

PLEXMAR RESOURCES INC. MANAGEMENT'S DISCUSSION AND ANALYSIS

For the year ended December 31, 2006 (compared December 31, 2005)

General

The following Management's Discussion and Analysis of Plexmar Resources Inc. (the "Company" or "Plexmar"), dated as at May 2, 2007, should be read in conjunction with the audited consolidated financial statements including the notes thereto for the years ended December 31, 2006 and 2005. Plexmar is a development stage mineral Exploration Company engaged in the identification, acquisition, evaluation and exploration of mineral properties, especially with the potential to host gold, silver and base metals, and is currently active in Peru and Ecuador.

This MD&A should be read in conjunction with the annual audited consolidated financial statements and notes hereto for the fiscal year ended December 31, 2006 as well as the audited consolidated financial statements and noted thereto for the fiscal year ended December 31, 2005, which are available on the SEDAR website, www.sedar.ca.

These audited annual financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP). The same accounting policies and methods are used in the preparation of the audited financial statements for the fiscal year ended December 31, 2005.

The reporting currency is in Canadian dollars, unless specified as US\$.

Plexmar has continued its efforts to date with an objective to make mineral deposit discoveries and sell these discoveries to a major mining company for the creation of value for shareholders.

The Company is a reporting issuer in British Columbia, Alberta, Ontario and Quebec and trades on the Canadian Venture Exchange under the symbol PLE.

For now, the Company conducts its exploration independently and is open to joint venture agreements with third parties whereby a third party would earn an interest in the Company's property by fulfilling terms as outlined in the agreement.

Forward-Looking Information

This management's discussion and analysis ("MD&A") contains certain forward-looking statements and information relating to Plexmar Resources Inc. ("Plexmar" or the "Company") that are based on the beliefs of its management as well as assumptions made by and information currently available to Plexmar. When used in this document, the words "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to Plexmar or its management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital, the estimated cost and availability of funding for the continued exploration and development of the Company's exploration properties. Such statements reflect the current views of Plexmar with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Aside from factors identified in the annual MD&A, additional important factors, if any, are identified here.

Activities on Mineral Projects

Plexmar Resources Inc.'s objective is to make mineral deposit discoveries. Current efforts are focused on precious and base metals in Peru and Ecuador, although opportunities in other countries and other precious or base metal commodities will also be considered, which is compatible with management's history and expertise. A large number of projects are under Plexmar's review at any given time; a few at an advanced exploration stage, some being prepared for drilling, others in first pass mapping and sampling after staking or acquisition, and many in preliminary evaluation to decide if property ownership is possible or desired. Due to the generative nature of the Plexmar's business, most of our expenditures consist of exploration and assay costs, salaries for professional personnel, land, legal and property payments, and travel to, from and within properties. The following section details property specific spending for the year ended December 2006 and relative to the same period in 2005.

Bolsa del Diablo

The Bolsa del Diablo project is the core asset of the Company. Management believes that this project has all the making of a new gold mining camp in northern Peru. The project covers an area of nearly 225 km² located near the border with Ecuador. The Company owns 100% of 24 concessions and has the right to acquire 100% of 2 more concessions through option agreements.

Field work in 2006, consisted of more reconnaissance, prospecting work and geophysical surveys. An airborne survey was completed in September and the ground geophysical survey consisting of magnetic, topographic survey was completed in January of this year. The induced polarization survey is yet to be completed. Trenches and pits were dug in areas where surface alteration was more intense, Geologists have uncovered an area measuring approximately 6 km² on which a number of artisan miners are pulling gold on a daily basis from trenches or pits. In one pit, Company's geologists got the highest grade sample to date on the property; 635 g/t Au and 24.8 g/t Ag from a vertical channel taken from a vein.

The airborne survey detected a large magnetic and potassic anomaly measuring 2.5km x 2.8km coincident with a mapped intrusive body. Preliminary results from the IP program indicate that high resistivity is consistent with silicification associated with the veins. At 100 meters of depth, the resistivity decreases and the chargeability increases. This may represent an increase in sulphide mineral content that would be consistent with a gold bearing alteration system which is the target the Company is exploring for. A PIMA sampling program over the zone is also near completion.

The alteration zone is characterized by low to intense silica and clay hydrothermal alteration. All the volcanic rocks in the area of interest show pervasive argillic alteration and have developed very intense stockwork structures. Gold mineralization occurs partly as fracture fillings in the stockwork and also as dissemination throughout the rock. Limonitization is pervasive throughout the rock. This intense stockwork was observed in numerous places on the property. There are over 100 pits, some going as deep as 40 metres, and numerous trenches located throughout the property.

For the past two years, the Company established good working relationships with the local communities and the local miners present on its concessions. Company's geologists are helping the local miners locate the veins extensions and teach them how to mine in a safe and environmentally friendly way. The Company has started the permitting process to obtain a drill permit with the Ministry of Mines and this process requires that the local communities, where the drilling will take place, give the Company a written permission to do so.

At the time of writing, the exploration program has been halted in a specific community that covers the northern part of the concessions, because a written permission was deemed required to continue the exploration program. The management is confident that the permit will be obtained during the second quarter of 2007 so that the IP program can be completed and the first drilling program can be carried out. However, work is continuing, as planned, in the neighboring community that is also part of the Bolsa del Diablo project. The Ministry of mines, with the help of local authorities recently conducted a small scale mining seminar that exposed the dangers of using toxic substances, such as mercury, used for gold recovery. Focus was also put on formalization of the local miners with the owners of the mining rights. There is a strong will from the new administration of President Garcia to promote mining in the North. The Company expects that by the end of 2007, most informal miners in the region will have signed formal contracts with the mining rights owners. This will regulate surface mining so that all parties can mutually work together to develop the mining potential of the whole region.

The work program in 2007 will consist of completion of the ground geophysics (IP) program and the start of the first drilling program of at least 3,000 meters. Other alteration systems, already identified on the project will be investigated and be subject to mapping, prospecting and followed by ground geophysics.

Plexmar's subsidiary holds rights to 6 concessions, has option agreements on 2 and 18 other concessions acquired by staking are currently held in trust by the Company's lawyer until they can be legally transferred to the Company's subsidiary. These 26 concessions make up the Bolsa del Diablo project.

Cascajal Project

The Cascajal package of properties, located in Northern Peru, in the La Libertad department is composed of 6 properties covering 2,500 hectares. The Company owns 5 properties and has currently one purchase agreement on one property. In 2005, the Company did not carry out any exploration work on the Cascajal project. A local mining Peruvian Company has optioned the property that Plexmar dropped in 2004 and apparently had a successful drilling program. We have approached this Company to discuss their interest in our package of land surrounding them. Due to renewed interest in the area from other entities, we will keep the mining titles for another year.

The Malin plant, which was purchased in 2004 is located 5 kilometres from Cascajal. It is a 150 TPD flotation plant that has been on standby since 1990. In 2007, the Company is currently evaluating proposals to sell the plant to interested parties.

Marilia

The Marilia group of properties are located in the department of Cajamarca in Northern Peru. They cover a total of 1,600 hectares and are situated about 15 km west of the town of Cajabamba. Geographically, Marilia is located in the centre of a gold belt bordered to the north by the Yanacocha mine (Newmont) and to the south by the Pierina mine (Barrick). More precisely, the property is about 3 km north of the Shahuindo property of Sulliden Exploration and 25 km north of Barrick Gold Alto Chicama deposit. Sulliden announced recently excellent drilling results (1,98 g/t Au over 45m and 3,27 g/t Au over 30m). Shahuindo contains gold resources of approximately 825,000 ounces of gold and 15 million ounces of silver.

The Marilia property possesses several similar characteristics with Alto Chicama and Shahuindo. We note the presence of:

- the porous Chimu sedimentary unit, which contains a large part of the gold in the Alto Chicama deposit;
- granodioritic and dacitic intrusives, which control the gold mineralization;
- hydrothermal alteration in the northeast et southwest, which indicates a significant potential for gold mineralization;
- pyrite, arsenopyrite, chalcopryrite, galena and an anthracite coal horizon in which there is often free gold as found in the Alto Chicama deposit;
- several breccias;
- geochemical anomalies in gold and arsenic;
- surface gold values of up to 2,9 g/t Au.

The Company has only done reconnaissance work on those properties and is waiting for the legal battle regarding the ownership of the nearby Shahuindo deposit to be resolved before resuming the sampling and mapping program

Ecuador

In November 2006, the Company signed a final contract with the owner of the Escondida project in Ecuador to acquire 100% of the mining rights to these properties.

The Escondida project represents one of the largest land positions in the Cordillera del Condor near Aurelian Resources' Fruta del Norte gold discovery. The project covers 84,110 hectares (841.1 km²) and borders Aurelian's large land package on the western flank and north of Corriente Resources Mirador deposits. Fruta del Norte is believed to be the most significant gold discovery made by a junior miner in over a decade.

During its due diligence process on the Escondida concessions, Plexmar took 44 samples, 12 returned anomalous values of gold and the best values were: 14.2 g/t, 38.4 g/t, 91.4 g/t and 396.0 g/t Au confirming the high potential of the area. The samples are located on the Escondida II concession adjacent to Aurelian's ground and approximately 8 kilometers northwest of Fruta del Norte.

The terms of the contract are described as:

Plexmar acquires a 100% interest in the properties in return for cash payments totaling US\$2.0M over a 24-month period following the signature of the final contract and the issuance of shares. Every 3 months payments will be issued totaling US\$1.35M in the first year and US\$650k the second year. Payments totaling US\$200k have already been made. 6M shares will be issued to the owner, 2M on signature of the final contract, 2M after 6 months and 2M after 12 months.

Plexmar is required to assign a 60% interest to a public vehicle of its choice (New Company). Plexmar will sign an option agreement with the New Company whereby the New Company will reimburse all the investment made by Plexmar to date, make all cash payments due by Plexmar to the owner, issue a significant number of shares to Plexmar, and commit to a 3-year exploration work program.

The New Company is required to issue to the owner 20% of its outstanding shares before a public financing and 10% in warrants. The owner will also be given a seat on the New Company's Board of Directors.

A 2.5% NSR will be awarded to the owner with a right of first refusal assigned jointly to Plexmar and the New Company.

At the time of writing, the Company has received conditional approval from TSX Venture Exchange to complete the transaction.

In 2007, the Company will carry out basic mapping and stream sediment surveys on the central and southern blocks of concessions in order to identify gold and base metals anomalies.

The Company's management believes that newly elected president Correa will support and protect foreign investment, especially in mining exploration and production. The Minister Energy and Mines recently stated that the mining code will be revised in the second quarter of 2007 to include public consultations as part of the production permitting process and a royalty payment schedule will be put in place and follow the ones in place in countries such as Peru and Chile. This is viewed as a positive step by the financial and mining communities worldwide and a sure sign that the government in power will be pro-development and pro-mining.

Overall Performance

During the year ended December 31, 2006, the Company raised gross proceeds of \$3,215,450 by way of private placements. On February 9th 2006, the Company raised \$1,250,000 by issuing 20,833,329 common shares at a price of \$0.06 per share with 20,833,329 share purchase warrants at an exercise price of \$0.12 valid until August 9th 2007. And a second financing was completed on October 2006 raising a total of \$1,965,450 by issuing 5,615,571 shares and 5,615,571 share purchase warrants at a price of \$0.41 valid until October 12nd 2008. An additional amount of \$3,671,320 was raised pursuant to the exercise of warrants and \$708,692 with the exercise of stock options. The funds raised are being used to continue the exploration program on the properties in Peru and Ecuador and for general working capital.

The Company has no revenue.

During the fiscal year 2006, exploration activities were concentrated on the Bolsa del Diablo project where prospection, geological mapping and geochemical sampling was carried out. An amount of \$1,397,456 was spent on Bolsa Del Diablo in exploration and property payments and an amount of \$1,434,046 was spent on Almirante Miguel Grau in exploration and property payments for a total of \$2,843,983 on Peru's properties. In Ecuador, the Company spent a total of \$810,405 on exploration and property payments which will be reimbursed by the 'New Company'.

As of December 31, 2006, the Company had cash assets of \$ 3,716,197 and other current assets amounting to \$133,505 for total current assets of \$3,849,702. The Company's current liabilities amounted to \$531,694 as of December 31, 2006.

Results of Operations

Plexmar is a Canadian public exploration company involved in the business of identifying and acquiring mineable deposits of metals in South America. The Company has no mineral producing properties and thus has no revenues from any mineral properties.

Selected Annual Information

The following table sets out selected annual financial information of the Company and is derived from the Company's audited consolidated financial statements for the years ended December 31, 2006, 2005 and 2004.

	2006 \$	2005 \$	2004 \$
Loss for the Year *	2,065,861	1,010,150	2,605,455
Loss per Share – Basic and Diluted	0.02	0.02	0.06
Total Assets	9,639,200	2,056,202	1,906,551
Total Liabilities	531,694	581,886	310,925
Dividends Declared	-	-	-

* No mining properties was abandoned during the year ended 31st December 2006

* The loss for 2005 included of the cost of mining properties abandoned in the amount of \$32,980

*The loss for 2004 included of the cost of mining properties abandoned in the amount of \$1,364,841

Summary of Quarterly Results

The following table sets out selected unaudited quarterly financial information of Plexmar and is derived from unaudited quarterly consolidated financial statements prepared by management. Plexmar's interim consolidated financial statements are prepared in accordance with Canadian generally accepted accounting principles.

Quarter ended	Total revenues \$	Net loss \$	Loss per share \$
March 31, 2005	2,121	139,251	0.01
June 30, 2005	197	261,196	0.01
September 30, 2005	-	249,560	0.01
December 31, 2005	2,091	360,143	0.01
March 31, 2006	70,885	440,381	0.01
June 30, 2006	-	283,987	0.01
September 30, 2006	164,620	531,506	0.01
December 31, 2006	-232,694	809,987	0.01

The loss for the year ended December 31, 2006 includes that a foreign subsidiary for an amount of \$145 275 .Of this amount, \$102 285 represents professional charges and general administrative expenses including depreciation, \$42,249 an exchange loss and \$1 337 other revenues. In 2005, charges for operating a foreign subsidiary were \$163,863.

Professional fees for the year ended December 31, 2006 included \$34,500 (\$21,000 in 2005) paid to public relations firms.

In 2006, charges for acquiring properties in Peru were \$1,935,793 and for acquiring properties in Ecuador were \$541,225.

Fourth Quarter

During the last quarter of the year ended December 31, 2006, the company has completed a private placement for \$1,965,450 issued 5,615,571 shares and 5,615,571 warrants

Detailed Analysis of Deferred Exploration Costs and Expenses

	2006	2005
Balance – Beginning of year	\$1,590,198	\$613,328
Acquisition and Exploration Costs		
Costs of Claims	\$2,478,331	\$463,787
Drilling	-	\$24,936
Geophysics	\$13,862	\$85,266
Sampling and analyses	\$197,549	\$9,436
Geologists salaries and others	\$798,828	\$237,331
Relations with community	\$102,002	\$82,829
Fuel and maintenance of vehicles	\$15,999	\$14,157
Maintenance of facilities	\$35,914	\$73,172
Accommodation	-	\$18,936
Explorations and maps	\$11,903	-
Mining properties abandoned	-	(\$32,980)
Balance - End of year	\$5,244,586	\$1,590,198

Liquidity and Capital Resources

As of April 30, 2007, the Company had 129,392,156 shares issued.

The Company's working capital as at December 31, 2006 was \$3,318,008 compared to working capital deficiency of (\$477,746) as at December 31, 2005. The cash balance as of December 31, 2006 was \$3,716,197 compared to \$23,123 as of December 31, 2005.

As of December 31, 2006, the Company had options outstanding granted to directors, officers, employees and consultants to purchase an aggregate of 7 275 335 shares at prices ranging from \$0.11 to \$0.73 and expiring at varying dates between **January 31, 2007** and **July 13, 2011**. As of December 31, 2006, the Company had 7,905,404 warrants outstanding. If exercised, total proceeds from the exercise of these warrants would be approximately \$ 2,572,414.

Warrants outstanding as of December 31, 2006: 7,905,404 warrants

Number of Warrants	Price	Valid until dd/mm/yy
500,000	\$0,10	05/12/2007
100,000	\$0,10	20/09/2007
1,664,833	\$0,12	09/08/2007
5,640,571	\$0,41	12/10/2008

Share purchase options outstanding as of December 31, 2006: 7,275,335 options

Share purchase options	Price	Valid until dd/mm/yy
200,000	\$0.35	31/01/2007
200,000	\$0.28	23/01/2007
250,000	\$0,51	13/07/2007
2,000,000	\$0,56	18/10/2007
150,000	\$0,12	17/04/2008
1,300,000	\$0,51	13/07/2008
350,000	\$0,15	30/10/2008
350,000	\$0,73	15/11/2008
187,500	\$0.25	21/07/2009
16,667	\$0.15	16/02/2010
1,821,168	\$0,11	13/01/2011
450,000	\$0,51	13/07/2011

During the year, the Company raised \$3,215,450 by the issue of 26,448,900 shares and 26,448,900 share purchase warrants. 32 255 996 warrants and 4 320 498 options were exercised during the year. A private placement was completed on February 9th, 2006 for an amount of \$1,250,000 a total 20 833 329 shares and 20 833 329 share purchase warrants were issued. On October 11th, 2006, another private placement was completed for an amount of \$1,965,450 a total of 5,615,571 shares and 5,615,571 share purchase warrants were issued

Cash on hand is sufficient to fund the Company's overhead costs and exploration objectives for the immediate future.

Our opinion regarding liquidity and our ability to be a going concern are based on currently available information. To the extent that this information proves to be inaccurate, future availability of financing may be adversely affected. Factors that could affect the availability of financing include our performance including the progress and results of our exploration work, the state of equity markets, investor perceptions and expectations of past and future performance.

Related Party Transactions

In connection with the approval of related party transactions, the Company's policy requires that the terms of all such transactions be comparable to terms available in arm's length transactions.

The Company carried out the following transactions with companies controlled by directors:

	2006	2005
Management fees	\$160,000	\$95,040
Professional fees	\$138,810	\$127,175
Office rent	\$ 19,800	\$21,850
Office sublease	-	(\$5,610)

Mining properties include cost charged by a related company amounting to \$121,050 in 2005. No amount was billed for the period ended December 31st 2006.

Change in Accounting Policy

Sections 3855, 3865 and 1530 of the CICA handbook will apply to the Company for the fiscal year beginning January 1, 2007.

Upon consideration of these new standards, the Company has concluded that they will not impact significantly on its financial statements.

Critical Accounting Estimates

Exploration properties are recorded at cost. All acquisition, exploration and related overhead expenditures are recorded as an asset on the balance sheet under the heading "Mining properties". These expenditures will be depleted over the estimated life of the properties if and when they reach production or will be written down by management when it is determined that the net carrying amount will not be recovered.

The amount expensed for stock-based compensation was based on the application of a recognized option valuation formula, which is highly dependent on the expected volatility rate for the Company's shares. The Company used a volatility rate of 60% for its shares. This is an estimate only based on past stock trading data and actual volatility may be significantly different. While the estimate of stock-based compensation can have a material impact on the operating results reported by the Company, they are a non-cash charge and as such have no impact on the Company's financial condition.

Beginning January 1, 2007 new standards regarding financial instruments disclosure and presentation will take effect. Upon consideration of this new standard the Company has concluded that this will not impact significantly on its financial statements.

Financial Instruments and Off-Balance Sheet Arrangements

The Company has not entered into any specialized financial agreements to minimize its investment, currency or commodity risks. There are no off-balance sheet arrangements. The principal financial instruments used by the Company are short term deposits or debt obligations which are used to enhance the returns on the Company's cash position. The Company considers these instruments to be very low risk in nature. The fair value of these instruments approximates their carrying costs, unless otherwise noted in the financial statements.

Financial instruments

Fair value

The fair value of cash, amounts receivable, accounts payable and accrued liabilities approximates their carrying value due to their short-term maturity or to current market rates. The fair value of commodity taxes receivable is approximately \$176,000 (\$164,000 in 2005)

Interest rate risk

As at December 31, 2006 and 2005, the company's exposure to interest rate risk is summarized as follows:

Cash	Variable interest rate
Exploration funds	Variable interest rate
Amounts receivable	Non-interest bearing
Commodity taxes receivable	Non-interest bearing
Deposit on the acquisition of mining properties	Non-interest bearing
Accounts payable and accrued liabilities	Non-interest bearing
Balances of purchase price payable	Non-interest bearing
Convertible debenture	As described in note 6 of the financial consolidated statements

Outstanding Share Data

The Company has one class of common shares: as at April 30, 2007 there were 129,392,156 common shares outstanding.

The Company has a stock option plan: As at April 30, 2007 there were 6,704,502 stock options outstanding.

The Company has outstanding warrants as at April 30, 2007 there were 5,268,190 warrants.

Risk and Uncertainties

Except for historical information contained in this management's discussion and analysis, disclosure statements contained herein are forward-looking, which statements are subject to risks and uncertainties, which could cause actual results to differ materially from those in such forward-looking statements. The Company is a mineral exploration and development company and is exposed to a number of risks and uncertainties that are common to other companies in the same business; some of these risks have been discussed elsewhere in this report.

The Company's financial success is subject to general market conditions which affect mining and exploration companies. The value of the Company's mineral resources and future operating profit and loss is affected by fluctuations in gold prices, over which the Company has no control, although it may choose to hedge some of its future production. The cost of exploration and future capital and operating costs are affected by foreign exchange rates for the U.S. dollar and Peruvian sol. The Company can mitigate the effects of these rate fluctuations, to some extent, through forward purchases. The Company's ability to hedge future foreign exchange rates is affected by its creditworthiness. Because of its limited operating record and history of losses, it may not be able to hedge future risk to the extent it feels is warranted. The Company also competes with other mining companies which are larger and have more economic resources to acquire prospective exploration properties or producing mines.

The Company also faces certain risks and uncertainties specific to its circumstances. The Company's ability to obtain financing to explore for mineral deposits and to continue and complete the development of those properties it has classified as assets is not assured; nor is there assurance that the expenditure of funds will result in the discovery of an economic mineral deposit. The Company has not completed a feasibility study on any of its deposits to determine if they host a mineral resource that can be economically developed and profitably mined. While the Company has used its best efforts to ensure title to all its properties and secured access to surface rights, these titles or rights may be disputed.

Outlook

The Company expects to focus the majority of its exploration activities in Peru, Ecuador and elsewhere and will continue to seek opportunities to form joint ventures in order to reduce shareholder risk. As a mineral exploration company, the future liquidity of Plexmar will be affected principally by the level of exploration expenditures and by its ability to raise capital through the equity markets. In management's view, the Company's cash position is sufficient to fund short-term planned exploration expenditures and meet ongoing obligations as they become due.

Management's Responsibility for Financial Statements

The information in this annual financial report is the responsibility of management. The consolidated financial statements have been prepared by management in accordance with Canadian general accepted principles (GAAP) and in accordance with the accounting policies set out in notes to the financial statements.

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Management believes that reasonable care and judgment are applied in making such estimates and assumptions.

Management maintains a system of internal accounting controls to provide reasonable assurance that assets are safeguarded and that transactions are authorized, recorded and reported properly, principally by submission of the financial statements, before and after consolidation, to the Board of Directors for approval.

The Board of Directors carries out responsibility for the consolidated financial statements principally through ongoing discussion with management, who reviews the consolidated financial statements with independent auditors, PricewaterhouseCoopers LLP/s.r.l./s.e.n.c.r.l., prior to submission to the Board for approval.

The Company's external auditors, PricewaterhouseCoopers LLP, have audited the financial statements for the year ended December 31, 2006 and have expressed an opinion thereon.

Disclosure Control and Procedures

Management is responsible for establishing and maintaining a system of controls and procedures over the public disclosure of financial and non-financial information regarding the Company. Management is also responsible for establishing and maintaining adequate internal control over financial reporting to provide reasonable assurance regarding the integrity and reliability of the Company's financial information and the preparation of its financial statements in accordance with Canadian generally accepted accounting principles. Management should maintain appropriate information systems, procedures and controls to ensure integrity of the financial statements and should maintain appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete and reliable.

A control and procedures system was in place as of December 31, 2007 under the supervision of Management, including the Chief Executive Officer («CEO») and Controller. A CFO, recently hired, will check the effectiveness of the design and operation of the Company's disclosure controls and procedures and internal control over financial reporting. This work will be done during the fiscal year ending December 31, 2007.

Additional Information

Additional information is provided in the Company's audited consolidated financial statements for the years ended December 31, 2006 and 2005 and the Company's Information Circular. These documents are available on SEDAR at www.sedar.com.

May 2nd, 2007

(Signed) Guy Bédard
Guy Bédard
CEO and President

(Signed) Nadya Couture
Nadya Couture
Controller