



First Quarter Report for the Period Ending February 28, 2010

Management's Discussion and Analysis

April 27, 2010

This discussion and analysis of the consolidated operating results and financial condition of the Company for the nine months ended February 28, 2010 and 2009 should be read in conjunction with the Consolidated Financial Statements and the related Notes for the nine months then ended. All dollar amounts are in Canadian dollars.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls and to ensure the information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable. The board's audit committee meets with management quarterly to review the financial statements including the MD&A and to discuss other financial, operating and internal control matters.

The reader is encouraged to review Company statutory filings on www.sedar.com and to review general information including reports and maps on the Company's website at www.mansfieldminerals.com.

DESCRIPTION OF BUSINESS AND OVERVIEW

Mansfield has focused its activities in the Puna region of northwestern Argentina since August 1994. Management first conducted preliminary reconnaissance during January 1994; timing of this initial foray into northwestern Argentina coincided with the Argentinean government revamping a previously untenable Mining Law. In particular, in Salta Province, where the Company's most advanced project is located, the government has implemented mining development as a key part of their economic plan and has put into play a number of pro-mining initiatives. This has now gained worldwide recognition in industry and financial circles.

Since the gold price reached its all-time of US\$1,220 in November 2009, gold has traded in a narrow channel between US\$1,050 – US\$1,150. Merger and acquisition activity has remained moderately strong with several merger takeovers being announced in the past few months. With the release of the Lindero prefeasibility study results in March 2010, the Company is now in the position to press forward towards bankable feasibility while remaining open to an accretive business combination. Management believes the monetary and interest rate policy being directed by the U.S. Federal Reserve remains intact. This is good news for gold longer term.

MINERAL PROPERTY REVIEW

This review has been prepared by the Company's geologic staff under the supervision of Gordon P. Leask, P.Eng., President, director and CEO of the Company, and a Qualified Person ("QP") as defined by National Instrument 43-101 (Standards of Disclosure for Mineral Projects).

Lindero Project, Argentina

The Company's portfolio consists solely of the Lindero heap leach oxide gold deposit located in Salta Province, northwestern Argentina. Lindero is 100% owned by the Company and covers 3,500 hectares (13.50 square miles).

During the quarter, the Company announced the results from a National Instrument 43-101 compliant pre-feasibility study (the "Study") for its 100% owned Lindero gold project in Salta Province, Argentina. The Study was completed by AMEC Americas Limited ("AMEC") in association with American Au Ag Associates and Kappes Cassiday & Associates. The Study contemplates conventional open pit mining operation and heap leach gold recovery. Over the initial three years of production 31.9 million tonnes of ore will be mined at an average grade of 0.81 grams/tonne containing 830,000 oz of gold. Leach kinetics provide for the recovery of 499,700 oz/gold in years 1-3 with the

remaining 83,800 oz recovered as leaching proceeds based on a 70.31% recovery. Heap leaching over the first five years will produce an average of 161,000 ounces of gold at a cash cost of US\$373 per ounce. Highlights of the project economic estimates are summarized below.

Pre-tax Project Economics⁽¹⁾⁽²⁾

Gold price (\$US/oz)	Net Present Value (US\$ million)			IRR (%)	Payback (years)
	Discount Rate (%)				
	4.0%	6.0%	8.0%		
\$850 ⁽³⁾	\$237	\$194	\$157	25.9%	2.8
\$975	\$363	\$305	\$256	35.4%	2.2
\$1,100	\$490	\$416	\$355	44.1%	1.9

1. Project economics have been reported by AMEC on a pre-tax basis.
2. Project economics include a 3% provincial royalty.
3. Base case project scenario.

The Company is planning to have tax modeling completed independently to determine the after-tax project economics.

The mine plan in the pre-feasibility study is based on measured and indicated gold resources of 2.2 million ounces of gold at a 0.20 g/t cut-off. In parallel with project development, management is currently considering further drilling with the objective of converting a portion of the additional 750,000 ounces of gold in the inferred resource category to the measured and indicated category at a 0.20 g/t gold cut-off. The Company has engaged Vector Argentina S.A. to further advance the mine permitting process. As a conventional open pit heap leach project with good accessibility and project logistics, management believes the project could be in production in less than 24 months following receipt of necessary permits and obtaining sufficient financing.

Operating Summary

		Life of Mine Total	Years 1-5 Annual Average	Life of Mine Annual Average
Ore Production	million tonnes	101.1	10.7	10.6
Waste Production	million tonnes	90.5	13.1	9.5
Strip Ratio	(waste:ore)	0.90	0.82	0.88
Gold Head Grade	g/t	0.59	0.72	0.59
Metallurgical Recovery	%	70.31		
Payable Gold Production¹	000 oz	1,357	161	124
Mining Cost²	US\$/tonne	1.11	0.98	1.11
Processing Cost	US\$/tonne	2.24	2.19	2.24
G&A Cost	US\$/tonne	0.85	0.84	0.85
Cash Operating Cost	US\$/oz	407	373	407

1. After refining and treatment charges.
2. Considering total material moved.

Capital Costs

Initial capital⁽³⁾	US\$ 213 million
Sustaining capital	US\$ 15 million

3. Includes a contingency of US\$18 million.

Reserves and Resources⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾

	Cut Off Grade (g/t)	Tonnes (000's)	Average Grade (g/t)	Contained Gold (M oz)
Proven Reserve	0.19	27,929	0.76	0.69
Probable Reserve	0.19	73,169	0.52	1.24
Proven & Probable Reserve	0.19	101,098	0.59	1.92
Measured	0.20	28,400	0.76	0.70
Indicated	0.20	94,200	0.50	1.50
Measured & Indicated Resource	0.20	122,600	0.56	2.20
Inferred Resource	0.20	59,000	0.40	0.75
Measured	0.40	23,800	0.85	0.65
Indicated	0.40	48,100	0.68	1.06
Measured & Indicated Resource	0.40	71,900	0.74	1.71
Inferred Resource	0.40	19,400	0.59	0.37

1. CIM definitions were followed for estimation of Mineral Resources and Mineral Reserves.
2. Mineral Resources were constrained within an economic open pit shell, generated using a gold price of US\$890 per ounce of gold, a processing cost of \$3.07 per tonne, a mining cost of \$1.10, a sales cost of \$12 per ounce and a metallurgical recovery of 70%.
3. Mineral Reserves are estimated using a cut-off grade of 0.19 g/t Au, based on a gold price of US\$775 per ounce.
4. Mineral Resources are inclusive of Mineral Reserves.
5. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

Additional Details

The Study projects a 9.5 year mine life with cumulative production of 1.357 million ounces of payable gold based on the National Instrument 43-101 compliant Reserve Estimate. Ore will be mined at an annual rate of 10.8 million tonnes, and due to favourable topography the life of mine strip ratio is 0.9:1 (waste to ore). The topography is also favourable for the location of the leach pads and waste dumps with minimal earthworks required.

The current life of mine metallurgical recovery is estimated at 70.31% weighted average for all domains in Reserves based on a two stage conventional crushing and grind circuit with a grind size of a -3/8 inch p80 = 7mm. Reagent consumption is expected to be modest (cyanide consumption of 0.436 Kg/tonne and lime of 2.75 Kg/tonne). Limestone will be sourced locally and lime produced in a calcining plant. Recent test work utilizing high pressure grinding roll (HPGR) crushers has demonstrated the potential for gold recoveries above the estimated life of mine average recoveries of 70.3% and at potentially lower operating costs.

Power will be generated utilizing natural gas supplied by a 130km connection to the regional Gasoducto de la Puna gas pipeline which was built by the Salta government to encourage mining and other economic development in the Puna region. The estimated capital cost of the natural gas connection is US\$9.9 million. Power cost is estimated at US\$0.062 per kwh based on a natural gas price of US\$5 per MMBTU.

Environmental, Permitting, and Community Relations

The Company is advancing the permitting process with significant base line environmental monitoring and other work completed to date. Estimates and results from the Study will be a significant input for the final permitting applications. The Company has also focused efforts on consultation with local communities and other stakeholders to ensure that concerns are properly addressed.

OPERATIONS AND FINANCIAL CONDITION

Summary of Quarterly Results

The following is a summary of certain selected unaudited financial information for the most recent eight fiscal quarters.

Unaudited (Fiscal Quarters of the Fiscal Year ended May 31, 2010)

All in \$1,000's except loss (income) per Share	First Quarter	Second Quarter	Third Quarter
Working capital	\$ 1,370	\$ 1,117	\$ 1,485
Loss	\$ 215	\$ 302	\$ 320
Loss per share	\$ 0.005	\$ 0.005	\$ 0.007
Loss (fully diluted)	\$ 0.005	\$ 0.005	\$ 0.007
Total assets	\$ 14,768	\$ 14,747	\$ 14,741
Total liabilities	\$ 946	\$ 981	\$ 899
Deficit	\$ 45,779	\$ 46,081	\$ 46,401

Unaudited (Fiscal Quarters of the Fiscal Year ended May 31, 2009)

All in \$1,000's except Loss per Share	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Working capital	\$ 11,786	\$ 3,086	\$ 2,618	\$ 2,036
Loss (recovery)	\$ (411)	\$ 3,271	\$ 976	\$ 2,407
Loss (recovery) per share	\$ (0.009)	\$ 0.074	\$ 0.022	\$ 0.055
Loss (recovery) per share (fully diluted)	\$ (0.009)	\$ 0.074	\$ 0.022	\$ 0.055
Total assets	\$ 32,857	\$ 14,715	\$ 14,495	\$ 14,817
Total liabilities	\$ 1,979	\$ 868	\$ 760	\$ 908
Deficit	\$ 38,911	\$ 42,182	\$ 43,158	\$ 45,565

Unaudited (Fiscal Quarters of the Fiscal Year ended May 31, 2008)

All in \$1,000's except Loss per Share	Fourth Quarter
Working capital	\$ 8,215
Loss (recovery)	\$ (2,713)
Loss (recovery) per share	\$ (0.06)
Loss (recovery) per share (fully diluted)	\$ (0.06)
Total assets	\$ 39,844
Total liabilities	\$ 1,854
Deficit	\$ 39,322

Third Quarter ended February 28, 2010

The Company's loss for the quarter ended February 28, 2010 totaled \$319,821 a loss of \$0.007 per share, as compared to a loss of \$976,368, a loss of \$0.022 per share, for the quarter ended February 28, 2009. General and administrative expenses excluding charges for stock-based compensation for the quarter totaled \$282,737 (February 28, 2009 quarter - \$207,240). Interest income as well as other items, including disposal on investments, which affect operations, fluctuate from quarter to quarter do not occur on a regular basis.

The Company's cash and cash equivalents increased by \$311,377 during the quarter ended February 28, 2010, as compared to a decrease of \$356,420 during the quarter ending February 28, 2009. Cash resources used in operations totaled \$288,184. Cash resources provided by investing activities totaled \$599,561.

The Company's activities continued to be focused on development of the Lindero deposit.

Liquidity

Cash and cash equivalents at February 28, 2010 totaled \$1,492,807 compared to \$2,603,222 at February 28, 2009. Working capital at February 28, 2010 was \$1,485,491 compared to \$2,617,993 as at February 28, 2009. Additions to deferred exploration costs incurred during the quarter ended February 28, 2010; all in Argentina, totaled \$373,585 compared to \$355,430 incurred for the quarter ended February 28, 2009. Cash provided by investing activities during the quarter ended February 28, 2010 was \$599,561 in comparison to the amount of \$355,430 used during the quarter ended February 28, 2009.

The ability of the Company to realize the costs it has incurred to date on these mineral property interests is dependent upon the Company being able to lever its property interests and cash, by way of exploration activities and option/joint ventures, into assets of greater value.

Capital Resources

The Company's authorized capital consists of an unlimited number of common shares without par value. February 28, 2010 the Company had 44,124,221 issued and outstanding common shares (February 28, 2009 – 44,124,221), and at April 27, 2010 the Company had 44,274,221 issued and outstanding shares.

The Company adopted a formal written stock option plan ("Stock Option Plan") on October 9, 2002, which was subsequently amended on September 23, 2005, September 26, 2007 and October 29, 2008. Under this plan, the Company may grant options for up to 5,964,916 common shares to directors, employees and consultants at exercise prices to be determined by the market value on the date of grant, for a maximum term of 10 years. Vesting of options is made at the discretion of the Board of Directors at the time the options are granted with the exception of options granted in relation to investor relations. Options granted to consultants engaged in investor relations activities must vest no earlier than as to one-quarter upon the grant date and as to a further one-quarter after each of the following three four-month periods. The Stock Option Plan and amendments were approved by the TSX Venture Exchange (the "Exchange") on November 22, 2002, November 19, 2005, and October 29, 2008, respectively.

During the quarter ended February 28, 2010, there were no stock options granted or exercised. As at February 28, 2010, the Company had 4,425,000 stock options outstanding. If exercised, the 4,425,000 stock options would increase the Company's available cash by \$1,026,250. Subsequent to the quarter ended February 28, 2010, 150,000 options at a price of \$0.23 were exercised.

During the quarter ended February 28, 2010, no warrants were granted or exercised.

Related Party Transactions

The Company entered into the following transactions with related parties as follows:

During the quarter ended February 28, 2010, the Company paid or accrued management fees and technical consulting fees in the amount of \$60,000 (2009 - \$60,000) to directors and companies controlled by directors of the Company.

During the quarter ended February 28, 2010, the Company paid or accrued administrative fees in the amount of \$30,295 (2009 – \$35,201) to an officer of the Company and to a company controlled by a director of the Company.

Amounts payable to related parties have no specific terms of repayment, are unsecured, and have no interest rate. The amounts charged to the Company for the services provided have been determined by negotiation among the parties and are covered by signed agreements. These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Proposed Transactions

The Company is not contemplating any other transactions which have not already been disclosed.

Investor Relations

Investor relations activities are performed by directors and officers of the Company.

Risks and Uncertainties

The Company's financial success will be dependent upon its ability to develop profitable operations and to continue to raise adequate financing. Management is actively targeting sources of additional financing through alliances with financial, exploration and mining entities, or other business and financial transactions which would assure continuation of the Company's operations and exploration programs. In order for the Company to meet its liabilities as they come due and to continue its operations, the Company is solely dependent upon its ability to generate such financing. There can be no assurance that the Company will be able to continue to raise funds in which case the Company may be unable to meet its obligations.

Disclosure Controls and Procedures

The Company's management, with the participation of the Company's Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the Company's disclosure controls and procedures as of the end of the period covered by the required filings.

Based upon the evaluation described above, the Chief Executive Officer and the Chief Financial Officer concluded that as of the end of the period covered by the required filings, the Company's disclosure controls and procedures were effective in timely alerting them to the material information relating to the Company (or its consolidated subsidiaries) required to be included in reports that the Company files.

Forward Looking Statements

All statements in this discussion, other than statements of historical facts, that address future exploration drilling, exploration activities, anticipated metal production, internal rate of return, estimated ore grades, commencement of production estimates and projected exploration and capital expenditures (including costs and other estimates upon which such projections are based) and events or developments that the Company expects, are forward looking statements. Although the Company believes the expectations expressed in such forward looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include metal prices, exploration success, continued availability of capital and financing, and general economic, market or business conditions. Accordingly, readers should not place undue reliance on forward-looking statements.

CORPORATE INFORMATION

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CAPITALIZATION

Authorized:
Unlimited common shares
Issued as at April 27, 2010 44,274,221

FINANCIAL INSTITUTION

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Vancouver, BC, Canada

STOCK EXCHANGE

Listed: TSX Venture Exchange
Symbol: MDR-V