HUNT MINING CORP

Management's Discussion and Analysis
Years Ended December 31, 2010 and 2009
April 29, 2011

The following discussion and analysis should be read in conjunction with the financial statements of Hunt Mining Corp. (the "Company") for the year ended December 31, 2010, as well as the Company's short form prospectus dated November 23, 2010, Filing Statement dated November 30, 2009, Annual Information Form dated April 28, 2010 and all of the notes, risk factors and information contained therein.

Introduction

This management discussion and analysis ("MD&A") is dated April 29, 2011 and is in respect of the year ended December 31, 2010. All dollar amounts referenced, unless otherwise indicated, are expressed in Canadian funds.

The following discussion of the financial condition and results of operations of the Company should be read in conjunction with its annual audited consolidated financial statements and related notes for the year ended December 31, 2010. This section contains forward-looking statements that involve risks and uncertainties. The Company's actual results may differ materially from those discussed in forward-looking statements as a result of various factors, including those described under "Forward-Looking Information".

Forward Looking Information

This MD&A contains "forward-looking information" and "forward-looking statements" (together, "forward looking statements") within the meaning of Canadian securities legislation and the United States Private Securities Litigation Reform Act of 1995. Such forward-looking statements concern the Company's anticipated results and developments in the Company's operations in future periods, planned exploration and development of its properties, plans related to its business and other matters that may occur in the future. These statements also relate to the ability of the Company to obtain all government approvals, permits and third party consents in connection with the Company's exploration and development activities; the Company's ongoing drilling program; the Company's future exploration and capital costs, including the costs and potential impact of complying with existing and proposed environmental laws and regulations; general business and economic conditions; analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management. Statements concerning mineral resource estimates may also be deemed to constitute forward-looking statements to the extent that they involve estimates of the mineralization that will be encountered if the property is developed. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects" or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "estimates" or "intends", or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved) are not statements of historical fact and may be forward looking statements. While the Company has based these forward-looking statements on its expectations about future events as at the date that such statements were prepared, the statements are not a guarantee of the Company's future performance and are subject to risks, uncertainties, assumptions and other factors which could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. Such factors and assumptions include, amongst others, the effects of general economic conditions, the supply and demand for gold and the level and volatility of prices of gold, the availability of financing to fund the Company's ongoing and planned exploration and possible future mining operation on reasonable terms, changing foreign exchange rates and actions by government authorities, market competition, risks involved in mining, processing, exploration and research and development activities, the political climate in Argentina, the Company's ongoing relations with its employees and with local communities and local governments, and uncertainties associated with legal proceedings and negotiations and misjudgments in the course of preparing forward-looking statements. In addition, there are also known and unknown risk factors which may cause actual events or results to differ from those expressed or implied by the forward-looking statements, including, without limitation:

• risks related to the Company's lack of revenues from operations and its continued ability to fund ongoing and planned exploration and possible future mining operations;

• risks related to the Company's history of losses, which will continue to occur in the future;

• risks related to governmental regulations;

• risks related to the uncertainty of the Company's ability to attract and retain qualified management;

• risks related to the Company's ability to successfully establish mining operations or profitably produce precious metals;

• volatility in the market price of gold, silver and other minerals which could affect the profitability of possible future operations and financial condition;

• risks related to currency volatility;

• risks related to the inherently dangerous activity of mining, including conditions or events beyond the Company's control;

• risks related to the Company's primary properties being located in Argentina, including political, economic, and regulatory instability;

• uncertainty as to actual capital costs, operating costs, production and economic returns relating to potential mining operations;

• uncertainty in the Company's ability to obtain and maintain certain permits necessary for current and anticipated operations;

• risks related to the Company being subject to environmental laws and regulations;

• risks related to land reclamation requirements and loss of the Bajo Pobré property due to inability to meet contractual obligations;

• risks related to the Company's ability to attract necessary capital funding for mineral exploration in the future;

• risks related to officers and directors being or becoming associated with other natural resource companies which may give rise to conflicts of interests; and

• the volatility of the Company's common share price.

This list is not exhaustive of the factors that may affect the Company's forward-looking statements. Some of the important risks and uncertainties that could affect forward-looking statements are described further in this MD&A under "Risk Factors". Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in the forward looking statements. Forward-looking statements are made based on management's experience, beliefs, estimates and opinions on the date the statements are made, and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by law.

Investors are cautioned against attributing undue certainty to forward-looking statements.

Overall Performance

The Company is a mineral exploration company incorporated under the laws of Alberta, Canada and, together with its subsidiaries, is engaged in the exploration of mineral properties in Santa Cruz province, Argentina.

The Company was a Capital Pool Corporation, within the meaning ascribed in the TSX Venture Exchange's (the "Exchange") Policy 2.4, prior to December 23, 2009. On that date the Company acquired all of the issued and outstanding shares of Cerro Cazador S.A. ("CCSA") in consideration for the issuance of 29,118,507 common shares and 20,881,493 convertible preferred shares of the Company in a reverse takeover transaction (the "Qualifying Transaction"). All of the shares issued pursuant to the transaction were acquired by HuntMountain Resources Ltd. ("HuntMountain") and HuntMountain Investments LLC, a wholly owned subsidiary of HuntMountain. HuntMountain is an entity that is majority owned and controlled by the Company's Chairman, Mr. Tim Hunt. This transaction constituted the Company's Qualifying Transaction as defined under the Exchange's Policy 2.4. Prior to completion of the Qualifying Transaction, the Company's business was to identify and evaluate businesses and assets with a view to completing a Qualifying Transaction. Complete details regarding the reverse takeover transaction and CCSA's corporate development are contained in the Company's Filing Statement dated November 30, 2009, as filed on SEDAR on December 3, 2009.

During 2009 all of the Company's efforts related to the completion of the Qualifying Transaction and related financings, 2010 was the Company's first year of operations on a post Qualifying Transaction basis. During 2010 the Company's primary focus was on securing financing to continue the Company's exploration programs.

During 2010 CCSA's operational focus was on surface sampling, completion of a 43-101 compliant resource report and negotiating with Fomento Minero de Santa Cruz Sociedad del Estado ("Fomicruz", the provincial mining authority in Santa Cruz province, Argentina) to secure rights to the La Valenciana property that is contiguous to the Company's flagship property During 2009 CCSA's focus was on surface sampling to generate new drilling targets on the La Josefina property and other properties.

2010 Highlights

On February 23, 2010, the Company announced that it had initiated metallurgical testing for several shallow gold shoots identified during the 37,000 metre drilling campaign conducted by CCSA in 2007 and 2008. The objective of this testing was to preliminarily determine the amenability to heap leaching of surface and near surface oxidized mineralization.

On March 4, 2010, the Company announced that it engaged UAKO Consultora Geologica to conduct a Quality Assurance and Control of Analysis Results program and NI 43-101 compliant technical reports for the Company's Bajo Pobre, El Gateado and La Josefina projects. The La Josefina report includes resource calculations and resource expansion recommendations.

On March 24, 2010, the Company announced that CCSA filed for control of 17 new mineral concessions totaling 139,000 hectares in Santa Cruz province, Argentina. With this addition the Company became the second largest public company landholder in Santa Cruz province.

On April 27, 2010, the Company announced the appointment of Matthew Hughes to the position of Chief Executive Officer ("CEO"), replacing Mr. Tim Hunt in that capacity. Mr. Hughes had previously held the position of President. Concurrently with Mr. Hughes' promotion to CEO, Mr. Tim Hunt was appointed to the position of Executive Chairman.

On June 10, 2010, the Company announced a preliminary mineral resource estimate on the La Josefina project, which the Company subsequently revised in a press release dated July 26, 2010. In a press release dated October 4, 2010, the Company announced a new preliminary gold and silver resource estimate for the La Josefina project.

On October 8, 2010, the Company filed a preliminary short form prospectus in connection with a marketed public offering of units in all provinces of Canada except Quebec. Full details regarding this announcement were included in the Company's press release dated October 12, 2010.

On November 23, 2010, the Company filed a final short form prospectus in connection with a marketed public offering of units in all provinces of Canada except Quebec. The short form prospectus qualified the distribution of a minimum of 19,333,333 units of the Company and a maximum of 43,333,333 units at a price of $0.30 per unit pursuant to an agency agreement entered into among the Company and each of Octagon Capital Corporation, Canaccord Genuity Corp. and Wolverton Securities Ltd. Each unit consisted of one common share in the capital of the Company and one half of one common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder to purchase one common share in the capital of the Company (a "Warrant Share") at a price of $0.35 per Warrant Share at any time prior to the third anniversary of the closing of the offering.

On November 30, 2010, the Company closed the short form prospectus offering announced on November 23, 2010. The Company issued 28,420,900 units. The gross amount raised pursuant to the offering was $8,526,270.

El Overo, El Alazan and El Tordillo

In 2006, CCSA was granted exclusive rights to explore, through a claims staking process, three properties known as El Overo, El Alazan, and El Tordillo in Santa Cruz province, Argentina. The El Alazan, El Overo, and El Tordillo properties form a contiguous land block located 220 kilometres northwest of the port town of Puerto San Julian and 100 kilometres north of the town of Gobernador Gregores.

To date, there has been no known historic precious metal exploration conducted on these three properties. The Company has not engaged in material exploration activities relating to these properties and has no immediate plan to explore these properties.

El Gateado

In March 2006, CCSA acquired the right to conduct exploration on, through a claims staking process, the El Gateado property, located in the north-central part of Santa Cruz province, Argentina. CCSA began field reconnaissance work on the El Gateado property in February 2006 with the completion of a topographic survey, base map generation, and a staked grid. In late 2006 and early 2007 CCSA drilled 13 holes on the El Gateado property. Results of this drilling program are included in the Company's Filing Statement dated November 30, 2009 as filed on SEDAR on December 3, 2009.

The Company did not conduct any exploration activity on the El Gateado property in 2008, 2009 or 2010. The Company has no immediate plans to conduct exploration activity on the El Gateado property.

Bajo Pobré

In January 2006, CCSA signed a letter of intent with FK Minera S.A. to acquire a 100% interest in the Bajo Pobré property located in Santa Cruz province, Argentina. In March 2007, CCSA signed a definitive agreement to acquire the Bajo Pobré property. Pursuant to this agreement, CCSA can earn up to a 100% equity interest in the Bajo Pobré property by making cash payments and exploration expenditures over a five year earn-in period. Details of this agreement are contained in the Company's Filing Statement dated November 30, 2009 as filed on SEDAR on December 3, 2009.

The Company has not conducted any exploration activities on the property and presently has no plans to conduct exploration activities on the Bajo Pobré property. The Company has not completed all the required expenditures relating to the Bajo Pobré property and has not secured a contract amendment in this regard.

La Josefina

In March 2007, CCSA was awarded the exploration and development rights to the La Josefina project by Fomicruz. The legal agreement granting CCSA rights to the La Josefina property was finalized in July 2007. The La Josefina project is located in North-Central Santa Cruz province in southern Argentina, within the region known as Patagonia.

Between November 2007 and December 2008, CCSA completed a 37,605 metre drilling program on the La Josefina property.

During 2009, the Company's focus with respect to the La Josefina project was data interpretation, resource estimation and exploration planning. The Company did not conduct any drilling activity on the La Josefina property during the fiscal year ended December 31, 2010. Full details regarding the Company's resource estimate are included in the Company's technical report dated September 29, 2010 (the "Technical Report") and filed on SEDAR on October 4, 2010.

The Company is presently conducting a drilling campaign on the La Josefina property which is described below under "Subsequent Events". Additional details regarding this current drilling campaign and the recommended work programs relating to the La Josefina project are included in the Technical Report. The La Josefina property is the Company's primary exploration property.

Subsequent Events

On January 10, 2011, the Company announced that it had begun a new drilling campaign on the La Josefina property. The goal of this drilling campaign is to increase the resource estimate assigned to the La Josefina property. The campaign's primary focus is to offset historic holes, perform step out drilling and test new drill targets.

On March 3, 2011, the Company announced initial drill results from the 2011 La Josefina campaign. The initial drill results are summarized in the following table:

Hole ID	From	To	Width (m)	*True Width	Au g/t	Ag g/t	Cu %	Pb %	Zn %
SC-D11-243	35.35	36.00	0.65	0.62	0.20	1.00	0.32	0.28	0.13
SC-D11-243	36.00	36.45	0.45	0.43	2.23	3.60	0.17	0.77	0.10
SC-D11-243	36.45	36.90	0.45	0.43	4.62	14.30	0.71	0.83	0.01
SC-D11-243	36.90	37.30	0.40	0.38	6.38	14.80	0.42	0.69	0.17
SC-D11-243	37.30	37.85	0.55	0.52	0.38	0.90	0.03	0.25	0.10
SC-D11-244	23.15	23.60	0.45	0.43	26.41	102.60	0.27	5.16	0.52
SC-D11-244	23.60	24.00	0.40	0.38	9.91	40.40	2.30	8.13	0.96
SC-D11-244	24.00	24.40	0.40	0.38	2.18	27.00	1.22	4.16	0.67
SC-D11-244	24.40	24.80	0.40	0.38	0.02	1.20	0.03	0.39	0.07
SC-D11-244	24.80	25.40	0.60	0.57	0.71	1.20	0.04	0.43	0.28
SC-D11-245	37.85	38.55	0.70	0.67	0.68	5.30	-0.07	0.48	0.10
SC-D11-245	38.55	38.95	0.40	0.38	0.60	17.60	0.03	2.00	0.07
SC-D11-246	10.90	11.50	0.60	0.57	0.13	0.90	0.02	0.22	0.04
SC-D11-246	11.50	11.95	0.45	0.43	2.08	4.40	0.07	1.98	0.11
SC-D11-246	11.95	12.50	0.55	0.52	1.63	8.20	0.14	3.61	0.12
SC-D11-246	12.50	13.00	0.50	0.48	2.19	16.70	0.04	4.57	0.07
SC-D11-247	25.65	26.05	0.40	0.38	4.36	15.50	0.01	0.48	0.06
SC-D11-247	26.05	26.45	0.40	0.38	2.12	21.50	0.04	1.20	0.05
SC-D11-248	12.80	13.55	0.75	0.71	20.93	72.60	0.24	0.31	0.09
SC-D11-248	13.55	13.95	0.40	0.38	66.41	245.00	0.14	0.12	nil
SC-D11-248	13.95	14.81	0.86	0.82	132.34	112.20	0.48	0.16	nil
SC-D11-248	14.81	15.20	0.39	0.37	2.17	1.50	0.02	0.26	nil

Table Notes:

- True widths were estimated at 95% of intercept width based on surface sampling, drill hole inclinations and cross section comparisons
- All drilling has been conducted in accordance with standard industry practices
- All samples are being prepared and assayed by Alex Stewart Laboratories in Mendoza Argentina
- An analysis of all company quality control and assurance practices can be reviewed in our NI 43-101 technical report for La Josefina posted on SEDAR

On March 14, 2011, the Company entered into an agreement to purchase a US$103,000 loan owing from CCSA to HuntMountain. The purchase price for this transaction was US$99,910, a 3% discount from the face value of the loan. The loan has accrued interest totaling US$11,682 and therefore the total purchase price for the transaction was US$111,592. Due to Argentine banking regulations, this transaction allows the Company to better manage its working capital. This loan acquisition transaction was approved by the Exchange on March 11, 2011.

On March 15, 2011, the Company announced the resignation of Mr. Bryn Harman from the positions of Chief Financial Officer ("CFO") and Secretary effective March 24, 2011. Ms. Vicki Streng has been appointed as interim CFO until a permanent CFO is retained.

Selected Annual Financial Information

A summary of selected financial information for the year ended December 31, 2010 and for the year ended December 31, 2009 is as follows:

	Year ended December 31, 2010	Year ended December 31, 2009
Total revenue	$21,269	$15,206
Net loss and comprehensive loss for the year	(3,223,235)	(2,138,745)
Net loss for the period	(3,169,775)	(2,299,807)
Net loss per share for the period	($0.07)	($0.51)
Total Assets	8,291,685	5,378,317
Total long term liabilities	125,000	-
Cash dividends	-	-

The Company's financial statements have been prepared in accordance with Canadian generally accepted accounting principles and are expressed in Canadian dollars. The Company does not capitalize exploration costs.

In 2010 the Company incurred exploration expenses of $395,011 compared to $671,138 in 2009. Primary components of exploration expenses in 2010 and 2009 are given in the following table:

	Years ended December 31,	
	2010	2009
Drilling expense	-	-
Assay expense	99,754	209,654
Equipment rental expense	42,894	106,256
Fuel expense	52,144	56,081
Property payments	97,152	178,926
Property reports	20,366	84,725
Other	82,701	35,496
	$395,011	$671,138

Expenses attributable to assay, equipment rental, fuel, property payments and property reports were all lower in 2010 as compared to 2009. The Company's exploration efforts in 2010 were reduced as the Company worked to complete its preliminary mineral resource estimate for the La Josefina project and its short form prospectus financing. As a result, exploration expenses were lower in 2010 compared to 2009.

Exploration expenses were allocated to the Company's properties according as follows:

	Years ended December 31, 2010	2009
La Josefina	$325,329	$592,738
Bajo Pobre	14,480	78,400
Other	55,202	-
	$395,011	$671,138

In 2010 the major components of Administrative and Office expenses were $68,785 on account of drilling camp rent (as compared to $69,241 in 2009) and miscellaneous expense relating to the La Josefina project of $145,564 (as compared to $67,729 in 2009).

Results of Operations

Year ended December 31, 2010 as compared to the year ended December 31, 2009

For the year ended December 31, 2010, the Company generated a net loss of $3,169,775, or $0.07 per share, compared to net loss of $2,299,807, or $0.51 per share, for the year ended December 31, 2009. The increased net loss and net loss per share was a result of increased professional fees expense, increased administrative and office expense, increased travel expense, increased payroll expense and increased stock based compensation expense. Results for the year ended December 31, 2010 also include a $125,000 contingent liability accrual relating to a lawsuit. The increase in total expenses was offset slightly by the decrease in exploration expenses discussed above.

As a condition of the Qualifying Transaction, HuntMountain agreed to assume all of the accounts payable owed by CCSA to Patagonia Drill Mining Services S.A. ("PDM") and this assumption was recorded as a forgiveness of debt transaction during the year ended December 31, 2010 (the "PDM Transaction"). The other income recognized from this debt forgiveness transaction was $1,637,578.

The Company generated interest income of $21,269 for the year ended December 31, 2010, up from $15,206 for the year ended December 31, 2009. The Company incurred operating expenses of $4,206,052 for the year ended December 31, 2010, up from $2,285,989 for the year ended December 31, 2009. The increase in the operating expenses during the year ended December 31, 2010 was a result of increases in all expense categories except exploration expenses. These expense increases relate primarily to the increased administration and compliance costs associated with CCSA becoming a subsidiary of a public company. Another factor causing expenses to increase was the equity financing completed on November 30, 2010, which resulted in increased professional fees expense.

The Company intends to continue exploration work on the La Josefina property in accordance with the Technical Report. Management believes that there are no exogenous factors that have caused the value of any of its mineral exploration properties to decrease since they were attained.

Other assets include VAT receivable as of December 31, 2010 of $622,761. This amount reflects the VAT credit accrued due to the payment of VAT on certain transactions in Argentina. The Company plans to seek reimbursement on the VAT if and when the exportation of minerals has commenced. This asset is reported at net present value on the Company's balance sheet.

Summary of Quarterly Results

	Quarters Ended			
	31-Dec-10	**30-Sep-10**	**30-Jun-10**	**31-Mar-10**
Interest income	$9,565	$3,915	$3,893	$3,896
Net income/(loss)	(1,453,844)	(845,011)	(925,388)	54,468
Net income/(loss) per share:				
Basic	($0.02)	($0.02)	($0.02)	$0.00
Fully diluted	($0.02)	($0.02)	($0.02)	$0.00

	Quarters Ended			
	31-Dec-09	**30-Sep-09**	**30-Jun-09**	**31-Mar-09**
Interest income	$2,178	$4,084	$8,817	$2,572
Net income/(loss)	(1,417,143)	(202,847)	(255,872)	(423,945)
Net income/(loss) per share:				
Basic	($0.09)	($0.06)	($0.08)	($0.13)
Fully diluted	($0.09)	($0.06)	($0.08)	($0.13)

Capital Resources and Liquidity

The Company does not have any cash flow generating properties. As at December 31, 2010, the Company had $6,361,897 in cash and short term investments and working capital of $6,118,121. In the normal course of business, 30% of all funds wire transferred to CCSA from the Company are withheld by the Government of Argentina unless they are applied to a capital increase. These withheld amounts are deposited in non remunerated US dollar fixed term deposits until the Government of Argentina approves the Company's formal application for release.

Transactions with Related Parties

During the year ended December 31, 2010, the Company paid $31,276 (2009 – $16,805) to a director and officer of CCSA for the lease of office space in Argentina. As at December 31, 2010, the Company included in accounts payable $nil (2009 - $16,805) owing to a director and officer of CCSA relating to the lease of office space in Argentina.

At December 31, 2010, the Company had exploration expense payable to an employee of $534 (2009 – $nil) owing to an officer of CCSA for exploration expenses incurred on behalf of the Company.

During the year ended December 31, 2010 the Company paid $139,769 (2009 - $144,843) to a director and officer of CCSA for geological fees.

During the year ended December 31, 2010 the Company paid $38,660 (2009 - $57,002) to a director of CCSA for accounting fees. At December 31, 2010 the Company had fees payable for accounting expenses owing to a director of CCSA of $4,467 (2009 - $nil).

In conjunction with the Qualifying Transaction, the Company advanced $200,000 to HuntMountain as a refundable deposit. The deposit was not applied to the consideration of the Qualifying Transaction and therefore it is reflected in prepaid expenses and deposits on the Company's balance sheet at December 31, 2010 (2009 - $200,000).

On March 3, 2010, the Company acquired US$700,000 of a US$803,000 loan payable from CCSA to HuntMountain for total consideration of US$679,000, a 3% discount to the outstanding amount payable. On March 14, 2011 the Company acquired the remaining amount owing from CCSA to HuntMountain. Due to Argentine banking regulations, acquiring the loan allows the Company to retain more working capital than if CCSA repaid the loan back directly.

During the year ended December 31, 2010, the Company paid $87,116 (2009 - $nil) to HuntMountain for the lease of office space in Washington.

During the year ended December 31, 2010, the Company paid US$21,453 (2009 - $nil) to Huntwood Industries ("Huntwood"), an entity controlled by the Company's Executive Chairman, for information technology services, website maintenance, design services and the reimbursement of expenses incurred by Huntwood on behalf of the Company. The US$21,453 (2009 - $nil) amount is reflected in accounts payable as at December 31, 2010.

During the year ended December 31, 2010, the Company paid US$10,000 (2009 - $nil) to HuntMountain for reimbursement of travel expenses incurred by HuntMountain in conjunction with the Qualifying Transaction.

During the year ended December 31, 2010, the Company acquired office furniture and fixtures from HFP, LLC, an entity controlled by the Company's Executive Chairman, for $44,419 (2009 – $nil).

During the year ended December 31, 2010, the Company paid a deposit of $5,242 in relation to the purchase of computer equipment from HuntMountain. This amount is included in accounts payable as at December 31, 2010. The purchase price for this equipment was later determined to be US$36,477 and the purchase was completed on January 5, 2011.

Patagonia Drill Mining Services S.A. Payables

As discussed above, as a condition of the Qualifying Transaction, HuntMountain entered into an agreement with CCSA pursuant to which HuntMountain agreed to pay all of the CCSA's remaining accounts payable owed to PDM. In order to do this management of HuntMountain negotiated an agreement with PDM pursuant to which HuntMountain agreed to purchase all remaining accounts payable owed by the CCSA to PDM for total consideration of US$1,061,695. This amount excluded the $612,850 deposit made by HuntMountain against the PDM payables in 2008. Therefore, the $612,850 deposit amount was applied to the CCSA's PDM payables concurrently with the signing of the agreement. Therefore, the Company recorded a $612,850 payable owing to HuntMountain on December 31, 2009.

HuntMountain forgave the due to related party liability of $612,850 and all of the accounts payable purchased from PDM of US$1,061,695 pursuant to an agreement between the CCSA and HuntMountain dated March 5, 2010. This had the same effect as the original agreement between the CCSA and HuntMountain except no further equity was issued by CCSA, as was contemplated in the original agreement, and the PDM payables were extinguished immediately as opposed to the fifteen month term contemplated in the original agreement.

All related party transactions related to the normal course of business and are recorded at the exchange amount.

Fourth Quarter

During the fourth quarter of 2010, the Company's primary objective was to complete the prospectus financing that closed on November 30, 2010. Management's efforts during this time were primarily oriented towards marketing of the offering, completing due diligence procedures with the agents engaged to market the offering and meeting all regulatory requirements relating to the offering. Operationally, the Company's focus was on surface sampling and working with Fomicruz in the effort to attain an exploration contract regarding the La Valenciana project.

Off Balance Sheet Arrangements

As at December 31, 2010, the Company had no off balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on results of operations or the financial condition of the Company.

Financial Instruments and Other Instruments

The Company's financial instruments consist of cash and equivalents, accounts receivable, performance bond, accounts payable and accrued liabilities, shareholder loan, interest payable on shareholder loan and due to related parties.

The fair value hierarchy established by CICA Handbook Section 3862 – Financial Instruments – Disclosures establishes three levels to classify the inputs to valuation techniques used to measure fair value. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability (for example, interest rate and yield curves observable at commonly quoted intervals, forward pricing curves used to value currency and commodity contracts and volatility measurements used to value option contracts), or inputs that are derived principally from or corroborated by observable market data or other means. Level 3 inputs are unobservable (supported by little or no market activity). The fair value hierarchy gives the highest priority to Level 1 inputs and lowest priority to Level 3 inputs. The Company's consolidated financial statements in the form of cash and equivalents and performance bond are measured and reported as Level 1.

Fair value

The fair value of the Company's financial instruments at December 31, 2010 and 2009 is summarized as follows:

	2010		2009	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Held for trading				
Cash and equivalents (Level 1)	$6,361,897	$6,361,897	$3,165,966	$3,165,966
Available for sale				
Performance bond (Level 1)	257,209	257,209	209,303	209,303
Loans and receivables				
Accounts receivable	53,943	53,943	11,648	11,648
Financial Liabilities				
Other financial liabilities				
Accounts payable and accrued liabilities	318,679	318,679	1,444,729	1,444,729
Shareholder loan	103,021	103,021	842,668	842,668
Interest payable on shareholder loan	10,240	10,240	3,698	3,698
Due to related parties	-	-	612,850	612,850

Financial risk management

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

i. Currency risk

The Company holds cash balances and incurs payables that are denominated in the Canadian Dollar, the United States Dollar and the Argentine Peso. These balances are subject to fluctuations in the exchange rate between the Canadian Dollar, and the United States Dollar and the Argentine Peso, resulting in currency gains or losses for the Company.

As at December 31, 2010, the following are denominated in US dollars:

Cash and cash equivalents	$ 31,759
Accounts payable and accrued liabilities	47,055

As at December 31, 2010, the following are denominated in Argentine Peso:

Cash and cash equivalents	$ 201,507
Performance bond	257,209
Accounts receivable	8,901
Accounts payable and accrued liabilities	200,854
Shareholder loan	103,021
Interest payable on shareholder loan	10,240

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. A significant change in the currency exchange rates between the United States dollar relative to the Canadian dollar and the Argentine Peso could have an effect on the Company's results of operations, financial position or cash flows. The Company has not hedged its exposure to currency fluctuations.

At December 31, 2010, if the U.S. dollar strengthened or weakened by 10% relative to the Canadian dollar the impact on income and other comprehensive income due to the translation of monetary financial instruments would be as follows:

	Impact on net loss and comprehensive loss
U.S. Dollar Exchange rate – 10% increase	$1,315
U.S. Dollar Exchange rate – 10% decrease	$(1,315)

At December 31, 2010, if the Argentine Peso strengthened or weakened by 10% relative to the Canadian dollar the impact on income and other comprehensive income due to the translation of monetary financial instruments would be as follows:

	Impact on net loss and comprehensive loss
Argentine Peso Exchange rate – 10% increase	$7,888
Argentine Peso Exchange rate – 10% decrease	$(7,888)

ii. Credit risk

Credit risk is the risk of an unexpected loss if a third party to a financial instrument fails to meet its contractual obligations.

The Company's cash and equivalents are held through Canadian and Argentine financial institutions.

The Company maintains its cash and equivalents in multiple financial institutions. The Company maintains cash in an Argentine bank. The Argentine accounts, which had a Canadian dollar balance of $2,084 at December 31, 2010 (2009 - $14,008) are considered uninsured.

There is no credit risk on accounts receivable and it is considered collectible.

iii. Liquidity risk

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

v. Price risk

The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. There is minimal price risk at the present time as the Company is not yet in the production phase.

i. Interest rate risk

Interest rate risk is the impact that changes in interest rates could have on the Company's earnings and liabilities. In the normal course of business, the Company is not exposed to interest rate fluctuations as its interest bearing debt due to shareholders is at a fixed rate.

Changes in Accounting Policies

IFRS Update

In February 2009, the Accounting Standards Board (AcSB) confirmed that Canadian generally accepted accounting principles ("CGAAP") for public companies will be converged with International Financial Reporting Standards ("IFRS") for accounting periods commencing on or after January 1, 2011. IFRS uses a conceptual framework similar to CGAAP, but there are some significant differences on recognition, measurement and disclosures. The Company will be required to report under IFRS for interim and annual financial statements beginning on January 1, 2011 and provide IFRS comparative figures for the preceding fiscal year, including an opening balance sheet as at January 1, 2010.

The Company has completed the diagnostic phase of planning for the implementation of IFRS. The Company has a plan in place to complete the implementation of IFRS during the first quarter of 2011.

Business Combinations, Consolidated Financial Statements and Non-controlling Interests

In January 2009, the Canadian Institute of Chartered Accountants ("CICA") approved three new accounting standards for the CICA Handbook, including Section 1582, "Business Combinations", Section 1601, "Consolidated Financial Statements", and Section 1602, "Non-Controlling Interests". All three standards are effective for fiscal years beginning on or after January 1, 2011. The Company does not expect any material impact from the adoption of these standards.

Commitments and Contingencies

a) On March 27, 2007, the Company signed a definitive lease purchase agreement with FK Minera S.A. to acquire a 100% interest in the Bajo Pobré gold property located in Santa Cruz province, Argentina. The Company may earn up to a 100% equity interest in the Bajo Pobré property by making cash payments and exploration expenditures over a five-year earn-in period. The required expenditures and ownership levels upon meeting those requirements are:

Year of the Agreement	Payment to FK Minera SA	Exploration Expenditures Required	Ownership
First year - 2007	US$50,000	US$250,000	0%
Second year - 2008	US$30,000	US$250,000	0%
Third year -2009	US$50,000	-	51%
Fourth year - 2010	US$50,000	-	60%
Fifth year – 2011	US$50,000	-	100%

After the fifth year, the Company is obligated to pay FK Minera S.A. the greater of a 1% net smelter royalty ("NSR") on commercial production or US$100,000 per year. The Company has the option to purchase the NSR for a lump-sum payment of US$1,000,000 less the sum of all royalty payments made to FK Minera S.A. to that point.

As of December 31, 2010, the Company has made all required payments to F.K. Minera (except the disbursements of US$50,000 due in March 2010); however, CCSA has not made any exploration expenditures required by the Bajo Pobré contract. As of the date of this MD&A, the parties to the contract have not amended the contract terms and therefore the Company's ability to retain rights to explore the Bajo Pobré property is uncertain at this time.

b) In March 2007, the Company was the successful bidder for the exploration and development rights to the La Josefina project from Fomicruz. On July 24, 2007 the Company entered into an agreement with Fomicruz pursuant to which the Company agreed to invest a minimum of US$6 million in exploration and development expenditures over a four year period, including US$1.5 million before July 2008. The agreement provides that, in the event that a positive feasibility study is completed on the La Josefina property, a joint venture company would be formed by the Company and Fomicruz. A revised schedule for exploration and development of the La Josefina project was submitted in writing to Fomicruz and is expected to be adopted by default on May 3, 2011, mandating that an economic feasibility study and production decision be made by the Company for the La Josefina project by the end of 2013. The Company would own 91% of the joint venture company and Fomicruz would own the remaining 9%. As of December 31, 2010, the Company has invested approximately US$8 million in the La Josefina property.

c) On June 30, 2010, a former director and accounting consultant (the "Consultant") to the Company severed his business relationship with the Company. On August 5, 2010, the Consultant claimed that since 2006 he had been an employee of and not a consultant to, CCSA. On September 7, 2010, the Argentine Ministry of Labor, Employment and Social Security filed a Certificate of Notice on CCSA and the Company, indicating that a representative from CCSA and the Company must appear before a mediator to address the Consultant's claims. The certificates of notice estimated the value of the Consultant's claim against the Company, if proven, at 500,000 pesos (US$126,811).

   On March 18, 2011, a lawsuit was filed byt the Consultant in Buenos Aires against the Company and its subsidiaries by a former director and accounting consultant to the Company. The total value of the damages claimed is US$249,041, including wages, alleged bonus payments, interest and penalties. The consolidated financial statements therefore include a contingent liability of $125,000 and a charge to operations for the year ended December 31, 2010 in the same amount. Management considers the lawsuit to be baseless and intends to defend the Company and its subsidiaries to the fullest extent possible.

Outstanding Share Data

The authorized share capital of the Company consists of an unlimited number of common shares and preferred shares without nominal or par value. As at April 29, 2011, the Company's outstanding equity and convertible securities were as follows:

Securities	**Outstanding**
Voting equity securities issued and outstanding	73,197,565 common shares
Securities convertible or exercisable into voting equity	20,881,493 convertible preferred shares

Securities	**Outstanding**
securities – convertible preferred shares[(1)]	
Securities convertible or exercisable into voting equity securities – stock options	Stock options to acquire up to 5,332,735 common shares
Securities convertible or exercisable into voting equity securities – warrants	14,210, 450 warrants to acquire 14,210,450 common shares at an exercise price of $0.35 per share before November 30, 2013 [(2)]
Securities convertible or exercisable into voting equity securities – agent's options	666,663 agent's options to acquire up to 666,663 common shares at an exercise price of $0.30 prior to December 23, 2012[(3)]
Securities convertible or exercisable into voting equity securities – broker's warrants	500,000 warrants to acquire 500,000 units, each consisting of one common shares and one half of one common share purchase warrant, at an exercise price of $0.30 prior to December 23, 2012[(4)]; 2,842,090 broker warrants to acquire one broker compensation unit at an exercise price of $0.35 per share on or before November 30, 2013 where each broker compensation warrant will consist of one common share and one half of one common share purchase warrant exercisable at $0.35 prior to November 30, 2013[(5)]

Table Notes:

(1) The convertible preferred shares were all issued to HuntMountain, CCSA's former parent corporation, on December 23, 2009 in partial consideration for the Qualifying Transaction. The convertible preferred shares are convertible into common shares on the basis of one common share for each convertible preferred share held, with no additional consideration required, provided that the Company meets the public distribution requirements of the Exchange.

(2) On November 30, 2010, the Company issued 28,420,900 units pursuant to a short form prospectus offering. Each unit consisted of one common share and one half share purchase warrant exercisable at $0.35 per warrant before November 30, 2013.

(3) In conjunction with a brokered private placement, the Company granted an option to Wolverton Securities Ltd. ("Wolverton") to purchase 666,663 common shares at an exercise price of $0.30 per share, exercisable until December 22, 2012.

(4) In conjunction with a private placement the Company granted to Wolverton a broker's warrant to purchase 500,000 units, where each unit will consist of one common share and one half of one share purchase warrant, exercisable at an exercise price of $0.30 before December 23, 2012. The warrants issuable pursuant to this agent's option have an expiration date of December 23, 2010 and therefore any exercise of this broker's warrant will not result in the issuance of any new warrants. The Company also issued 50,000 units, where each unit consisted of one common share and one half of one common share purchase warrant with a exercise price of $0.60 and expiration date of December 23, 2010, as a due diligence fee to Wolverton in connection with the qualifying transaction. Exercise of any of the 50,000 due diligence units would not result in the granting of additional options.

(5) In conjunction with the November 30, 2010 offering, the Company granted broker compensation warrants to purchase 2,842,090 broker compensation units at an exercise price of $0.30 per share on or before November 30, 2013. Each broker compensation unit will consist of one common share and one half of one common share purchase warrant exercisable at $0.35 prior to November 30, 2013.

Investor Relations

In conjunction with the closing of the Qualifying Transaction, the Company engaged Mr. Dean Stuart to provide investor relations activities. The investor relations agreement between the Company and Mr. Stuart provides for a monthly fee of $4,000 for a period of one year commencing December 23, 2009 and an option grant of 200,000 options to acquire 200,000 common shares at a price of $0.30 per share prior to December 23, 2014. The Company granted an additional 300,000 stock options to Mr. Stuart in January 2011 and has applied to the Exchange to extend Mr. Stuart's investor relations contract through December 2011.

Risks and Uncertainties

No History of Earnings

The Company has no history of earnings. The Company's properties are in the exploration stage of development. Additional external financing will be required to develop these properties further. There can be no assurances that any of the Company's properties will ever contain an economic ore body.

None of the Company's properties are currently in production, and although the Technical Report indicates mineral resources for La Josefina project, there can be no assurance that any proven or probable mineral reserves will be discovered or that any particular level of recovery of minerals will in fact be realized or that an identified mineral reserve or mineral resource will ever qualify as a commercially mineable (or viable) deposit which can be legally and economically exploited. The Company's ability to continue operations and fund its liabilities is dependent on management's ability to secure additional financing. Although the Company has been successful in pursuing additional sources of financing in the past, there can be no assurance it will be able to do so in the future. There can be no assurances that additional funding will be available, or available under terms favorable to the Company, or at all.

Title Risks

Although the Company has exercised due diligence with respect to determining title to the properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. The Company's mineral property interest may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects. Until competing interests, if any, in the mineral lands have been determined, the Company can give no assurance as to the validity of title to those lands or the size of such mineral lands.

Exploration and Development

Resource exploration and development is a highly speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals the Company may acquire or discover may be affected by numerous factors that are beyond its control and that cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, the import and export of minerals and environmental protection, the combination of which factor may result in the Company not receiving an adequate return of investment capital.

All of the claims in which the Company has acquired or has a right to acquire an interest are in the exploration stage only and are without a known commercially-mineable ore body. Development of the subject mineral properties would follow only if favorable exploration results are obtained.

There is no assurance that the Company's mineral exploration and development activities will result in any discoveries of commercial bodies of ore. The long-term profitability of its operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors.

Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

The Company is required to obtain required permits from various government departments to carry out its work programs. There is no guarantee that all required permits will be granted on terms satisfactory to the Company, or at all. If such permits are not received, the Company may not be able to carry out or complete its business objectives.

The Company has not conducted any exploration activity pursuant to its option agreement with FK Minera SA. The Company has not satisfied its USD$500,000 exploration commitment as required by the Bajo Pobré agreement, nor have the parties to the contract amended the contract terms. The Company's ability to retain rights to explore the Bajo Pobré property is uncertain at this time.

Loss of Bajo Pobré Property

The Company has not made the required investment, nor has the Company conducted any exploration activity as required under the Bajo Pobré option agreement. FK Minera SA has agreed to amend the Bajo Pobré option agreement to permit the Company to cure its contractual breach. There is no guarantee, however, that this amending agreement will be executed in a timely manner or at all. As a result, the Company could lose its rights to explore the Bajo Pobré property.

Loss of Foreign Issuer Status

The Company has determined that it has ceased to qualify as a "foreign private issuer" for the purposes of United States federal securities laws as of June 30, 2010, being the last business day of its most recently completed second fiscal quarter. Accordingly, the Company has not been able to avail itself of the rules and forms designated for foreign private issuers since January 1, 2011. Absent registration under the U.S. Securities Act, under most circumstances, securities issued by the Company on or after January 1, 2011, and until such time that the Company again qualifies as a "foreign private issuer," will be "restricted securities" for the purposes of the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), and will be issued with a U.S. restrictive legend, regardless of whether they are issued in an "offshore transaction" pursuant to Regulation S, or are issued in the United States pursuant to an exemption from the registration requirements of the U.S. Securities Act and any applicable state securities laws. The Company's inability to issue securities outside the United States without resale restrictions imposed by the U.S. Securities Act and regulations thereunder may make it difficult or impossible to complete securities offerings on favorable terms or at all.

Uninsured or Uninsurable Risks

Exploration, development and production of mineral properties is subject to certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes. It is not always possible to insure fully against such risks and the Company may decide not to take out insurance against such risks as a result of high premiums or for other reasons. Should such liabilities arise, they could have a material adverse impact on the Company's operations and could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company.

Operating Hazards and Risks

Mineral exploration and development involves risks which even a combination of experience, knowledge and careful examination may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to hazards and risks normally incidental to exploration, developments and production of minerals, any of which could result in work stoppages, damage to or destruction of property, loss of life and environmental damage. The nature of these risks is such that liabilities might exceed insurance policy limits, the liabilities and hazards might not be insurable or the Company may elect not to insure itself against such liabilities due to high premium costs or other factors. Such liabilities may have a materially adverse effect upon the Company's financial condition.

Environmental Risks, Regulations, Permits and Licenses and Other Regulatory Requirements

The Company's operations may be subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas that would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner that means standards are stricter, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations.

The Company's operations, including development activities and commencement of production on its properties, require permits from various federal, provincial or territorial and local governmental authorities, and such operations are and will be governed by laws, and regulations governing prospecting, development, mining, production, exports, taxes, labor standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters.

Such operations and exploration activities are also subject to substantial regulation under applicable laws by governmental agencies that may require that the Company obtains permits from various governmental agencies. There can be no assurance, however, that all permits that the Company may require for its operations and exploration activities will be obtainable on reasonable terms or on a timely basis or at all or that such laws and regulations will not have an adverse effect on any mining project which it might undertake.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of mining activities and may have civil or criminal fine or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Competition

The mining industry is intensely and increasingly competitive in all its phases, and the Company will compete with other companies that have greater financial and technical resources. Competition in the precious metals mining industry is primarily for mineral rich properties which can be developed and operated economically and businesses compete for the technical expertise to find, develop, and operate such properties, the skilled labor to operate the properties and the capital for the purpose of financing development of such properties. Such competition could adversely affect the Company's ability to acquire suitable producing properties or prospects for mineral exploration, recruit or retain qualified employees or acquire the capital necessary to fund its operations and develop its properties.

Dependence on Management

The Company is largely dependent on the performance of its directors and officers. There is no assurance the Company will be able to maintain the services of its directors and officers or other qualified personnel required to operate its business. The loss of the services of any of these persons could have a material adverse affect on the Company and its prospects.

Fluctuating Mineral Prices

The mining industry is heavily dependent upon the market price of metals or minerals being mined. There is no assurance that, even if commercial quantities of mineral resources are discovered, a profitable market will exist at the time of sale. Factors beyond the Company's control may affect the marketability of metals or minerals discovered, if any. Metal prices have fluctuated widely, particularly in recent years, and the Company will be affected by numerous factors beyond its control. The effect of these factors on the Company's operations cannot be predicted. If mineral prices decline significantly, it could affect the Company's decision to proceed with further exploration of its properties.

Future Financing

The Company's continued operation will be dependent upon its ability to generate operating revenues and to procure additional financing. There can be no assurance that any such revenues can be generated or that other financing can be obtained on acceptable terms to the Company, if at all. Failure to obtain additional financing on a timely basis may result in delay or indefinite postponement of further exploration and development or forfeiture of some rights in some or all of the Company's properties. If additional financing is raised by the issuance of shares from treasury, control of the Company may change and shareholders may suffer additional dilution. If adequate funds are not available, or are not available on acceptable terms, the Company may not be able to further explore and develop its properties, take advantage of other opportunities, or otherwise remain in business. Events in the equity market may impact the Company's ability to raise additional capital in the future. The Company's loss of "foreign private issuer" status under US securities law may also adversely affect future financings.

Future Acquisitions

As part of the Company's business strategy, it may seek to grow by acquiring companies, assets or establishing joint ventures that it believes will complement its current or future business. The Company may not effectively select acquisition candidates or negotiate or finance acquisitions or integrate the acquired businesses and their personnel or acquire assets for its business. The Company cannot guarantee that it can complete any acquisition it pursues on favorable terms, or that any acquisitions competed will ultimately benefit its business.

Volatility of Share Price

In recent years, the securities markets in the United States and Canada, and the Exchange in particular, have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price that have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the shares will be subject to market trends and conditions generally, notwithstanding any potential success of the Company in generating revenues, cash flows or earnings.

Conflicts of Interest

Certain directors and officers of the Company will and may continue to be involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. Situations may arise in connection with potential acquisitions or opportunities where the other interests of these directors and officers may conflict with the interest of the Company. Directors and officers of the Company with conflicts of interest will be subject to and follow procedures set out in applicable corporate and securities legislation, regulation, rules and policies

Reliability of Historical Information

The Company has relied, and the Technical Report is based, in part, upon historical data compiled by previous parties involved with the La Josefina project. To the extent that any of such historical data is inaccurate or incomplete, the Company's exploration plans may be adversely affected.

Dividends

The Company has never paid a dividend on its common shares or preferred shares. It is not anticipated that the Company will pay any dividends on its common shares or preferred shares in the foreseeable future.

Adverse fluctuations in currency exchange rates

The Company will maintain most of its working capital in Canadian and United States dollars. However, a significant portion of the Company's operating costs are incurred in Argentinean pesos. Accordingly, the Company will be subject to fluctuations and volatility in the rates of currency exchange between the Canadian dollar, United States dollar and the Argentinean peso, and these fluctuations could materially affect the Company's financial position and results of operations as costs may be higher than anticipated. The costs of goods and services could increase due to changes in the value of the Canadian dollar, the United States dollar, or the Argentinean peso. Consequently, operation and development of the Company's properties might be more costly than the Company anticipates.

Economic and political instability in Argentina may affect the Company's mineral projects

All of the Company's material properties are located in Argentina. There are risks relating to an uncertain or unpredictable political and economic environment in Argentina.

During an economic crisis in 2002 and 2003, Argentina defaulted on foreign debt repayments and on the repayment on a number of official loans to multinational organizations. In addition, the Argentinean government has renegotiated or defaulted on contractual arrangements.

In January 2008, the Argentinean government reassessed its policy and practice in respect of export duties and began levying export duties on mining companies operating in the country.

There also is the risk of political violence and increased social tension in Argentina and Argentina has experienced periods of civil unrest, crime and labor unrest.

Certain political and economic events such as acts or failures to act by a government authority in Argentina, and acts of political violence in Argentina, could have a material adverse effect on the Company's ability to operate.

Limitations on the transfer of cash or other assets between the Company and its subsidiaries or joint venture partners

The Company is a Canadian company that is conducting operations through foreign (principally Argentinean) subsidiaries, and substantially all of the Company's assets consist of equity in these entities. Accordingly, any limitation on the transfer of cash or other assets between the parent corporation and these entities, or among these entities, could restrict the Company's ability to fund its operations efficiently. Any such limitations, or the perception that such limitations might exist now or in the future, could have an adverse impact on available credit and the Company's valuation and stock price.

Current Global Economic Conditions

Recent market events and conditions, including disruptions in the international credit markets and other financial systems and the deterioration of global economic conditions, could impede the Company's access to capital or increase its cost of capital. Failure to raise capital when needed or on reasonable terms may have a material adverse effect on the Company's business, financial condition and results of operations.

Service of Process

A majority of the directors and all of the officers of the Company will reside outside of Canada and it will therefore be difficult to effect service of process (service of legal proceedings) on such directors and officers.

Breach of Undertaking

If the undertaking entered into by HuntMountain in conjunction with the Qualifying Transaction is breached by HuntMountain or any of its directors or officers, trading of the common shares of the Company on the Exchange could be suspended and the Company could be delisted from the Exchange. Such undertaking provides that any material change relating to CCSA or its assets, including the La Josefina project, shall be initially announced by the Company prior to any announcement by HuntMountain and that any news release issued by HuntMountain in relation to the foregoing matters be in conformity with the news release of the Company; that all directors and officers from time to time of HuntMountain provide to the Exchange Personal Information Forms (as defined in the Exchange policies) and an undertaking of each such director and officer to resign if not acceptable to the Exchange; that the preferred shares of the Company will not be transferred by HuntMountain except with the consent of the Exchange; and that the issued shares of HuntMountain not be transferred by the Control Person (as defined in the Exchange policies) of HuntMountain if such transfer would result in a Change of Control (as defined in the Exchange policies).

Critical Accounting Policies and Estimates

Details regarding the Company's accounting policies are presented in Note 4 to the annual consolidated financial statements.