677**	**1,063,304**	**75,461**	**174,483**	**245,325**	**15,486**	**3,286,736**

(a) See “Brechas Vacas Property” discussed previously

Project expenditures for the nine month period ended September 30, 2011 are as follows:

Nine months ended September 30, 2011	**Brechas Vacas ($)**	**Chita ($)**	**Minas De Pinto ($)**	**San Antonio ($)**	**La Rosita ($)**	**Other ($)**	**Total ($)**
Acquisition costs **(a)**	207,748	44,664	NIL	194	NIL	8,172	260,778
Drilling	198,717	280,716	NIL	NIL	NIL	NIL	479,433
Project Management	139,440	148,937	9,412	19,772	71,348	10	388,919
Road Construction	45,923	39,340	NIL	NIL	NIL	NIL	85,263
Professional Fees	51,121	39,291	2,449	8,243	7,793	NIL	108,897
Topography	NIL	2,623	NIL	NIL	NIL	NIL	2,623
Travel and Lodging	25,526	32,875	NIL	857	14,025	NIL	73,283
Sampling	25,960	45,145	NIL	NIL	10,429	NIL	81,534
Geophysics	NIL	NIL	NIL	NIL	28,396	NIL	28,396
VAT Paid	64,382	72,153	133	693	9,469	NIL	146,830
Current Expenditures	**758,817**	**705,744**	**11,994**	**29,759**	**141,460**	**8,182**	**1,655,956**
Write-offs	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Currency Translation Adjustment	23,780	27,002	(230)	(1,149)	5,369	285	55,057
Balance – beginning of period	**930,080**	**330,558**	**63,697**	**145,873**	**98,496**	**7,019**	**1,575,723**
Balance – end of period	**1,712,677**	**1,063,304**	**75,461**	**174,483**	**245,325**	**15,486**	**3,286,736**

(a) See "Brechas Vacas Property" discussed previously

Project expenditures for the three month period ended September 30, 2010 are as follows:

Three months ended September 30, 2010	**Brechas Vacas ($)**	**Chita ($)**	**Minas De Pinto ($)**	**San Antonio ($)**	**La Rosita ($)**	**Other ($)**	**Total ($)**
Acquisition costs	52,198	15,659	NIL	208	208	NIL	68,273
Drilling	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Project Management	27,684	3,016	8,749	1,369	5,666	NIL	46,484
Road Construction	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Professional Fees	39,295	1,244	1,208	527	1,316	NIL	43,590
Topography	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Travel and Lodging	7,228	NIL	NIL	87	(396)	NIL	6,919
Sampling	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Geophysics	NIL	NIL	NIL	NIL	NIL	NIL	NIL
VAT Paid	6,297	83	80	83	642	NIL	7,185
Current Expenditures	**132,702**	**20,002**	**10,037**	**2,274**	**7,436**	**NIL**	**172,451**
Write-offs	NIL	NIL	NIL	NIL	NIL	(5,755)	(5,755)
Currency Translation Adjustment	(6,573)	(991)	(497)	(113)	(368)	285	(8,257)
Balance – beginning of period	**755,411**	**300,117**	**26,290**	**141,293**	**32,679**	**12,449**	**1,268,239**
Balance – end of period	**881,540**	**319,128**	**35,830**	**143,454**	**39,747**	**6,979**	**1,426,678**

Project expenditures for the nine month period ended September 30, 2010 are as follows:

Nine months ended September 30, 2010	Brechas Vacas ($)	Chita ($)	Minas De Pinto ($)	San Antonio ($)	La Rosita ($)	Other ($)	Total ($)
Acquisition costs	72,646	25,883	20,704	208	208	789	120,438
Drilling	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Project Management	60,503	15,776	12,958	4,086	8,114	137	101,574
Road Construction	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Professional Fees	48,070	1,244	2,887	1,711	1,842	NIL	55,754
Topography	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Travel and Lodging	22,151	973	632	4,150	1,470	NIL	29,376
Sampling	NIL	NIL	NIL	NIL	118	NIL	118
Geophysics	NIL	NIL	NIL	NIL	NIL	NIL	NIL
VAT Paid	8,705	348	516	825	844	NIL	11,238
Current Expenditures	**212,075**	**44,224**	**37,697**	**10,980**	**12,596**	**926**	**318,498**
Write-offs	NIL	NIL	NIL	NIL	NIL	(5,755)	(5,755)
Currency Translation Adjustment	(78,626)	(29,951)	(1,867)	(13,870)	(3,406)	(920)	(128,640)
Balance – beginning of period	**748,091**	**304,855**	**NIL**	**146,344**	**30,557**	**12,728**	**1,242,575**
Balance – end of period	**881,540**	**319,128**	**35,830**	**143,454**	**39,747**	**6,979**	**1,426,678**

Brechas Vacas Property

During the three and nine month periods ended September 30, 2011, the Corporation spent $335,497 and $758,817 respectively on the exploration of the Brechas Vacas Property. These levels of expenditures represented significant increases of $202,795 and $546,742 over the expenditures of $132,702 and $212,075 incurred during the three and nine month periods ended September 30, 2010. The increases from the same periods of the prior year reflect the initiation of the phase I of the Corporation’s drilling plan, as outlined in the NI 43-101 Report.

Chita Property

During the three and nine month periods ended September 30, 2011, the Corporation spent $158,222 and $705,744 respectively on the exploration of the Chita Property. These levels of expenditures represented significant increases of $138,220 and $661,520 over the expenditures of $20,002 and $44,224 incurred during the three and nine month periods ended September 30, 2010. The increases from the same periods of the prior year reflect the initiation of the phase I of the Corporation's drilling plan, as outlined in the NI 43-101 Report.

Minas de Pinto Property

During the three and nine month periods ended September 30, 2011, the Corporation spent $4,863 and $11,994 respectively on the exploration of the Minas De Pinto Property. Total expenditures on the Minas De Pinto property were $10,037 and $37,697 for the three and nine month periods ended September 30, 2010. The decreases of $5,174 and $25,703 are the result of slightly reduced activity on this property as well as a payment of $20,704 related to the Corporation's Exploration Agreement during the nine month period ended September 30, 2010. The Corporation did not incur a payment of this nature, or actively explore the Minas De Pinto Property during the three and nine month periods ended September 30, 2011.

San Antonio Property

During the three and nine month periods ended September 30, 2011, the Corporation spent $2,310 and $29,759 respectively on the exploration of the San Antonio Property. These levels of expenditures represented increases of $36 and $18,779 over the expenditures of $2,274 and $10,980 incurred during the three and nine month periods ended September 30, 2010. The Corporation did not actively explore the San Antonio property during the three and nine month periods ended September 30, 2011.

La Rosita Property

During the three and nine month periods ended September 30, 2011, the Corporation spent $121,205 and $141,460 respectively on the exploration of the La Rosita Property. These levels of expenditures represented increases of $113,769 and $128,864 over the expenditures of $7,436 and $12,596 incurred during the three and nine month periods ended September 30, 2010. The increases in expenditures reflect initial planning and geophysical work undertaken by the Company during the three and nine month periods ended September 30, 2011.

OPERATING ACTIVITIES AND FINANCIAL PERFORMANCE

During the three and nine month periods ended September 30, 2011, the Corporation incurred expenditures of $241,282 and $2,128,076 respectively. Expenditures increased by $158,682 and $1,962,130 when compared to expenditures of $82,600 and $165,946 for the three and nine month periods ended September 30, 2010 respectively. The significant increases in total expenses are primarily the result of the completion of the Minsud Transaction and the increased costs associated with operating the new amalgamated entity.

As discussed previously, the Corporation incurred total transaction costs of $1,421,458 in connection with the Minsud Transaction completed during the nine months ended September 30, 2011. Included in these costs are professional and consulting fees, as well as the fair value of shares issued to a consultant for services rendered in connection with the Minsud transaction and other adjustments necessary to account for the Minsud Transaction. The Corporation did not incur any such costs in the nine month period ended September 30, 2010.

The Corporation also incurred professional and regulatory fees of $95,488 and $227,944 during the three and nine month periods ended September 30, 2011. These amounts include management salaries and fees paid for the services of the CEO and CFO, as well as general accounting, audit and legal fees. The Corporation did not incur any such expenses in the three and nine months ended September 30, 2010.

During the nine month period ended September 30, 2011, the Corporation granted 3,360,000 stock options to directors, officers, employees and service providers. The related stock-based compensation expense for the three and nine month periods ended September 30, 2011 were $131,323 and $305,526 respectively. The Corporation did not incur any stock-based compensation expense for the three and nine month periods ended September 30, 2010.

The Corporation incurred general and administrative expenses of $14,952 during the three month period ended September 30, 2011, representing a decrease of $68,008 from similar expenses of $82,600 for the three month period ended September 30, 2010. General and administrative expenses amounted to $173,269 for the nine month period ended September 30, 2011, an increase of $7,323 over general and administrative expenses of $165,946 incurred during the nine month period ended September 30, 2010.

The Minsud Transaction completed in May 2011 led to structural and operational changes such that the comparability of pre-Minsud Transaction periods and post-Minsud Transaction periods is impaired.

SELECTED QUARTERLY INFORMATION

The following table shows selected financial information related to the results of the Corporation´s most recent periods. The information contained in this table should be read in conjunction with the Corporation´s financial statements.

Fiscal Year	**2011**			**2010**			
For the quarters ended [1]	**Sep**	**Jun**	**Mar**	**Dec**	**Sep**	**Jun**	**Mar**
	$	$	$	$	$	$	$
Net Revenues	4,704	1,577	1,359	5,615	4,473	148	-
Net loss for the period	(236,578)	(1,794,210)	(89,648)	(68,552)	(78,127)	(37,724)	(45,474)
Comprehensive loss for the period	(53,131)	(1,849,349)	(173,653)	(65,158)	(94,695)	(55,408)	(184,656)
Loss per share, basic and diluted	(0.01)	(0.07)	(0.01)	(0.007)	(0.009)	(0.005)	(0.006)

[1] No further comparative quarterly information is available as MSA has not prepared quarterly financial information for periods prior to fiscal 2010.

Factors affecting quarterly results

Fluctuations in quarterly results are caused by issuance of stock option compensation, costs and fees related to the Qualifying Transaction and the increase in the level of exploration activities.

LIQUIDITY AND CAPITAL RESOURCES

The Corporation had working capital of $3,061,865 as at September 30, 2011, compared to working capital of $513,185 as at September 30, 2010. As at September 30, 2011, the Corporation held cash and cash equivalents of $3,544,245 versus $250,748 as at September 30, 2010.

The Corporation strengthened its financial position by raising gross proceeds of $5,509,000 through the Brokered Offering concurrently with the amalgamation and Qualifying Transaction dated May 10, 2011 (refer to *"Completed Qualifying Transaction and Brokered Offering"* section, in the Corporation's Filing

Statement dated April 27, 2011 (The "Filing statement"), a copy of which can be found on SEDAR at www.sedar.com).

The Corporation has prepared its detailed administration and project exploration budgets for the next 12 months. Based on these budgets, as well as management´s expectations, the Corporation will not require further funding to sustain its operation through fiscal year 2011 and half of 2012.

While running its business plan, as it was presented and approved, management is permanently monitoring financial market conditions and cash availability. Even though no reduction or delay in field works was made, the Corporation is prepared to preserve its cash position according to market perspectives.

The Corporation is dependent on obtaining future financing for the exploration and development of its properties and for any new projects. The Corporation's ability to obtain future financings may be affected by several factors including commodity prices and potential economic downturns.

Share Capital

As at the date of this MD&A the Corporation´s share position consists of:

(i)	Shares outstanding	34,633,000
(ii)	Options outstanding	3,360,000
(iii)	Warrants	13,772,500
(iv)	Broker warrants	919,900

(i) Shares Outstanding

The effects of the Qualifying Transaction on the issued capital of the Corporation are as follows:

Issued Capital	**Number**
Common shares of MSA outstanding at May 10, 2011	10,852,000
Common shares of the Corporation outstanding at May 10, 201	5,110,000
Exercise of Corporation stock options	511,000
Reduction of Corporation shares - post consolidation	(2,810,500)
Common shares of MSR outstanding at May 10, 2011	2,550,000
Common shares issued in conjunction with a consulting services agreement	500,000
Non-controlling interest (2.71%) of MSA	(542,600)
Common shares of the Corporation issued upon completion of Brokered Offering	13,772,500
Issuance of additional shares of MSR to the shareholders of MSA	4,690,600
Balance as at August 29, 2011	34,633,000

(ii) Options Outstanding

On June 9, 2011, the Corporation granted 3,360,000 stock options to directors, officers, employees and consultants. The options have an exercise price of $0.40 per share and shall vest as follows: one-quarter on June 9, 2011, one-quarter on December 9, 2011, one-quarter on June 9, 2012 and one-quarter on December 9, 2012. The options have a term of five years.

The fair value of these options was estimated at the grant date based on the Black-Scholes pricing model, using the following assumptions:

Expected dividend yield	Nil
Risk-free interest rate	1.21%
Expected life	5 years
Expected volatility	125%

Subsequent to September 30, 2011, and prior to the date of this MD&A, one of the Corporation's directors resigned, resulting in the cancellation of 225,000 stock options which had yet to vest. The director has a period of one year following his resignation to exercise 75,000 stock options which had vested as of the date of his resignation.

Subsequent to September 30, 2011, and prior to the date of this MD&A, the Corporation granted 225,000 stock options to a director. The options have an exercise price of $0.40 per share and shall vest as follows: one-quarter on October 26, 2011, one-quarter on April 26, 2012, one-quarter on October 26, 2012 and one-quarter on April, 2013. The options have a term of five years.

(iii) Warrants Outstanding

During the period ended September 30, 2011, the Corporation issued 13,772,500 Warrants pursuant to the Brokered Offering. Each Warrant entitles the holder thereof to purchase one additional common share at $0.60 per common share for a period of 24 months from the date of the Minsud Transaction.

The fair value of the Warrants was estimated at the grant date based on the Black-Scholes pricing model, using the following assumptions:

Expected dividend yield	Nil
Risk-free interest rate	1.25%
Expected life	2 years
Expected volatility	125%

(iv) Broker Warrants

During the period ended September 30, 2011 the Corporation issued 919,900 Broker Warrants in connection with the Brokered Offering. Each Broker Warrant entitles the holder thereof to purchase one Private Placement Unit at $0.40 per Private Placement Unit for a period of 24 months from the date of the Minsud Transaction. Each Private Placement Unit consists of one common share and one non-transferable Warrant, with each Warrant entitling the holder thereof to purchase one additional common share at $0.60 per common share for a period of 24 months from May 10, 2011.

The fair value of the Broker Warrants was estimated at the grant date based on the Black-Scholes pricing model, using the following weighted average assumptions:

Expected dividend yield	Nil
Risk-free interest rate	1.25%
Expected life	2 years
Expected volatility	125%

COMMITMENTS AND CONTINGENCIES

Mineral Property Commitments

A summary of the Corporation´s outstanding mineral property commitments, pursuant to property option agreements, as at September 30, 2011 is as follows:

Staggered payments	Year	Brechas Vacas	Chita	Minas de Pinto	Total
		US$	US$	US$	US$
Cash	2011	-	-	**(a)** 75,000	75,000
	2012	-	30,000	100,000	130,000
	2013	-	40,000	150,000	190,000
Total staggered payments		**-**	**70,000**	**325,000**	**395,000**
Cash option payments	2014	**(b)**	350,000	1,635,000	1,985,000
Total payments		**-**	**420,000**	**1,960,000**	**2,380,000**

(a) See "Minas de Pinto Property" discussed previously.

(b) See "Brechas Vacas Property" discussed previously.

Exploration and drilling framework agreement:

On December 21, 2010, MSA entered into an exploration and drilling framework agreement with a drilling contractor (the "Contractor"), under which the Contractor agreed to make available to MSA the equipment, machinery and workforce necessary to drill up to a total amount of 6,000 m in the mining properties to be identified by MSA. MSA has already made an advance payment of $224,628 (the "Advance Payment"). The Advance Payment shall be proportionally offset with any invoices issued by the Contractor.

As at September 30, 2011, the Corporation has drilled 2,351 m and the outstanding balance of the advance payment has been reduced to $133,581.

Consulting agreement with external qualifying person:

On July 1, 2011, the Corporation entered into a consulting services agreement for the provision of Qualified Person services and geological consulting services. Pursuant to the consulting services agreement, the consultant will be paid a monthly retaining fee of US$5,000 in exchange for ten Qualified Person working days and US$500 per day for each extra day in which the consultant acts as a Qualified Person. The consulting services agreement automatically terminates on December 31, 2011, and can be terminated by either party, at any time, by sending a termination notice with at least 45 days notice prior to the purported date of termination to the other party.

COURSE OF THE BUSINESS TRANSACTIONS

Transactions with Related Parties

During the nine month period ended September 30, 2011, the Corporation incurred the following related party transactions:

i) Transactions

a. A total of $21,606 in office rent expense and other minor expenses was charged by CTSA.

b. On June 7, 2011, the Corporation repaid 800,000 Argentine Pesos (approximately $191,278) plus accrued interest and related expenses of 33,071 Argentine Pesos (approximately $7,843) to CTSA in full settlement of the CTSA Borrowing Agreement.

c. A total of $141,510 was charged by the acting CEO of the Corporation. Included in this amount is a one-time bonus payment of $75,000 for reaching certain key milestones in the Corporation's growth and development.

d. A total of $27,167 of accounting and regulatory compliance fees and $9,333 of CFO fees was charged by an accounting firm in which the Corporation's CFO is a partner.

ii) Period-end Balances

a. As at September 30, 2011, accounts payable and accrued liabilities included $93,519 payable to the acting CEO of the Corporation.

b. As at September 30, 2011, accounts payable and accrued liabilities included $22,500 payable to accounting firm in which the Corporation's CFO is a partner.

All related party transactions were in the normal course of operations.

Off-Balance Sheet Transactions

The Corporation currently has not entered into any off-balance sheet arrangements.

ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES

The Corporation prepares its consolidated financial statements in conformity with IFRS as issued by the IASB. The preparation of the Corporation's financial statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. Critical accounting estimates used in the preparation of the financial statements are related to the recoverable value of the Corporation's mineral properties, as well as the value of stock based compensation. These estimates involve considerable judgment and are, or could be, affected by significant factors that are out of the Corporation's control.

The Corporation records all of its property acquisition costs and direct exploration costs as an asset until the properties are placed into production, sold or abandoned, at which time the costs will either be amortized on a units-of-production basis or fully charged to operations. Management reviews the carrying value of the mineral properties for impairment or permanent declines in the value of the property, such as abandonment, and the related project balances are then written off.

Estimates related to stock-based compensation include the volatility of the Corporation's stock price, as well as when stock options may be exercised. The timing of exercise of stock options is out of the Corporation's control and depends on a various factors including the market value of the Corporation's shares and the financial objectives of the holders of stock options.

BASIS OF PRESENTATION

The Corporation's condensed interim financial statements have been prepared in accordance with IAS 34, "Interim Financial Reporting". These condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended December 31, 2010, which have been prepared in accordance with IFRS as issued by the IASB.

These condensed interim financial statements have been prepared following the same accounting policies used in the preparation of the audited financial statements of MSA for the year ended December 31, 2010.

RISK FACTORS

Commodity Price Risk

The ability of the Corporation to develop its properties and the future profitability of the Corporation is directly related to the market price of certain minerals.

Currency Risk

The Corporation's primary operations are located in Argentina. The Corporation raises financing in Canadian funds and pays most of its Argentinean costs in United States Dollars or Argentinean pesos, and is therefore subject to foreign exchange risk on this payment stream.

Liquidity Risk

Liquidity risk is the risk that the Corporation will be unable to meet the obligations associated with its working capital. The Corporation has sufficient funds to settle its short-term working capital requirements as a result of capital obtained through the recent Brokered Offering. The Corporation's ability to manage liquidity risk in the future will be dependent on, but not limited to, its ability to raise financing necessary to fund its exploration programs, defend its mineral properties concession rights, discharge its liabilities as they become due and generate positive cash flows from operations.

Credit Risk Management

The Corporation's main credit risk arises from its cash deposits with banks. The Corporation limits its counterparty risk on its deposits by dealing only with financial institutions with high credit ratings. The Corporation is also exposed to credit risk on its financial assets.

Capital Risk Management

The Corporation defines capital as total equity. The Corporation manages its capital to ensure that funds are available or are scheduled to be raised to provide adequate funds to carry out the Corporation's defined exploration programs, meet its ongoing administrative costs, property maintenance and option payments.

This is achieved by the Board's review and acceptance of exploration budgets that are achievable using existing resources and the matching and timely release of the next stage of expenditures with the resources made available from private placements or other fundraising. There can be no assurance that the Corporation will be able to continue using equity capital in this manner.

The Corporation is not subject to any externally imposed capital requirements.

A comprehensive discussion of risk factors relevant to the Corporation was included in the Filing Statement.

RECENT ACCOUNTING PRONOUNCEMENTS

There have been recent amendments to a number of standards under IFRS-IASB which will become effective for the Corporation's fiscal years ended December 31, 2011 and 2012. Management does not expect that the adoption of these amendments will have any impact on the financial reporting of the Corporation. In terms of future accounting pronouncements, IFRS 9, "Financial Instruments: Classification and Measurement", which is effective for annual periods beginning on or after January 1, 2013 with early adoption permitted, introduces new requirements for the classification and measurement of financial instruments. IFRS 9 will replace IAS 39. Management anticipates that the Corporation will not early adopt IFRS 9. Management has not yet had an opportunity to consider the potential impact of IFRS 9.

RECENT ARGENTINE REGULATIONS

(i) Mining Export Revenues

On October 26, 2011, Decree 1722/2011 was passed by the Argentine Executive Power in order to reinstate the obligation, suspended until the passing of such Decree, of mining companies to settle and convert all revenues arising from mining exports to Pesos (the Argentine currency) through the Argentine Foreign Exchange Market prior to distributing such revenues in Argentina or overseas.

Considering that the Corporation's current activities are mainly related to the exploration of its properties, the passing of Decree 1722/2011 is not expected to produce any immediate impact as the Corporation does not have any export revenues derived from mining operations.

(ii) Foreign Currency Purchase

New regulations have been enacted for the purposes of regulating and strengthening the control over the purchase of foreign currency by Argentine residents such as MSA.

On October 31, 2011, General Resolution 3210 was passed by the Argentine Federal Tax Authority (AFIP) making it mandatory to any licensed financial entity or foreign exchange house selling foreign currency to Argentine residents to confirm with AFIP if such resident is able, according its financial situation and information filed before AFIP, to purchase said foreign currency.

Additionally, the Central Bank of Argentina has also enacted several resolutions on the matter which may restrict in the future the purchase of foreign currency by Argentine residents such as MSA.

Future regulations will probably shed light on the actual effects that the aforementioned regulations will have on MSA and the Corporation. The Corporation will continue to seek advice from its Argentine legal counsel and other advisors for further clarification of the financial and operational implications of these new regulations.

QUALIFIED PERSONS

The Scientific and technical data included in this MD&A has been reviewed by Mr. C. Gustavo Fernandez, Professional Geoscientist in the Province of Ontario, a consultant to the Corporation, and a Qualified Person pursuant to National Instrument 43-101 – Standards of Disclosure for Mineral Projects.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com.