HULDRA SILVER INC.

April 20, 2011

MANAGEMENT'S DISCUSSION & ANALYSIS FOR

FISCAL YEAR ENDED

DECEMBER 31, 2010

Website Information: http://www.huldrasilver.com

HULDRA SILVER INC.
MANAGEMENT'S DISCUSSION & ANALYSIS
For the Year Ended December 31, 2010
(Prepared by Management)

Information as of April 20, 2011

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this report are forward-looking statements, which reflect our management's expectations regarding our future growth, results of operations, performance and business prospects and opportunities including statements related to the development of existing and future property interests, availability of financing and projected costs and expenses. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits we will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of the date of this report. These assumptions, which include management's current expectations, estimates and assumptions about current mineral property interests, the global economic environment, the market price and demand for silver and other minerals and our ability to manage our property interests and operating costs, may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a downturn in general economic conditions, (2) a decreased demand for or price of silver and other minerals, (3) delays in the start of projects with respect to our property interests, (4) inability to locate and acquire additional property interests, (5) the uncertainty of government regulation and politics in North America regarding mining and mineral exploration, (6) potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges, and (7) other factors beyond our control.

There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. Additional information about these and other assumptions, risks and uncertainties are set out in the section entitled "Risk Factors/Trends" below.

1. DESCRIPTION OF BUSINESS

Huldra Silver Inc. ("Huldra" or the "Company") is a publicly traded junior exploration company engaged in the business of acquiring, exploring and evaluating mineral and natural resource properties. The Company trades on the TSX Venture Exchange (the "TSX-V") under the symbol "HDA".

The Company's Management's Discussion and Analysis ("MD&A") for the year ended December 31, 2010 was prepared as of April 20, 2011. Additional information and filings are available for review on the SEDAR website located at www.sedar.com.

Overall Performance

During the year ended December 31, 2010, the Company incurred a loss of $495,209, compared with a loss of $149,069 for 2009. The loss for 2010 reflected the Company's expensing professional fees of $70,633 (2009 - $45,330), regulatory fees of $8,873 (2009 - $8,764), consulting fees of $22,000 (2009 - $NIL) and management fees of $34,000 (2009 – $12,000).

Risk Factors/Trends

The Company's area of business is the identification, acquisition, evaluation and exploration of mineral properties. An investment in natural resource companies involves a significant degree of risk. The degree of risk increases substantially where the Company's properties are in the exploration as opposed to the development stage. Investment in the securities of the Company should be considered as highly speculative due to the nature of the Company's business. The following are some of the risk factors that should be given consideration.

Exploration and Development Risks

Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks associated with exploration, development and production.

Insurance

The Company's involvement in the exploration for natural resources may result in the Company becoming subject to liability for pollution, property damage, personal injury or other hazards and any insurance the Company may have may not be sufficient to cover the full extent of such liabilities.

Prices, Markets and Marketing of Silver and Metal Prices

World prices for commodities fluctuate and are affected by numerous factors including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, speculative activities and increased production due to new mine developments and improved mining and production methods. The effect of these factors on the price of commodities, and therefore the economic viability of any of the Company's exploration projects, cannot accurately be predicted.

Liquidity and Capital Requirements

Management anticipates that, subject to financing, it will make substantial capital expenditures towards developing the Treasure Mountain Project. However, there is no assurance that the Company will operate profitably or will generate positive cash flow in the future. The Company may require additional financing in order to proceed with the exploration and development of the Treasure Mountain Property and to sustain its business operations if it is not successful in earning revenues. The Company may also need further financing if it decides to obtain additional mineral properties. The Company's future may be dependent upon its ability to obtain financing. If the Company does not obtain such financing, if required, its business could fail and investors could lose their entire investment.

Environmental Risks

All phases of the mineral exploration and development business present environmental risks and hazards and are subject to environmental regulations. Compliance with such legislation/regulations can require significant expenditures and a breach could result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner which may lead to stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs. No assurance can be given that the application of environmental laws to the business and operations of the Company will not result in a curtailment of exploration or production, a material increase in the costs of production, development or exploration activities, or otherwise adversely affect the Company's financial condition, results of operations or prospects.

Government Regulation

The natural resource exploration industry is subject to controls and regulations imposed by various levels of government. It is not expected that any of these controls or regulations will affect the operations of the Company in a manner materially different than they would affect other natural resource exploration companies of similar size. The current legislation is a matter of public record and the Company is unable to predict what additional legislation or amendments may be enacted.

2. RESULTS OF OPERATIONS AND FINANCIAL CONDITIONS

During the year ended December 31, 2010, the Company incurred a loss of $495,209, compared with a loss of $149,069 for 2009.

Revenue/interest from cash and cash equivalents amounted to $8,729 (2009 - $NIL) for the year ended December 31, 2010.

General and administrative expenses for the year ended December 31, 2010 increased from $79,397 in 2009 to $419,420. The increase in expenses was largely a result of stock based compensation in the amount of $249,293 (2009 - $NIL), an increase in professional fees from $45,330 to $70,633 and an increase in consulting fees from $NIL to $22,000. Exploration costs increased from $69,672 to $346,750. During the year, the Company recognized a recovery of exploration costs in the amount of $262,232 due to the B.C. Mining Exploration Tax Credit.

The loss for 2010 included expenditures of $49,049 (2009 - $30,298) for transfer agent fees, regulatory, and management fees. In addition, expenses for 2010 included office and general of $19,775 (2009 - $3,481) and vehicle expenses of $2,290 (2009 – $NIL).

There were no investor relations expenditures.

3. SELECTED ANNUAL INFORMATION

The following selected financial data should be read in conjunction with the Company's financial statements.

	Year Ended Dec 31, 2010	Year Ended Dec 31, 2009	Year Ended Dec 31, 2008
Interest and other income	$ 8,729	$ -	$ 3,645
Exploration costs	84,518	69,672	185,186
Administrative expenses	419,420	79,397	78,303
Net loss	$ (495,209)	$ (149,069)	$ (259,844)
Loss per share	($0.04)	($0.02)	($0.03)
Total assets	$ 2,592,694	$ 116,445	$ 123,223

The Company's loss for the year increased from the prior year due to an increase in general and administrative expenses, specifically stock-based compensation and management fees. Total assets have increased due to an increase in working capital related to financing activities.

4. FOURTH QUARTER RESULTS

During the quarter ended December 31, 2010, the Company incurred a loss of $77,334, compared with a loss of $40,077 for the quarter ended December 31, 2009.

Revenue/interest from cash and cash equivalents amounted to $8,729 for the quarter ended December 31, 2010 vs. Nil for the quarter ended December 31, 2009.

General and administrative expenses for the quarter ended December 31, 2010 increased from $38,447 in 2009 to $317,277 as a result of increased stock based compensation and general corporate activity.

Exploration gains were $231,214 in the quarter ended Dec 31, 2010 compared to a loss of $1,630 for the quarter ended December 31, 2009. During the quarter, the Company recognized a recovery of exploration costs in the amount of $262,232 due to the B.C. Mining Exploration Tax Credit for the years 2007-2010. The Company had not recognized this credit previously.

5. SELECTED QUARTERLY RESULTS

The following table sets forth a comparison of income and expenses for the previous eight quarters ending with December 31, 2010.

	Dec 31 2010 $	**Sep 30 2010 $**	**Jun 30 2010 $**	**Mar 31 2010 $**	**Dec 31 2009 $**	**Sep 30 2009 $**	**Jun 30 2009 $**	**Mar 31 2009 $**
Interest and other income	8,729	-	-	-	-	-	-	-
Administrative expenses	317,277	34,105	43,182	24,856	38,447	17,116	12,378	11,456
Exploration costs	(231,214)	306,639	6,897	2,196	1,630	47,788	7,056	13,198
Net loss	(77,334)	(340,744)	(50,079)	(27,052)	(40,077)	(64,904)	(19,434)	(24,654)

Quarterly results often fluctuate with changes in non-cash items such as stock-based compensation, future income tax and foreign exchange variances. The higher loss in the third quarter of fiscal 2010 was a result of increased exploration activity. While in the fourth quarter, the Company recognized a recovery of four years of Mineral exploration tax credits offset by increased stock based compensation.

6. EXPLORATION HISTORY – A REVIEW

Since its incorporation in March 1980, the Company has been engaged in the exploration and development of its wholly owned group of mineral tenures located at Treasure Mountain in the Similkameen Mining Division, British Columbia. After discovering a silver rich vein on the claims in 1985, exposing this vein for a length of 250 meters and testing it by shallow drilling in the summer of 1986, the Company went public in 1987, attaining a listing on the TSX-V in August of that year.

Between 1987 and 1989, the Company explored the vein zone on four underground levels with 9,000 feet of crosscuts, drifts and raises, complemented by 5,500 feet of underground and 10,000 feet of surface drilling. Preceding the underground work, a bulk sample of 407 tons of select high grade material from the surface vein showings was shipped to Cominco and Asarco smelters for testing. The smelters found the shipments compatible with their regimes and paid a total of $344,265 for the shipments.

Since 1989, work at the Treasure Mountain property has included four small drill programs, several geo chemical soil surveys, a legal mineral tenure survey by McElhanney and various technical studies by AMEC Earth & Environmental, Entech Consultants and others with respect to environmental and operational issues of a conceptual 24,000 tonnes per year mine/gravity concentration operation. In 2007, Erik Ostensoe, P.Geo., undertook a program of sampling to supplement historic, pre National Instrument 43-101 data.

7. CURRENT STATUS OF THE TREASURE MOUNTAIN PROJECT

On July 15, 2009, the Company received a technical report titled “Technical Report, Resource Estimation, Mining and Reclamation Plan and Economic Evaluation, Treasure Mountain Mine, Tulameen River Area, British Columbia” dated June 15, 2009, revised July 2, 2009, prepared by independent consultants and Qualified Persons, Erik Ostensoe, P. Geo., G. H. Giroux, P. Eng., and A. J. Beaton, P. Eng. (Mining). This report includes a disclosure of Indicated and Inferred Resources and a current resource estimation and economic evaluation but is neither a pre-feasibility study nor a feasibility study.

The historic Treasure Mountain property, 100% owned by Huldra, is located 28 km northeast of Hope, B.C., has been explored by Huldra since 1980, and comprises more than 2,700 metres of underground workings on four levels, six raises and several drill holes. A Resource Estimation by Giroux Consultants Ltd. dated May 29, 2009, was based on a 2007 program of underground chip sampling of parts of Level 1 and Level 2, combined with historic sample data from a development program in 1987 – 1989. Resources were estimated at cut-off grades from 1.0 to 45.0 ounces silver per ton. A Total Vein Indicated Resource, estimated at 11.02 ounces silver per tonne (10.0 oz silver per ton cut-off grade) was reported as 33,000 tonnes with 26.68 ounces silver per tonne, 4.16% lead and 3.80% zinc, containing 880,000 ounces silver, 3,030,000 lbs. lead and 2,760,000 lbs. zinc. Total vein Inferred Resources, estimated at the same cut-off grade (11.02 ounces silver per tonne), were reported as 120,000 tonnes with 29.76 ounces silver per tonne, 2.79% lead and 4.36% zinc, containing 3,580,000 ounces silver, 7,370,000 lbs. lead and 11,540,000 lbs. zinc. [Note that Inferred Resources are based on geological evidence, limited sampling and reasonably assumed, but not verified, geological and grade continuity, and must be excluded from estimates forming the basis of feasibility or other economic studies.]

During the reporting quarter

The Company received assay results from a stockpile of adit and raise materials removed during development work between 1987-1989. The samples were taken between September 25 and 26, 2010 by independent QP Erik Ostensoe, P.Geo, and averaged 645 gm/t Ag, 5.05% Pb and 3.2% Zn. The existing stockpiles had nine trenches cut over the entire width at varying depths and each of the nine composite samples were taken over the entire length of each trench. All samples were analyzed at the ACME laboratory in Vancouver, B.C., a full service, ISO 9001:2008 accredited analytical laboratory. All lab quality control protocols were observed.

The stockpiles contain an estimated 6,000 tonnes of material based on surface measurements of the existing piles.

Drill Program Summary and Highlights

The first 15 holes of the drill program were designed to follow up on surface sampling on the east zone, where assays of up to 6,650 g/tonne Ag were received. The primary objective was to determine whether a small open cut bulk sample of up to 10,000 tonnes can be removed. Management has determined that, based on the surface showing and the drill results, the Company will proceed with the bulk sample in the spring of 2011.

Assay Highlights

Hole 5 from 6.55-6.7m:	2121 g/tonne Ag	24.3%Pb	3.99%Zn	2.05%Mn
Hole 8 from 7.65-8.0m:	2584 g/tonne Ag	47.98%Pb	2.27%Zn	1.87%Mn
Hole 8 from 14.19-14.26m:	13736 g/tonne Ag	60.05%Pb	2.49%Zn	2.33%Mn
Hole 9 from 5.98-6.06m	6393 g/tonne Ag	74.41%Pb	1.22%Zn	.89%Mn
Hole 9 from 6.5-7.07m:	1259 g/tonne Ag	3.73%Pb	.73%Zn	2.25%Mn
Hole 9 from 7.07-7.31m:	4921 g/tonne Ag	31.25%Pb	9.52%Zn	.99%Mn
Hole 10 from 6.09-6.29m:	5072 g/tonne Ag	55.82%Pb	2.75%Zn	.45%Mn
Hole 10 from 8.63-8.71m:	2989 g/tonne Ag	20.77%Pb	1.43%Zn	1.15%Mn
Hole 15 from 17.76-17.9m:	781 g/tonne Ag	7.68%Pb	.23%Zn	2.83%Mn
Hole 15 from 17.9-18.1m:	462 g/tonne Ag	.96%Pb	.49%Zn	1.57%Mn
Hole 15 from 18.1-18.5m:	1053 g/tonne Ag	7.59%Pb	1.48%Zn	4.11%Mn

Holes 1, 2, 3 and 4 failed to intersect significant mineralization and were stopped shortly after passing through a dyke that may have disrupted the mineral zone. Hole 7 was drilled down a previously unmapped fault. Upon review of the logs and program, the Company believes that there are at least 3 different dykes in close proximity to one another and to mineralization. Samples were selected on the basis of visual observation of the cores that were split manually, with one half being submitted for analyses.

Holes 16 and 17 were drilled approximately 190m to the east of the historic East Zone, in what has been described previously as the East Zone extension. Preliminary observations are that the area is distinctly different than the East Zone in mineralization and structure. Massive Galena was encountered at surface on this structure, 100m further east, assaying 2,920 g/tonne Ag and 38.5% Pb over .3m (October 13, 2010 news release). For future reference this will be referred to as the JK Vein.

Assay Highlights:

Hole 16 from 6.1-6.7m	256 g/tonne Ag	.79%Pb	10.01%Zn	14.56%Mn
Hole 17 from 8.53-8.83m	166 g/tonne Ag	.96%Pb	1.76%Zn	9.8%Mn

The JK vein occurs in weathered arkosic rocks which, at shallow depths in Holes 16 and 17, are partially oxidized. The vein material has a white porcelanous appearance and minor amounts of sphalerite and no associated dyke was encountered. Samples from the vein will be submitted to a mineralogist for further study. The Company is also reviewing previous metallurgical studies to determine if the Manganese encountered can be extracted and marketed.

2010 Development

Portal reconstruction and a vent raise have been completed on Level 1 of the Main Mine area where a NI 43-101 compliant resource estimate in 2009 reported a total vein indicated resource diluted to a mineable width of 1.2m, using a 10oz/tonne Ag cut-off, of 33,000 tonnes grading 26.68oz/tonne Ag, 4.16%Pb, and 3.8% Zn, and a total vein inferred resource, using a 10oz/tonne Ag cut-off, of 120,000 tonnes grading 29.76oz/tonne Ag, 2.79%Pb, and 4.36% Zn. An underground inspection has been conducted and the Company will use this information to update its mine planning and design for both a bulk sample and a full mining permit.

Objectives

The Company has submitted a small mines permit application to the BC MEMR for the removal of up to 75,000 tonnes of raw ore per year from the Treasure Mountain Project. The Company has no plans to construct a mill at the Treasure Mountain Property for upgrading the ore. In an effort to expedite the mining process at Treasure Mountain, the Company has been reviewing suitable properties that may be acquired where a mill can be constructed, subject to financing. Shareholders are cautioned that the Company recognizes added risks, uncertainties and increased potential for failure are consequent upon its intention to proceed to production without completing a feasibility study, establishing mineral reserves (a higher category of confidence) or upgrading the current inferred mineral resources at Treasure Mountain.

The Company has entered an agreement to acquire Craigmont Holdings Ltd. in an effort to expedite the mining process. The Craigmont property currently has all of the permitting in place for water usage, discharge and milling. The permits will require an amendment once all of the engineering and planning have been completed for both the construction of a new mill and the tailings pond. This is anticipated to be completed in the second quarter of this year and mill construction would begin immediately. Subject to a number of factors including, but not limited to, permits and construction delays the Company expects to have a mill in place by the fourth quarter of 2011 to process both the existing stockpile, the 10,000 tonne bulk sample and any mined ore if the mining permit has been granted for the Treasure Mountain Project.

Current Mineral Tenure (Claim) Holdings

The Company's claim holdings at Treasure Mountain now consist of 51 mineral tenures, comprising 21 legacy claims, 100 cell units, one Crown Grant and 5 district lots, for a total of approximately 2,850 hectares (7,000 acres).

8. FINANCINGS, PRINCIPAL PURPOSES AND MILESTONES

The Company granted 830,000 stock options on March 29, 2010 to directors and consultants of the Company exercisable at a price of $0.25 for a period of five years. The options are subject to the Company's stock option plan.

On May 5, 2010, the Company completed a non-brokered private placement of 3,895,000 units at a price of $0.20 per unit for net proceeds of $725,740.

On May 5, 2010, the Company granted stock options to a director to purchase an aggregate of 150,000 common shares at a price of $0.25 for a period of five years.

On June 28, 2010, the Company granted 340,000 stock options to directors and consultants of the Company exercisable at a price of $0.385 for a period of five years. The options are subject to the Company's stock option plan.

On August 30, 2010 the Company received $170,550 from the exercise of 568,500 warrants with an exercise price of $0.30 and 131,500 warrants expired, unexercised.

On November 8, 2010 the Company announced that it has received $162,707 in British Columbia Mineral Exploration Tax Credits ("METC") for the years 2007-2009.

On December 22, 2010 the Company completed two private placements for total gross proceeds of $1,910,480. The first non-brokered private placement was for 1,799,000 units at a price of $0.52 per unit, with each unit consisting of one common share and one common share purchase warrant to purchase an additional share at $0.75 until June 22, 2012, subject to a right of call of the Company. The second non-brokered private placement was for 1,625,000 units priced at $0.60 per unit, with each unit consisting of one common share and one common share purchase warrant to purchase an additional share at $0.75 until December 22, 2012. Finder's fees consisting of the issuance of an aggregate of 121,800 broker warrants, each having an exercise price of $0.75 per share and exercisable until June 22, 2012, and a cash payment of $68,136 were paid in connection with the financings.

9. LIQUIDITY AND CAPITAL RESOURCES

As of December 31, 2010, the Company had working capital of $2,374,416, that included cash of $1,998,259, as compared to a working capital deficiency of $33,209 and cash of $17,268 as at December 31, 2009.

10. RELATED PARTY TRANSACTIONS

During the period ended December 31, 2010, the Company incurred the following expenditures to directors:

Office and general	$ 1,440
Management fees	$ 34,000
Consulting	$ 22,000
Site Supervision	$ 15,000

Transactions with related parties are measured at the exchange amount agreed to by transacting parties.

11. OUTSTANDING SHARE DATA AS AT DECEMBER 31, 2010

(a) Authorized and issued share capital

Class	Par Value	Authorized	Issued Number
Common	No par value	Unlimited	17,228,499

(b) Summary of options outstanding

Security	Number	Exercise Price	Expiry Date
Options	830,000	$0.25	March 29, 2015
Options	150,000	$0.25	May 5, 2015
Options	340,000	$0.385	June 28, 2015
Options	200,000	$0.66	December 22, 2015

(c) Summary of warrants outstanding

Security	Number	Exercise Price	Expiry Date
Warrants	238,320	$0.20	November 4, 2011
Warrants	3,895,000	$0.35	November 4, 2011
Warrants	1,799,000	$0.75	June 22, 2012
Warrants	1,625,000	$0.75	December 22, 2012
Warrants	61,800	$0.75	June 22, 2012
Warrants	60,000	$0.75	December 22, 2012

(d) There are no escrowed or pooled shares.

12. OUTSTANDING SHARE DATA AS OF APRIL 20, 2011

(a) Authorized and issued share capital

Class	Par Value	Authorized	Issued Number
Common	No par value	Unlimited	17,745,029

(b) Summary of options outstanding

Security	Number	Exercise Price	Expiry Date
Options	600,000	$0.25	March 29, 2015
Options	150,000	$0.25	May 5, 2015
Options	340,000	$0.385	June 28, 2015
Options	200,000	$0.66	December 22, 2015

(c) Summary of warrants outstanding

Security	Number	Exercise Price	Expiry Date
Warrants	183,320	$0.20	November 4, 2011
Warrants	3,770,000	$0.35	November 4, 2011
Warrants	1,799,000	$0.75	June 22, 2012
Warrants	1,625,000	$0.75	December 22, 2012
Warrants	61,800	$0.75	June 22, 2012
Warrants	60,000	$0.75	December 22, 2012

(d) There are no escrowed or pooled shares.

13. DISCLOSURE CONTROLS AND PROCEDURES

Disclosure controls and procedures have been designed to ensure that information required to be disclosed by the Company is accumulated and communicated to our management as appropriate to allow timely decisions regarding required disclosure. The Company’s Chief Executive Officer and Chief Financial Officer have concluded, based on their evaluation as of December 31, 2010, that our disclosure controls and procedures are effective to provide reasonable assurance that material information related to the Company is made known to them by others within the Company. It should be noted that while the Company’s Chief Executive Officer and Chief Financial Officer believe that the disclosure controls and procedures provide a reasonable level of assurance and that they are effective, they do not expect that the disclosure controls and procedures will prevent all errors and fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

Internal Control over Financial Reporting

The Chief Executive Officer and Chief Financial Officer of the Company are responsible for designing internal control over financial reporting or causing it to be designed under their supervision in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian GAAP. We assessed the design of our internal control over financial reporting as of December 31, 2010. During this process, management identified certain material weaknesses in internal control over financial reporting which are as follows:

a) Due to its limited number of staff, it is not feasible to achieve complete segregation of incompatible duties.

b) Due to its limited number of staff, the Company does not have a sufficient number of finance personnel with all the technical accounting knowledge to address all complex and non-routine accounting transactions that may arise.

These weaknesses in the Company's internal control over financial reporting result in a more than remote likelihood that a material misstatement would not be prevented or detected. Management and the board of directors work to mitigate the risk of a material misstatement in financial reporting, however, there can be no assurance that this risk can be reduced to less than a remote likelihood of a material misstatement.

14. OFF BALANCE SHEET ARRANGEMENTS

The Company does not have any off balance sheet arrangements which may effect the Company's current or future operations or conditions.

15. SUBSEQUENT EVENTS

The Company retained Sequoia Partners Inc. ("Sequoia") to provide investor relations and consulting services to the Company. Sequoia receives a monthly retainer of $5,000. Sequoia was issued options on December 22, 2010 to purchase 200,000 common shares pursuant to the Company's stock option plan.

Huldra has granted 90,000 stock options to consultants and employees of the Company. Each option is exercisable into one common share at $0.95 per share for a period of five years. The options are subject to the terms of the Company's stock option plan.

In February 2011, the Company completed the acquisition of four district lots, consisting of 70.7 hectares of land, located at Treasure Mountain, British Columbia for a total consideration of $350,000 comprised of $200,000 cash and 130,765 common shares of the Company having a total value of $150,000. The 130,765 common shares are subject to a four month restricted period under applicable securities laws until June 25, 2011.

On March 30, 2011, the Company entered into a definitive strategic acquisition agreement (the "Craigmont Agreement") with Craigmont Holdings Ltd. ("Craigmont"), the shareholders of Craigmont, Craigmont Mines Ltd. ("CML") and a wholly-owned subsidiary of Huldra whereby Huldra has agreed to acquire all of the shares of Craigmont from the Craigmont shareholders for aggregate cash consideration of $7,500,000 and the issuance of an aggregate of 372,000 common shares of Huldra having a value equal to $500,000 (the "Craigmont Transaction"). Craigmont holds real property, mineral claims and mineral leases, covering approximately 8,400 hectares (collectively, the "Craigmont Property"), located in south central British Columbia, approximately 10 kilometers west of Merritt. As soon as practicable after closing of the Craigmont Transaction, Huldra intends to commence the planning and construction of a mill on the Craigmont Property.

Upon entry into the Craigmont Agreement, Huldra made an aggregate cash payment of $500,000 to the Craigmont shareholders, which amount will be held in escrow until the closing of the Craigmont Transaction and will be returned to Huldra in the event that the Craigmont Transaction does not close. At closing, Huldra will issue the Craigmont shareholders 372,000 common shares, at a deemed price of $1.34 per share, for a total aggregate value of $500,000. On or prior to January 31, 2012, Huldra will make a second cash payment of $3,000,000 to the Craigmont shareholders. The $4,000,000 balance of the cash consideration will be payable by Huldra to the Craigmont shareholders on or prior to January 31, 2013. The amount of the third payment may be reduced by a maximum of $900,000 subject to a determination of: (i) reclamation plan costs to be set out in a Liability Cost Estimate (as defined in the Craigmont Agreement) to be commissioned by Huldra in consultation with the Craigmont shareholders; and (ii) amounts set out in the Liability Cost Estimate that have been remedied by the Craigmont shareholders at their own expense prior to January 31, 2013. Closing of the Craigmont Transaction is subject to various conditions including the approval of the TSX-V.

The Company announced that it has made an application for a permit approving the Company's Small Mine Plan and Reclamation Program pursuant to Section 10 of the British Columbia Mines Act for the development and operation of the Treasure Mountain Project. The application allows for up to 75,000 tonnes a year of ore removal, however, the maximum the Company expects to remove is 60,000 tonnes per year.

The Company announced that it has entered into a non-binding term sheet pursuant to which, subject to entry into a definitive agreement regarding same and other conditions, a lender has agreed to make a $10,000,000 debt facility available to the Company. If such definitive agreement has not been entered into within 60 days, the Company has made a binding agreement to pay the lender costs of approximately $125,000. In addition, unless the definitive agreement has not been entered into due to a decision by the lender not to proceed with the transaction, the Company has agreed, subject to the prior approval of the TSX-V, to issue the lender 500,000 warrants.

16. PROPOSED TRANSACTIONS

The proposed transaction with Craigmont is intended to advance the Company from an exploration stage company into a producing mining company on an expedited basis, subject to permitting. The Craigmont Agreement was entered into on March 30, 2011. An initial payment of $500,000 has been deposited into escrow by the Company and will be released to Craigmont upon the closing of the Craigmont Agreement. The second payment of $3,000,000 is due to be paid upon the later of (i) commissioning of the mill; or (ii) January 2012. The final payment must be paid by January 31, 2013, which is scheduled to coincide with the timing of receipt of anticipated revenue from mining operations by the Company. The construction of the mill on the Craigmont Property, together with tailings modifications, are budgeted at $5,000,000.

The proposed loan facility discussed above under the heading "Subsequent Events" has been designed to coincide with the expenditures required in connection with the Craigmont Agreement and capital requirements at the Treasure Mountain Property.

17. INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS")

In 2008, the Canadian Accounting Standards Board confirmed that the transition to IFRS from Canadian GAAP will be effective for fiscal years beginning on or after January 1, 2011 for publicly accountable enterprises. The Company will therefore be required to present IFRS financial statements for its March 31, 2011 interim financial statements. The effective date will require the restatement for comparative purposes of amounts reported by the Company for the interim periods and for the year ended December 31, 2011.

Accordingly the Company is in the process of putting measures into place to provide extensive training to key finance personnel, to review contracts and agreements and to increase the level of awareness and knowledge amongst management, the Board of Directors and the Audit Committee. Additional resources will be engaged to ensure the timely conversion to IFRS. As at December 31, 2010, the Company has completed an IFRS diagnostic, is in the process of the elections under IFRS "First Time Adoption to IFRS", is in the process of determining accounting policies choices and procedures, internal control over financial reporting, and training of its employees impacted in the IFRS conversion.

18. OTHER INFORMATION

The Company's website address is www.huldrasilver.com. Other information relating to the Company may be found on SEDAR at www.sedar.com.

19. BOARD APPROVAL

The board of directors of the Company has approved this MD&A.