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

Minsud Resources Corp.
56 Temperance Street
Suite 200
Toronto, Ontario
M5H 3V5

Contact: Carlos A. Massa
Phone: +54 11 4328 4067
E-mail: cmassa@minsud.com

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

This MD&A has been prepared as at August 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 six months ended June 30, 2011 (the "Financial Statements"), including the related note disclosure. The Financial Statements are presented on 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"), 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: 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 we assume 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* on October 11, 2007. The Corporation was formerly a "Capital Pool Company" ("CPC"), as defined in Policy 2.4. of the Exchange.

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 Proposed Qualifying Transaction.

Minsud Resources Inc.

Minsud Resources Inc. ("MSR") was a private company incorporated under the *Ontario Business Corporations Act* 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 which holds, among other properties, an ownership interest in the exploration projects containing the Chita, Brechas Vacas, Minas de Pinto and 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. This document was prepared for MSR 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 June 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%.

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.

As a result, the current Board members are Carlos Alberto Massa (President and Chief Executive Officer), Diego Eduardo Perazzo (Chairman), Alberto Francisco Orcoyen, Scott White and Charles Beaudry.

DEVELOPMENTS DURING THE SIX MONTHS ENDED JUNE 30, 2011

Exploration Activities

<u>Chita Valley Project</u>

The Chita Valley Project consists of four groups of contiguous properties: three of which Breccia Vacas, Chita Valley and Pinto are mineral concessions (8,350 ha) granted by the San Juan Provincial Mining Authority; and, the fourth property, the claim Chita II (4,500 ha) has been requested at the Provincial Cadastre and authorization of the mineral concession is pending.

The Chita property 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).

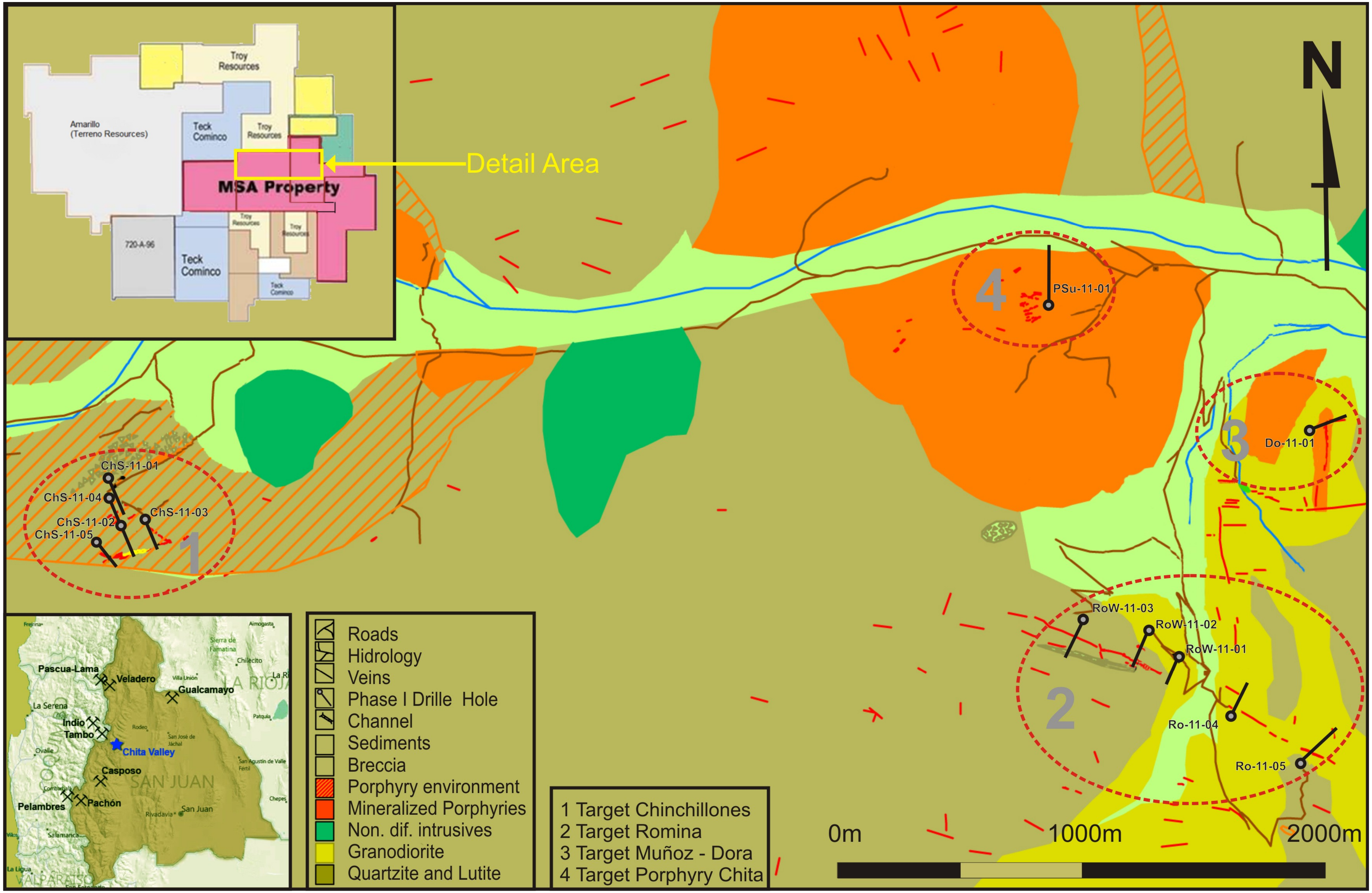
The Chita project is a large gold-silver-copper hydrothermal system (porphyry copper and low sulphidation epithermal system) located in the southern extension of the prolific El Indio - Veladero – Pascua- Lama belt, hosting world class gold mines such as Veladero and Pascua-Lama (Barrick) and the Del 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.

On May 25, 2011 the Corporation announced the commencement of drill program on Chita Project, the work plan was planned to drill 16 holes as follows:

1. Target Chinchillones: 1,000 m (five drill holes)
2. Target Minas de Pinto: 800 m (three drill holes)
3. Target Romina: 900 m (five drill holes)
4. Target Muñoz Dora: 500 m (two drill holes)
5. Target Porphyry Chita: 300 m (one drill hole)

After having completed 12 HQ diamond drill holes totalling 2,351.6 meters management decided to suspend the program before the onset of the winter season given that the drilling permits for Pinto (Fatima vein) was not obtained on time from Dirección de Minería (local mining authority).

The 12 holes were distributed as follows:


Troy Resources
Amarillo (Terreno Resources)
Teck Cominco
Troy Resources
Detail Area
MSA Property
720-A-96
Teck Cominco
N
PSu-11-01
4
3
Do-11-01
ChS-11-01
ChS-11-04
ChS-11-03
ChS-11-02
ChS-11-05
1
RoW-11-03
RoW-11-02
RoW-11-01
2
Ro-11-04
Ro-11-05
Pascua-Lama
Veladero
Gualcamayo
La Serena
Indio
Tambo
Chita Valley
Casposo
SAN JUAN
Pelambres
Pachón
San Juan
Roads
Hidrology
Veins
Phase I Drille Hole
Channel
Sediments
Breccia
Porphyry environment
Mineralized Porphyries
Non. dif. intrusives
Granodiorite
Quartzite and Lutite
1 Target Chinchillones
2 Target Romina
3 Target Muñoz - Dora
4 Target Porphyry Chita
0m
1000m
2000m

(See press release dated July 22, 2011):

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)
4. Target Muñoz-Dora: 81.0 m (one drill hole: DoM1101)
5. Target Porphyry Chita: 311.0 m (one drill hole: PSu1101)

A total 2,593 samples (including blanks and standards) were sent to Alex Stewart laboratory in Mendoza, Argentina for multi-element analysis.

The Corporation has designed and implemented a quality assurance/quality control (QA/QC) program for drilling programs conducted at the 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. Geochemical results have been already received but are still pending for evaluation and control.

Q3-2011 plan includes assays QA/QC, database compilation, historical GIS data to be compiled/validated under MINSUD database scheme, Pinto (Fatima and vein system) target mapping and geological 3D model.

Drilling permits for Pinto (Fatima) were obtained and management expects to complete Phase 2 program by drilling this target in Q4-2011.

La Rosita – Santa Cruz Province, Argentina

The La Rosita Project, a gold and silver project owned 100% by the Corporation, is located within the Area of Special Mining Interest of Santa Cruz Province, in the Jurassic part of the Deseado Massif.

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.

Once MSA defines the location of its trenches plan as well as potential drilling targets has to request a new authorization to perform the program.

On August 18, 2011 MSA hired Akubra to carry out a Geophysics – Magnetometric study on the already identified altered area for further trenching location. The program is now well underway.

San Antonio – Santa Cruz Province, Argentina

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

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

On June 21, 2011 Secretaría de Estado de Minería of Santa Cruz Province approved the Environmental Impact Report (EIR) filed by MSA for exploring: (i) the San Antonio (claim approved); (ii) the Santa María (claim made but not yet approved); and (iii) the 3 (three) mining concession requested within the limits of the San Antonio claim, which are MD San Antonio – San Antonio I and San Antonio II (not yet approved).

Upon the onset of the spring and snow removal MSA will return to the field works in order 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 June 30, 2011 are as follows:

Three months ended June 30, 2011	Brechas Vacas ($)	Chita ($)	Minas De Pinto ($)	San Antonio ($)	La Rosita ($)	Other ($)	Total ($)
Acquisition costs	NIL	NIL	NIL	NIL	NIL	7,114	7,114
Drilling	200,001	282,724	NIL	NIL	NIL	NIL	482,725
Project Management	54,063	86,826	3,895	37	4,363	NIL	149,184
Road Construction	45,923	39,340	NIL	NIL	NIL	NIL	85,263
Professional Fees	17,540	25,307	1,009	3,815	606	NIL	48,277
Travel and Lodging	15,701	24,039	NIL	337	213	NIL	40,290
Sampling	1,886	3,311	NIL	NIL	NIL	NIL	5,197
Geological	NIL	NIL	NIL	NIL	NIL	NIL	NIL
VAT Paid	56,543	61,970	NIL	297	5	NIL	118,815
Current Expenditures	**391,657**	**523,517**	**4,904**	**4,486**	**5,187**	**7,114**	**936,865**
Currency Translation Adjustment	(21,093)	(11,710)	(1,218)	(3,041)	(2,068)	(198)	(39,328)
Balance – beginning of period	**919,871**	**339,333**	**63,055**	**161,778**	**108,810**	**6,719**	**1,599,566**
Balance – end of period	**1,290,435**	**851,140**	**66,741**	**163,223**	**111,929**	**13,635**	**2,497,103**

Project expenditures for the six month period ended June 30, 2011 are as follows:

Six months ended June 30, 2011	**Brechas Vacas ($)**	**Chita ($)**	**Minas De Pinto ($)**	**San Antonio ($)**	**La Rosita ($)**	**Other ($)**	**Total ($)**
Acquisition costs	NIL	14,969	NIL	194	NIL	7,114	22,277
Drilling	200,001	282,724	NIL	NIL	NIL	NIL	482,725
Project Management	60,837	89,020	6,122	19,320	8,248	10	183,557
Road Construction	45,923	39,340	NIL	NIL	NIL	NIL	85,263
Professional Fees	36,095	26,290	1,009	6,642	2,200	NIL	72,236
Travel and Lodging	19,878	24,039	NIL	748	278	NIL	44,943
Sampling	1,886	8,117	NIL	NIL	NIL	NIL	10,003
Geological	NIL	NIL	NIL	NIL	7,807	NIL	7,807
VAT Paid	58,700	63,023	NIL	545	1,722	NIL	123,990
Current Expenditures	**423,320**	**547,522**	**7,131**	**27,449**	**20,255**	**7,124**	**1,032,801**
Currency Translation Adjustment	(62,965)	(26,940)	(4,087)	(10,099)	(6,822)	(508)	(111,421)
Balance – beginning of period	**930,080**	**330,558**	**63,697**	**145,873**	**98,496**	**7,019**	**1,575,723**
Balance – end of period	**1,290,435**	**851,140**	**66,741**	**163,223**	**111,929**	**13,635**	**2,497,103**

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

Three months ended June 30, 2010	**Brechas Vacas ($)**	**Chita ($)**	**Minas De Pinto ($)**	**San Antonio ($)**	**La Rosita ($)**	**Other ($)**	**Total ($)**
Acquisition costs	NIL	NIL	20,704	NIL	NIL	789	21,493
Project Management	25,309	2,471	4,209	826	1,111	NIL	33,926
Travel and Lodging	12,482	302	632	67	561	NIL	14,044
Professional Fees	8,587	NIL	1,679	526	526	NIL	11,318
Drilling	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Road Construction	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sampling	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Geological	NIL	NIL	NIL	NIL	NIL	NIL	NIL
VAT Paid	2,265	NIL	436	111	55	NIL	2,867
Current Expenditures	**48,643**	**2,773**	**27,660**	**1,530**	**2,253**	**789**	**83,648**
Currency Translation Adjustment	(2,409)	(137)	(1,370)	(75)	(111)	(39)	(4,141)
Balance – beginning of period	**709,177**	**297,187**	**NIL**	**139,838**	**30,537**	**11,699**	**1,188,732**
Balance – end of period	**755,411**	**300,117**	**26,290**	**141,293**	**32,679**	**12,449**	**1,268,239**

Project expenditures for the six month period ended June 30, 2010 are as follows:

Six months ended June 30, 2010	**Brechas Vacas ($)**	**Chita ($)**	**Minas De Pinto ($)**	**San Antonio ($)**	**La Rosita ($)**	**Other ($)**	**Total ($)**
Acquisition costs	20,448	10,224	20,704	NIL	NIL	789	52,165
Project Management	32,819	12,760	4,209	2,717	2,448	137	55,090
Travel and Lodging	14,923	973	632	4,063	1,866	NIL	22,457
Professional Fees	8,775	NIL	1,679	1,184	526	NIL	12,164
Geological	NIL	NIL	NIL	NIL	118	NIL	118
Sampling	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Drilling	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Road Construction	NIL	NIL	NIL	NIL	NIL	NIL	NIL
VAT Paid	2,408	265	436	742	202	NIL	4,053
Current Expenditures	**79,373**	**24,222**	**27,660**	**8,706**	**5,160**	**926**	**146,047**
Currency Translation Adjustment	(72,053)	(28,960)	(1,370)	(13,757)	(3,038)	(1,205)	(120,383)
Balance – beginning of period	**748,091**	**304,855**	**NIL**	**146,344**	**30,557**	**12,728**	**1,242,575**
Balance – end of period	**755,411**	**300,117**	**26,290**	**141,293**	**32,679**	**12,449**	**1,268,239**

Brechas Vacas Property

During the three and six month periods ended June 30, 2011, the Corporation spent $391,657 and $423,320 respectively on the exploration of the Brechas Vacas Property. These levels of expenditures represented significant increases of $343,014 and $343,947 over the expenditures of $48,643 and $79,373 incurred during the three and six month periods ended June 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 during the three and six month periods ended June 30, 2011, as outlined in the NI 43-101 report.

Chita Property

During the three and six month periods ended June 30, 2011, the Corporation spent $523,517 and $547,522 respectively on the exploration of the Chita Property. These levels of expenditures represented significant increases of $520,744 and $523,300 over the expenditures of $2,773 and $24,222 incurred during the three and six month periods ended June 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 during the three and six month periods ended June 30, 2011.

Minas De Pinto Property

During the three and six month periods ended June 30, 2011, the Corporation spent $4,904 and $7,131 respectively on the exploration of the Minas De Pinto Property. Total expenditures on the Minas De Pinto property were $27,660 for the three and six month periods ended June 30, 2010. The decreases of $22,756 and $20,529 are the result of a payment of $20,704 related to the Corporation's Exploration Agreement during the three and six month periods ended June 30, 2010. The Corporation did not incur a payment of this nature, or actively explore the Minas De Pinto Property during the three and six month periods ended June 30, 2011.

San Antonio Property

During the three and six month periods ended June 30, 2011, the Corporation spent $4,486 and $27,449 respectively on the exploration of the San Antonio Property. These levels of expenditures represented increases of $2,956 and $18,743 over the expenditures of $1,530 and $8,706 incurred during the three and six month periods ended June 30, 2010. The Corporation did not actively explore the San Antonio property during the three and six month periods ended June 30, 2011.

La Rosita Property

During the three and six month periods ended June 30, 2011, the Corporation spent $5,187 and $20,255 respectively on the exploration of the La Rosita Property. These levels of expenditures represented increases of $2,934 and $15,095 over the expenditures of $2,253 and $5,160 incurred during the three and six month periods ended June 30, 2010. The Corporation did not actively explore the La Rosita property during the three and six month periods ended June 30, 2011.

OPERATING ACTIVITIES AND FINANCIAL PERFORMANCE

During the three and six month periods ended June 30, 2011, the Corporation incurred expenditures of $1,795,787 and $1,886,794 respectively. Expenditures increased by $1,757,915 and $1,803,448 when compared to expenditures of $37,872 and $83,346 for the three and six month periods ended June 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 three and six months ended June 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 three and six month periods ended June 30, 2010.

The Corporation also incurred professional and regulatory fees of $132,456 during the three and six month periods ended June 30, 2011. These fees include management 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 six months ended June 30, 2010.

During the three and six month periods ended June 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 six month periods ended June 30, 2011 was $174,203. The Corporation did not incur any stock-based compensation expense for the three and six month periods ended June 30, 2010.

The Corporation incurred general and administrative expenses of $67,670 and $158,677 for the three and six month periods ended June 30, 2011, representing an increase of $29,798 and $75,331 over general and administrative expenses of $37,782 and $83,346 incurred during the three and six month periods ended June 30, 2010. The increases were due to increased costs related to staff and consultants of MSA and other related operating costs.

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)]	**Jun**	**Mar**	**Dec**	**Sep**	**Jun**	**Mar**
	$	$	$	$	$	$
Net Revenues	1,577	1,359	5,615	4,473	148	-
Net loss for the period	(1,794,210)	(89,648)	(68,552)	(78,127)	(37,724)	(45,474)
Comprehensive loss for the period	(1,849,349)	(173,653)	(65,158)	(94,695)	(55,408)	(184,656)
Loss per share, basic and diluted	(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 $3,838,789 as at June 30, 2011, compared to working capital of $347,876 as at June 30, 2010. As at June 30, 2011, the Corporation held cash and cash equivalents of $4,518,250 versus $9,556 as at June 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 Filing Statements).

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.

The Corporation is dependent on obtaining future financing for the exploration and development of its mineral 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, 2011	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 of MSR outstanding at May 10, 2011	
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%

(iii) Warrants Outstanding

During the period ended June 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 June 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

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

Staggered payments	**Year**	**Brechas Vacas**	**Chita**	**Minas de Pinto**	**Total**
		US$	US$	US$	US$
Cash	2011	-	30,000	75,000	105,000
	2012	-	30,000	100,000	130,000
	2013	-	40,000	150,000	190,000
Total staggered payments		**-**	**100,000**	**325,000**	**425,000**

Option payments	**Year**	**Brechas Vacas**	**Chita**	**Minas de Pinto**	**Total**
		US$	US$	US$	US$
Cash	2011	210,000	-	-	210,000
	2014	-	350,000	1,635,000	1,985,000
Total option payments		**210,000**	**350,000**	**1,635,000**	**2,195,000**
Total payments		**210,000**	**450,000**	**1,960,000**	**2,630,000**

MATERIAL CONTRACTS

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 meters 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 June 30, 2011, the Corporation has drilled 2,351 meters and the outstanding balance of the advance payment has been reduced to $126,722.

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 5,000 United States Dollars in exchange for ten Qualified Person working days and 500 United States Dollars 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 six month period ended June 30, 2011, the Corporation incurred the following related party transactions:

i) Transactions

a. A total of $13,520 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 $106,349 was charged to the acting CEO of the Corporation. Included in this amount is a one-time bonus payment of $75,000.

d. A total of $13,000 in professional and regulatory fees was accrued to an accounting firm in which the Corporation's CFO is a partner.

ii) Period-end Balances

a. As at June 30, 2011, accounts payable and accrued liabilities included $86,267 payable to the acting CEO of the Corporation.

b. As at June 30, 2011, accounts payable and accrued liabilities included $109,618 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 dated April 27, 2011, a copy of which can be found on SEDAR at www.sedar.com.

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.

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.