**ERIN VENTURES INC.**
MANAGEMENT DISCUSSION & ANALYSIS
for the 9 month period ended March 31, 2011

## Introduction

The following discussion and analysis is management's assessment of the results and financial condition of Erin Ventures Inc. (the "Company", the "Issuer", or "Erin") for the 9 month period ended March 31, 2011 and should be read in conjunction with the financial statements for the period ended March 31, 2011 and related notes. The Company's financial statements are prepared in accordance with Canadian GAAP. The Company's reporting currency is Canadian dollars. The date of this Management's Discussion and Analysis is May 31, 2011. Additional information on the Company is available on SEDAR at www.sedar.com.

## Description of Business

Erin Ventures Inc. (the "Issuer", "Erin", or the "Company") is a TSX Venture Exchange listed company (symbol – EV). Erin is an exploration stage company engaged in the acquisition, exploration and development of mineral properties in the United States, Serbia and Canada with the aim of developing them to a stage where they can be exploited at a profit or to arrange joint ventures whereby other companies provide funding for development and exploitation.

## Forward Looking Statements

Certain information included in this discussion may constitute forward-looking statements. Forward-looking statements are based on current expectations and entail various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different than those expressed or implied. The Company disclaims any obligation or intention to update or revise any forward-looking statement, whether as a result of new information or future events.

## Resource Properties & Description of Activities

### Deep River Project, North Carolina

Erin announced on July 5, 2006 that it entered into a strategic alliance with Triangle Minerals, Inc. ("TMI"), a North Carolina based corporation. The objective of this alliance is to acquire, explore and develop specifically targeted mineral properties of merit, within the south eastern United States ("the Area of Interest").

Key terms of the Strategic Alliance Agreement are:

- The term of the Agreement is 5 years.
- Erin acquires a 100% interest in the project, subject to completion of a minimum work program totalling US $400,000, during the first year of the Agreement.
- Additionally, Erin has committed US $50,000 for land acquisition within the Area of Interest.
- A five year management contract with TMI, whereby TMI will manage the land acquisition and exploration program, under Erin's supervision.
- TMI is to receive from Erin: annual stock-based payments of US $30,000, with respect to facilities rental; 600,000 stock options per year, to a maximum of 1.8 million stock options; competitively priced management fees; and a 0.8% production royalty from any eventual production of gold, silver and/or other metals.

Erin has completed its work commitment, and as a result has acquired 100% interest in the project.

During the 9 month period ended March 31, 2011, Erin did not report any new exploration on the Deep River property, which is the subject of the agreement with Triangle Minerals.

### Santa Rosa Mine, Panama

October 26, 2009 Erin announced that it has entered into an agreement to purchase majority control of the assets of the Santa Rosa Gold Mine in Panama.
The main terms of the agreement are as follows:

1. Erin in conjunction with Pageland Minerals Ltd agree to collectively purchase 100% of the assets of the Santa Rosa Mine, including the land title, mineral rights, buildings, equipment and historic exploration and production data from Canazas Mining Company, a Panamanian Corporation comprised of former workers at the Santa Rosa Mine, for a total of US$1,550,000.
2. Erin will retain an undivided 75% interest and Pageland will retain an undivided 25% interest in the Santa Rosa Mine, with each partner responsible for their prorata share of the purchase price and the payments and expenditures going forward.
3. Erin shall act as operator of the mine.
4. A US$75,000 down payment was made to Canazas at the time of signing of the agreement.
5. A second payment of $75,000 is due upon the completion of transfer of land title at Santa Rosa.
6. US$500,000 becomes due and payable when the mineral rights and mining permits associated with the Santa Rosa Mine have been reestablished by the Panamanian government and granted exclusively to Canazas.
7. A second payment of US$500,000 is payable 90 days after the first payment of $500,000.
8. A final payment of US $400,000 is payable 180 days after the first payment of $500,000.
9. Canazas will receive the 10% of the net profits of the operations of Santa Rosa Mine. Net profits are defined as gross revenues less direct and indirect operating, recovery, mining and smelting costs, general and administrative expenses, interest, taxes and royalties and all other expenses relating to operating of Santa Rosa Mine.
10. Erin agrees to transfer title to the land back to Canazas when mining operations are complete.

Subsequently, on May 5, 2011 Erin reported that it had abandoned all activities in Panama due to the concession on the Santa Rosa Property being granted to a third party.

**Volujski Kljuc Gold Project, Serbia**
On November 30, 2009, Erin announced that the Serbian Ministry of Mining has issued Erin's wholly owned subsidiary, Balkan Gold, an exclusive exploration license for the Volujski Kljuc ("VK") alluvial gold deposit in Serbia.

The property covers approx. 24 kilometres of the Pek River valley in eastern Serbia. The Pek River drainage system has been known to carry gold values since ancient times. Records show that various mining operations over 17 cumulative years recovered approx. 2,300 kg of gold (60,000 ounces, worth US$66,000,000 at current gold prices) with the first production in 1905 and the last in 1941.

Through to 1989, 3435 drill holes were completed: 1051 Banka drill holes and 2384 Keystone drill holes. Calculations completed in 1951 identified 29 million cubic metres of auriferous gravel grading 0.17 g Au/cubic meter from surface to bedrock. An additional 9 – 75 cm caisson holes were drilled on the property by Serbia's copper conglomerate, RTB Bor, in the late1980's to test the validity of the grade with larger sample volumes. The program was successful and resulted in over-all grades being increased significantly to 0.29 g Au/cubic metre from surface to bedrock.

Erin has been actively pursuing land leases with landowners in the Volujski Kljuc area, and will not proceed with exploration until such time as a significant land package has been obtained.

During the 9 month period ended March 31, 2011, Erin did not report any new exploration on the VK property.

**Piskanja Property, Serbia**

On May 11, 2010, Erin reported that it has entered in to a binding agreement with the Serbian state-owned mining company, JP PEU, for the joint development of the Piskanja boron deposit, located in Serbia.

The key terms in the agreement are as follows:

1. Erin's wholly-owned Serbian subsidiary, Balkan Gold d.o.o. ("Balkan") will apply for an exclusive exploration license on the Piskanja property, and conduct a geological study on the deposit. If results are positive, Balkan will then compose a feasibility study for mine development. Balkan is responsible for 100% of the costs related to these studies, and retains 100% ownership at this stage.
2. When the feasibility study is complete, Balkan and JP PEU will form a joint venture company that will apply for an exploitation license. However, in the event that JP PEU's corporate structure does not allow for it to enter into this joint venture (as is currently the case), Balkan will retain the right to apply for the exploitation license on its own, and retain 100% interest in the project.
3. Ownership in the joint venture company will be directly proportional to the value of the assets contributed by each party.
   - ◊ Balkan will be responsible for providing all the funding required to develop the mine and ore processing facilities.
   - ◊ JP PEU will contribute certain existing infrastructure assets in its possession (such as a power substation, access roads, rail spur, office and maintenance buildings in strategic proximity to the property) and historical research data from previous exploration programs at Piskanja. The determination of the assets to be contributed by JP PEU to the joint venture shall be at the sole discretion of Balkan. These assets will be contributed at their established fair market value.
4. An official determination of percentage ownership will occur at the completion of the mine development, and be based upon the amount that has been actually spent by Balkan on exploration and mine development, and the fair market value of the assets contributed by JP PEU.
5. Balkan and JP PEU agree that the joint venture company will primarily employ manpower from the Ibarski Mine, as qualified and required.
6. Each party will have representation on the board of directors of the joint venture company on a basis that reflects their prorata ownership of the joint venture company.

The Piskanja property has a historic resource (that is not NI 43-101 compliant and must be verified) of approximately seven million tonnes of 39 per cent $B_2O_3$ (boron) as colemanite and ulexite, based upon historic drill data (some of which, was conducted by Erin previously). The deposit is open both to the south and the east.

Subsequent to year end, on August 31, 2010, the Company reported that it has been granted an exploration license for the Piskanja boron deposit in Serbia, by the Serbian Ministry of Mining and Energy. The license covers an area of approximately 3 square kilometres, and includes the entire known historical mineralized area along with a substantial amount of previously unexplored ground.

Under Serbian law, a mineral exploration license is granted exclusively, for a 3 year period (extendable at the request of the license holder). Upon successful completion of the exploration program, the license holder has the sole right to apply for an exploitation (mining) license.

Erin is planning an exploration program on the Piskanja deposit, which has a historical estimate of approximately seven million tonnes grading 39 per cent $B_2O_3$ (boron), with a goal of establishing a NI43-101 compliant resource.

Subsequently, on April 27, 2011 Erin reported that exploration is well underway in preparation for a quality drilling program to develop a NI 43-101 qualified resource at the Piskanja borate project in Serbia. The intent is to initiate drilling in June of this year. The first phase of drilling will consist of approximately 5,000 metres of HQ size core drilling.

**Quartz Claims, Yukon Canada**

On May 4, 2010, Erin entered into an agreement to acquire 36 quartz claims, subject to approval of the TSX Venture Exchange. The purchase price for the claims will be a cash payment of $25,000, the issuance of 1,500,000 common shares (at $0.07 per share), the issuance of 1,500,000 warrants with an exercise price of $0.10 per share expiring June 1, 2012, and payment of a 3% net smelter royalty. To acquire the 100% interest in the property (subject to the royalty) Erin was also required to expend $20,000 in exploration on the property by June 1, 2010 (completed subsequent to year end). Erin has also agreed to expend a further $100,000 on the property by May 15, 2011.

The 36 lode Quartz mineral claims are adjacent to the White Gold Property held by Underworld Resources (TSX Venture: UW) located in the Yukon. The Erin Ventures' claims (known as the AU Claims) are directly to the northeast, approximately 14 km from Underworld's White Gold discovery (since acquired by Kinross Gold).

**Selected Annual Information**

The following table summarizes selected financial data for Erin for each of the three most recently completed financial fiscal years. The information set forth below should be read in conjunction with the audited financial statements, prepared in accordance with Canadian generally accepted accounting principles, and related notes.

| | Year ended June 30, 2010 | 2009 | 2008 |
|---|---|---|---|
| Total revenues | $ - | $ - | $ - |
| Loss before discontinued operations and extraordinary items | $ (608,455) | $ (580,733) | $ (955,056) |
| Basic and diluted loss per share before discontinued operations and extraordinary items | $ (0.01) | $ (0.01) | $ (0.01) |
| Net loss | $ (1,365,375) | $ (597,941) | $ (955,056) |
| Basic and diluted loss per share | $ (0.02) | $ (0.01) | $ (0.01) |
| Total assets | $ 2,489,017 | $ 2,345,565 | $ 2,134,386 |
| Total long-term liabilities | $ - | $ - | $ - |
| Cash dividends per share | $ - | $ - | $ - |

**Selected Quarterly Information**

The following selected financial information is derived from the unaudited interim financial statements of the Company prepared in accordance with Canadian generally accepted accounting principles ("GAAP").

| | Q3 Mar 31 2011 | Q2 Dec 31 2010 | Q1 Sept 30 2010 | Q4 June 30 2010 | Q3 Mar 31 2010 | Q2 Dec 31 2009 | Q1 Sept 30 2009 | Q4 June 30 2009 |
|---|---|---|---|---|---|---|---|---|
| Total revenues | | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Net loss before discontinued operations: | | | | | | | | |
| Total | (121,235) | (363,192) | ($136,707) | ($167,007) | ($133,440) | ($167,103) | ($140,905) | $(134,006) |
| Per share | $ (0.00) | $ (0.00) | $ (0.00) | $ (0.00) | $ (0.00) | $ (0.00) | $ (0.00) | $ (0.00) |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Per share, fully diluted | $ (0.00) | $ (0.00) | $ (0.00) | $ (0.00) | $ (0.00) | $ (0.00) | $ (0.00) | $ (0.00) |
| Net loss: | | | | | | | | |
| Total | (463,874) | (363,192) | ($136,707) | ($923,927) | ($133,440) | ($167,103) | ($140,905) | $(151,214) |
| Per share | $ (0.00) | $ (0.00) | $ (0.00) | $ (0.00) | $ (0.00) | $ (0.00) | $ (0.00) | $ (0.00) |
| Per share, fully diluted | $ (0.00) | $ (0.00) | $ (0.00) | $ (0.00) | $ (0.00) | $ (0.00) | $ (0.00) | $ (0.00) |

**Results of Operation**

The following discussion should be read in conjunction with the consolidated financial statements and related notes thereto for the period ended March 31, 2011 (the "Period") that is attached. There have been no major changes in accounting policies during the Period that impact Erin during the Period.

The Issuer experienced a loss before other items of $121,235 for the 3 month period ended March 31, 2011 compared to a net loss of $136,940 for the same 3 month period in 2010. This represents a decrease in loss of $15,705 (11.5% decrease) for the March period when compared year over year for the 3 month period. Erin does not consider this change to be significant and does not think it reflects a long term trend. Erin's net loss for the 9 month Period ending March 31, 2011 was $636,735 compared with $456,030 for the same Period ending in 2010. This increase in loss of $180,705 for the 2011 nine month Period over the same period in 2010 is primarily attributable to the non-cash, stock-based acquisition expense of $231,420 primarily associated with the Yukon property acquisitions made in the Period.

Net loss for the 3 and 9 month periods ended March 31, 2011 also reflected a write down of $347,220 as a result of the abandonment of Erin's Panama project.

The expenses that remained materially unchanged for the 3 month period ended March 31, 2011 compared to the same period in 2010 included: Amortization; Interest and bank charges; Filing Fees; Rent; Stock based compensation; Telephone; Transfer agent fees; and Travel and promotion fees. For the 9 month period ended March 31, 2011 compared to the same period in 2010, the expenses that remained materially unchanged were Amortization; Interest and bank charges; Filing Fees; Telephone; Transfer agent fees; and Rent

Accounting and audit fees were $5,000 for the 3 month period ending March 31, 2001 while they were $11,894 for the 3 month period ending March 31, 2010. This decrease of $6,894 reflects the billing cycle not a significant new trend in reduced expenses. An effort has been made by Erin to streamline the audit process with better and more frequent communication between Erin's bookkeepers and auditors, resulting in reduced audit costs. This is reflected in the reduction in accounting expense from $33,946 for the 9 month period ended March 31, 2010 compared with $20,000 for the same Period in 2011.

Consulting fees for the 3 month period ended March 31, 2011 were Nil compared with $22,328 for the same 3 month Period in 2010. This decrease of $22,328 in the 2011 period was attributed to a reallocation of expenditures from consulting fees to expenditure allocated to specific projects. The 9 month Period comparison shows a decrease of $55,159 in the 2011 Period when compared to the 2010 Period, again showing this reallocation of expenditures from consulting fees to expenditure allocated to specific projects.

Legal fees were $10,000 for the 3 month period ending March 31, 2011, while they were $1,679 for the same period in 2010. This increase primarily the billing cycle and does not reflect a long term trend towards higher legal fees. The 9 month comparison of legal fees shows that for the Period ending March 31, 2011, legal fees totalled $20,000 while legal fees totalled $32,365 for the same Period in 2010. This decrease in 2011 reflects the additional costs associated with the acquisition of the Santa Rosa Mine, Panama in the 2010 period and does not reflect a long term trend towards lower legal fees.

Office and miscellaneous expenses increased by $6,979, to $25,682 for the 3 month period ending March 31, 2011 from $18,703 for the same Period in 2010. The 9 month Period, which is a better indication of a changing trend, shows a change in office expenses: from $64,776 for the 9 month Period ending 2010, to $80,789 for the same Period in 2011. This increase in office expense is primarily attributable to Erin securing a new space for its head office at a higher rate than what was paid previously in a co-shared location.

Management fees were $39,000 for the 3 month period ending March 31, 2011, while they were $24,000 for the same period in 2010. This increase of $15,000 for the 2011 period is the result of Blake Fallis being reclassified as management (with his fees reflected in Management fees) as the result of his promotion to the management position of CFO. This reclassification is also reflected in the 9 month period, where Management fees totalled $117,000 vs. $72,000 for the same 9 month period in 2010.

Erin spent $29,092 for travel and promotion during the 3 month period ending March 31, 2011, compared with $25,896 for the same period in 2010. This increase is not material. For the 9 month Period Erin spent $91,427 for travel and promotion during the 9 month period ending March 31, 2011, compared with $76,665 for the same period in 2010. Erin's travel fees will continue to be significant as the Company maintains projects in places like Serbia, Canada and Carolina, requiring significant travel.

## Investor Relations Activities

Investor relations expense totaled Nil for the 3 month period ending March 31, 2011, compared with $20,000 for the same 3 month period in 2010. For the 9 month Period ending March 31, 2011, Erin spent $33,000 on IR related services vs. $56,000 for the same Period in 2010. The Issuer ended the third party IR services and brought the function back in house in order to save money over the long term. These amounts were fees paid to Blake Fallis for providing the IR services. The Company is now accessing several potential outside IR firms for possible use in the future. This decrease reflects the re-categorization of Blake Fallis' invoices from Investor Relations to Management Fees.

Investor Relations activities were primarily performed by Blake Fallis, General Manager of Erin, with the assistance of all other management of Erin.

The investor relation activities included such activities as:

a) corporate and shareholder communications and investor relations including preparation of press releases and other material and responding to shareholder inquiries on a timely basis;
b) public relations and promotional matters;
c) assisting in fund raising;
d) preparation, design, layout and implementation of marketing materials, web site design, corporate logos, design, implementation and management of marketing campaigns.
e) sourcing potential property acquisitions, strategic alliances, and management personnel.

## Liquidity and Solvency

The Company derived CAD $Nil of revenues from mining operations for the 3 month period ending March 31, 2011. The Company's activities have been funded primarily through equity financing and unsecured loans along with the incidental mining revenues, and the Company expects that it will continue to be able to utilize these sources of financing until it develops significant cash flow from operations. There can be no assurance, however, that the Company will be successful in its efforts. If such funds are not available or other sources of finance cannot be obtained, then the Company will be forced to curtail its activities to a level for which funding is available or can be obtained. The Issuer has and continues to maintain good relations with its creditors and suppliers.

The Issuers liquid asset position increased to $2,926,584 as at March 31, 2011 compared to $1,060,754 as at June 30, 2010. This represents an increase in liquid assets of $1,865,830 and was the result of the completion of private placement financings and warrant exercises. Current liabilities stood at $128,185 as at March 31, 2011 compared with $528,375 as at June 30, 2010.

The Issuer had a working capital surplus of $2,798,399 as at March 31, 2011 as compared with a working surplus of $532,379 as at June 30, 2010.

Erin's Resource Properties increased to $1,967,149 as at December 31, 2010 compared to $1,434,372 as at June 30, 2010.

## Contractual Commitments

**TMI Joint Venture**

Erin acquires a 100% interest in the project, subject to completion of a minimum work program totalling US $400,000, during the first year of the Agreement. Additionally, Erin has committed US $50,000 for land acquisition within the Area of Interest and a five year management contract with TMI, whereby TMI will manage the land acquisition and exploration program, under Erin's supervision at a cost of US$60,000 per year.

The objective of this alliance is to acquire, explore and develop specifically targeted mineral properties of merit, within the south eastern United States.

To date, this agreement in good standing and Erin has earned 100% equity interest in the project.

Yukon Property

The company has entered into an agreement to purchase a 100% interest in a Yukon property, which has 36 Quartz Claims, in exchange for:

i. Cash payment of $25,000 (paid)
ii. 1,500,000 common shares of the Company (issued)
iii. 1,500,000 warrants, exercisable into one common share of the Company for $0.10 for two years (issued)
iv. Payment of 3% net smelter royalty.
v. $20,000 expenditure of exploration on the property by June 30, 2010

Further $100,000 expenditure of exploration on the property by May 15, 2011

## Capital Expenditures

As at March 31, 2011, the Issuer's capital assets were valued at $1,969,422 compared to $1,437,263 as at June 30, 2010. This represents an increase of $532,159 or 37% of long term assets and reflects the increased carrying value of Erin's resource properties with the acquisitions in Serbia.

## Off Balance Sheet Arrangements

There are no off-balance sheet arrangements to which the Issuer is committed.

## Capital Resources

During the nine months ended March 31, 2011 the Company issued 22,500,000 units at $0.10 per unit for private placements. Each unit consisted of one common share and one share purchase warrant. For 16,500,000 warrants, each warrant entitles the holder to purchase one common share at $0.15 per share until December 2, 2011 and at $0.25 per share until December 2, 2012. For 6,000,000 warrants, each warrant entitles the holder to purchase one common share at $0.15 per share until January 7, 2012 and at $0.25 per share until January 7, 2013. All of the proceeds have been allocated to shares issued and none to the warrants.

During the nine months ended March 31, 2011 the Company issued 1,500,000 units for mineral property option payments. Each unit consisted of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one common share at $0.10 per share until September 21, 2012. The shares were valued at $180,000 based on the market price of the shares on the date issued, and the warrants were valued at $133,200 using the Black-Scholes option pricing model to estimate the fair value of the warrants using the following assumptions:

## Related Party Transactions

During the 9 month period ending March 31, 2011, the Issuer incurred expenses totaling $281,100 with related parties, as compared with $196,338 for the same 9 month period ending in 2010. This represents an increase of $84,762 in the year to year comparison. This increase in related party transactions reflects the fact that, as a small company, most of Erin's management and consultants are considered related parties. Erin's expenses increased as the result of the need for additional time spent by Erin's consultants and management on the projects in Serbia and Yukon, as well as other potential acquisitions being scrutinized currently.

The related party transactions that remained materially unchanged include: Investor Relations fees; Recovery of advances receivable; Rent; and Travel and promotion.

Management fees totaled $117,000 during the 9 month period ended March 31, 2011 versus $72,000 for the same period in 2010. This increase of $45,000 is the result of Blake Fallis' pay being reclassified from IR to Management as the result of being named CFO during the 2010 year. Tim Daniels' management fees remained unchanged at $72,000 for the 9 month period and Blake Fallis management fee totaled $45,000 for the 9 month period.

Resource property costs - Administration and rent were $39,000 for the 9 month Period ended March 31, 2011 versus $21,000 for the same Period in 2010. These costs are with respect to rental of office and equipment at the Deep River property, belonging to Triangle Minerals, a company partially owned by Dennis LaPoint, a director of the Issuer.

Resource property costs – geological consulting totalled $6,075 for the 9 month Period ended March 31, 2011 versus $23,838 for the same Period in 2010. Geological consulting fees of $6,075 were paid to Dennis LaPoint, a director of the Issuer, for services provided relating to the Piskanja project in Serbia during the 9 month Period ended March 31, 2011. It is anticipated that the Company will increase its usage of Dr. LaPoint's services as the Company continues exploration at the Piskanja deposit.

Resource property costs – acquisition costs were $38,775 for the 9 month Period ended March 31, 2011 versus Nil for the same period in 2010. These fees were paid to a party related to Blake Fallis and related to acquisition costs associated with the Panama acquisition.

Consulting fees totaling Nil were paid for the 9 month period ending March 31, 2011 compared with $12,00 for the same 9 month period in 2010. These fees are related to overseeing Erin's operations in Serbia.

Office and miscellaneous fees of $45,000 were paid in the 9 month Period ended March 31, 2011 versus $30,000 in the same Period of 2010, reflecting a party related to Tim Daniels, President and CEO, who provides the Issuer with administrative, secretarial, bookkeeping and translating services.

Investor relations fees totaled $33,000 in the 9 month Period ended March 31, 2011 versus $30,000 in the same Period of 2010. This amount was paid to Blake Fallis, General Manager of Erin, who oversees investor and public relations along with other administrative duties.

As at March 31, 2011 accounts payable includes $32,526 (June 30, 2010: $149,641) due to directors of the Company and companies with common directors. This amount is comprised of unpaid geological fees, consulting fees, office costs, royalties and travel costs. All amounts due to related parties are unsecured, non-interest bearing and have no fixed terms of repayment.

Refer to Note 7 to the attached financial statements for further details.

## Critical Accounting Estimates

A summary of all of the Company's significant changes in its accounting policies is included in Note 2 to the financial statements for the period ended March 31, 2011.

## Financial Instruments and Other Instruments

The Company designated cash as held for trading assets, measured at fair value. Accounts payable and accrued liabilities are designated as other financial liabilities and measured at amortized cost. Management did not identify any material embedded derivatives, which require separate recognition and measurement. The Company had neither available-for-sale, nor held-to-maturity instruments during the quarter ended March 31, 2011.

## Outstanding Share Data

Share Capital

a) Authorized:

Unlimited voting common shares without par value
Unlimited preferred shares without par value

b) Issued common shares:

| | | Number | Amount | Contributed Surplus |
|---|---|---|---|---|
| Balance, June 30, 2009 | | 90,043,676 | $ 13,278,420 | $ 597,550 |
| Stock-based compensation | | - | - | 52,780 |
| For services | | 500,000 | 37,000 | - |
| Issued for cash: | | | | |
| Pursuant to private placements | | | | |
| | – at $0.035 | 6,300,000 | 211,500 | - |
| | – at $0.05 | 12,000,000 | 600,000 | - |
| | – at $0.08 | 2,625,000 | 210,000 | - |
| | – at $0.07 | 5,085,500 | 355,985 | - |
| Exercise of warrants | – at $0.075 | 3,119,300 | 233,948 | - |
| Less: share issue costs | | - | (64,528) | - |
| Shares issued for debt settlement | | 840,000 | 67,200 | - |

| | | | | |
|---|---|---|---|---|
| Balance, June 30, 2010 | | 120,513,476 | $ 14,929,524 | $ 650,330 |
| Stock-based compensation | | - | - | 231,420 |
| Issued for mineral properties: | | | | |
| Units | | 1,500,000 | 180,000 | 133,200 |
| Options | | - | - | 38,775 |
| Issued for cash: | | | | |
| Exercise of warrants | – at $0.075 | 750,000 | 56,250 | - |
| Exercise of warrants | – at $0.10 | 8,410,000 | 841,000 | - |
| Exercise of options | – at $0.10 | 330,000 | 33,000 | (38,775) |
| Private Placements | – at $0.10 | 22,500,000 | 2,250,000 | - |
| Less: share issue costs | | - | (224,835) | - |
| For services | | 214,286 | 15,000 | - |
| Balance, March 31, 2011 | | 154,217,762 | $ 18,079,939 | $ 1,014,950 |

During the nine months ended March 31, 2011 the Company issued 22,500,000 units at $0.10 per unit for private placements. Each unit consisted of one common share and one share purchase warrant. For 16,500,000 warrants, each warrant entitles the holder to purchase one common share at $0.15 per share until December 2, 2011 and at $0.25 per share until December 2, 2012. For 6,000,000 warrants, each warrant entitles the holder to purchase one common share at $0.15 per share until January 7, 2012 and at $0.25 per share until January 7, 2013. All of the proceeds have been allocated to shares issued and none to the warrants.

During the nine months ended March 31, 2011 the Company issued 1,500,000 units for mineral property option payments. Each unit consisted of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one common share at $0.10 per share until September 21, 2012. The shares were valued at $180,000 based on the market price of the shares on the date issued, and the warrants were valued at $133,200 using the Black-Scholes option pricing model to estimate the fair value of the warrants using the following assumptions:

| | |
|---|---|
| Dividend yield | Nil |
| Annualized volatility | 150% |
| Risk-free interest rate | 1.00% |
| Expected life | 2 years |

c) Commitments:

Stock-based Compensation

The Company has granted directors and employees common share purchase options. Additional common share purchase options were also granted pursuant to resource property acquisition agreements. These options are granted with an exercise price equal to the market price of the Company's shares on the date of the grant. The aggregate number of options are restricted to 10% of the total common shares issued and outstanding, and the number of options to any individual is restricted to 5% of the total common shares issued and outstanding, unless that individual is a consultant, in which case the number is restricted to 2%. The options may not be assigned nor transferred, and can have a term of no more than 5 years. The options vest at the discretion of the directors.

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A summary of the status of share purchase options outstanding is presented below:

| | Nine months ended March 31, 2010 | | 2009 | |
|---|---|---|---|---|
| | Shares | Weighted Average Exercise Price | Shares | Weighted Average Exercise Price |
| Outstanding at beginning of period | 4,150,000 | $0.14 | 4,280,000 | $0.14 |
| Expired | (500,000) | $0.10 | (830,000) | $0.14 |
| Granted | 2,430,000 | $0.15 | 500,000 | $0.10 |
| Options outstanding at end of period | 6,080,000 | $0.14 | 3,950,000 | $0.13 |
| Options exercisable at end of period | 6,080,000 | $0.14 | 3,950,000 | $0.13 |

At March 31, 2011, the Company has 6,080,000 share purchase options outstanding entitling the holder thereof the right to purchase one common share for each option held as follows:

| Number of Options | Exercise Price | Expiry Date |
|---|---|---|
| 600,000 | $0.10 | July 25, 2011 |
| 300,000 | $0.135 | September 12, 2011 |
| 200,000 | $0.10 | December 16, 2011 |
| 100,000 | $0.15 | February 16, 2012 |
| 100,000 | $0.30 | February 16, 2012 |
| 300,000 | $0.10 | June 30, 2012 |
| 1,750,000 | $0.15 | October 15, 2012 |
| 300,000 | $0.15 | January 1, 2013 |
| 330,000 | $0.10 | September 16, 2013 |
| 2,100,000 | $0.16 | December 7, 2015 |
| 6,080,000 | | |

The value of the stock-based compensation during the nine months ended March 31, 2011 was $270,195 (2009: $26,100) of which $231,420 (2009: $26,100) is included in stock-based compensation expense to directors and officers, $nil (2009: $nil) is included in consulting fees, and $38,775 (2009: $nil) is included in resource property acquisition costs. Unless otherwise noted, all share purchase options vest when granted. The Company uses the Black-Scholes option pricing model to estimate the fair value of the options using the following assumptions:

)

| | 2011 | 2010 |
|---|---|---|
| Dividend yield | Nil | Nil |
| Annualized volatility | 125-150% | 248%- 250% |
| Risk-free interest rate | 1.00% | 0.28% -0. 30% |
| Expected life | 1-5 years | 1-3 years |

During the three months March 31, 2011, 500,000 share purchase options exercisable at $0.10 expired unexercised.

Share Purchase Warrants

A summary of the status of share purchase warrants outstanding is presented below:

| | Nine months ended March 31, 2011 | |
|---|---|---|
| | Shares | Weighted Average Exercise Price |
| Outstanding at beginning of period | 37,137,527 | $0.12 |
| Issued | 24,000,000 | $0.15 |
| Expired | (10,927,027) | $0.18 |
| Exercised | (9,160,000) | $0.10 |
| Outstanding at end of period | 41,050,500 | $0.15 |

At March 31, 2011, the Company has 41,050,500 common share purchase warrants outstanding entitling the holders thereof the right to purchase one common share for each warrant held as follows:

| Number of Warrants | Exercise Price | Expiry Date |
|---|---|---|
| 6,500,000 | $0.15 | May 15, 2011 |
| 2,840,000 | $0.20 | December 2, 2010/2011 |
| 2,625,000 | $0.15 | May 7, 2012 |
| 5,085,500 | $0.10/$0.20 | June 2, 2011/2012 |
| 1,500,000 | $0.10 | September 15, 2012 |
| 16,500,000 | $0.15/$0.25 | December 2, 2011/2012 |
| 6,000,000 | $0.15/$0.25 | January 7, 2012/2013 |
| 41,050,500 | | |

**Risks and Uncertainties**

The reader is advised that the following is merely a summary of the risks and uncertainties faced by the Issuer.

Mining exploration is an inherently risky business with no guarantees that further exploration will result in an economically viable mine. Amongst the risks faced by the Issuer are such things as foreign government risks; title risks; currency fluctuations and deflationary risks; exploration and mining risks; competition risks; financing risks; uninsurable risks; permits and licences risks; mineral prices risks; and environmental regulations risks.

The mineral industry is intensely competitive in all its phases. The Company competes with many other companies who have greater financial resources and experience. The market price of precious metals and other minerals is volatile and cannot be controlled. Exploration for minerals is a speculative venture. There is no certainty that the money spent on exploration and development will result in the discovery of an economic ore body. The Company's activities outside of Canada make it subject to foreign currency fluctuations and this may materially affect its financial position and results. The Company has limited financial resources, no source of operating cash flows and no assurances that sufficient funding, including adequate financing, will be available to conduct further exploration and development of its projects or to fulfill its obligations under the terms of any option or joint venture agreements. If the Company's generative exploration programs are successful, additional funds will be required for development of one or more projects. Failure to obtain additional financing could result in the delay or indefinite postponement of further exploration and development or the possible loss of the Company's properties.

Foreign Currency Risk
The Company has operations in Canada, the United States and Serbia subject to foreign currency fluctuations. The Company's operating expenses are incurred in Canadian dollars, United States dollars ("US dollars") and Serbian dinars, and the fluctuation of the Canadian dollar in relation to these other currencies will have an impact upon the profitability of the Company and may also affect the value of the Company's assets and the amount of shareholders' equity. The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks.

Further development on the Issuer's properties is dependent upon the Issuer securing additional financing or arranging for other parties to participate in and/or fund such development. There is no assurance that that such arrangements can be secured.

## Legal Proceedings

Erin Ventures Inc. has undertaken legal action against Elektroprevreda-Serbia (the Serbian government's wholly owned, national power corporation). Erin is seeking compensation regarding the Piskanja boron property in Serbia. This claim seeks monetary compensation for losses and certain damages, totalling approximately US$15 million. Erin has retained Serbian legal council that has agreed to conduct their services on a contingency basis, receiving 5% of any financial reward received by Erin regarding this matter. All court fees and other miscellaneous costs regarding this matter have been advanced and Erin does not expect any further material costs relating to this settlement of this matter.

## Subsequent Events

Subsequent to March 31, 2011:

The Company agreed to issue 193,548 common shares to settle $30,000 of consulting fees incurred with respect to the Santa Rosa property. This agreement is subject to regulatory approval.

## Qualified Persons Review

Pursuant to NI 43-101, the Issuer confirms that James E Wallis, M.Sc. (Eng), P. Eng., a consultant to the company, who is a Qualified Person under National Instrument 43-101 has reviewed the technical information contained herein.

**Approval**

The Board of Directors of Erin has approved the disclosure contained in this Management Discussion & Analysis. A copy of this Management Discussion & Analysis will be provided to anyone who requests it.

**Controls and Procedures**

Disclosure controls and procedures ('DC&P') are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized and reported within the time periods specified by securities regulations and that information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting ('ICFR') are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian generally accepted accounting principles. TSX Venture listed companies are not required to provide representations in their annual filings relating to the establishment and maintenance of DC&P and ICFR, as defined in Multinational Instrument MI 52-109. In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation, and (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP. The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in MI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

**Management's Responsibility for Financial Statements**

The information provided in this report, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying financial statements.

Management maintains a system of internal controls to provide reasonable assurance that the Company's assets are safeguarded and to facilitate the preparation of relevant and timely information.

**International Financial Reporting Standards ("IFRS")**

In 2006, AcSB published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February 2008, the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended June 30, 2011. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

In 2008, the Canadian Accounting Standards Board confirmed that publicly listed companies will be required to adopt IFRS for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. Early adoption may be permitted, however it will require exemptive relief on a case by case basis from the Canadian Securities Administrators. The Company expects its first financial statements presented in accordance with IFRS to be for the three-month period September 30, 2011, which includes presentation of its comparative results for fiscal 2011 under IFRS. In order to prepare for the changeover to IFRS, the Company will develop an IFRS conversion plan comprised of three phases:

| PHASE | DESCRIPTION AND STATUS |
|---|---|
| | |
| *PRELIMINARY PLANNING AND SCOPING* | The IFRS conversion plan will include consideration of the impacts of IFRS on the Company's financial statements, internal control over financial reporting, information systems and business activities such as foreign operations, if any, compensation metrics, and personnel and training requirements.<br><br>Based on Management's preliminary review of IFRS and current Company processes, minimal impact is expected on information systems and compensation metrics. |
| *DETAILED IMPACT ASSESSMENT* | This phase involves detailed review of IFRS relevant to the Company and identification of all differences between existing Canadian GAAP and IFRS that may or will result in accounting and/or disclosure differences in the Company's financial statements, along with quantification of impact on key line items and disclosures. The phase includes identification, evaluation and selection of accounting policies necessary for the Company's conversion to IFRS and evaluation of the impact on outstanding operational elements such as debt covenants and budgeting. |
| *IMPLEMENTATION* | This phase will embed the required changes for conversion to IFRS into the underlying financial close and reporting process and business processes. This will include finalization and approval of accounting policy changes, collection of financial information necessary to prepare IFRS compliant financial statements, implementation of additional internal controls, and preparation and approval of completed IFRS financial statements. The IFRS changeover is expected to impact the presentation and/or valuations of balances and transactions in the Company's quarterly and annual financial statements and related notes effective July 1, 2011, however continued progress on the IFRS conversion plan is necessary before the Company is able to describe or quantify those effects. |

**Other Matters**
Additional information relating to the Company can be found on SEDAR at www.sedar.com and also on the Company's website at www.erinventures.com.