



Platinex Inc.

**Management Discussion and Analysis
Quarter Ended September 30, 2006**

Platinex Inc.

MANAGEMENT DISCUSSION AND ANALYSIS – For the Quarter Ended September 30, 2006

Date: November 28, 2006

General

Readers of the following discussion and analysis should refer to Platinex Inc.'s (the "Company") interim financial statements and notes thereto for the nine months ended September 30, 2006 and the audited financial statements for the years ended December 31, 2005 and 2004 and the notes thereto and the related Management Discussion and Analysis. Those financial statements have been prepared in accordance with Canadian generally accepted accounting policies. All dollar figures included therein and in the following discussion and analysis are quoted in Canadian dollars. This discussion covers the last completed fiscal quarter and the subsequent period up to the date of completion of this MD&A. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com or the Company's website at www.platinex.com.

Overall Performance

The Company is in the exploration stage on the only project in which the Company retains an interest, namely the Big Trout Lake property in Ontario, and as such has no revenues to fund these activities. The Company accesses the public markets (limited to accredited investors and flow through rules) to finance exploration activity and the ability to raise additional capital is subject to existing market conditions at that time. The project does not have a defined mineral resource in place whereby the Company can establish a measured asset value for the project; however, based on current or previous geological programs that have been completed on the property, further exploration work is warranted. This has been established on the property based on independent technical reports by Qualified Persons that meet the criteria of National Instrument #43-101.

In the first quarter of 2006, the Company acquired 81 mining leases from a joint venture lead by INCO Ltd. for \$300,000 comprising \$150,000 cash and \$150,000 in stock valued within a price range of \$0.15 to \$0.35 per share. This purchase closed on February 10, 2006 with the issuance of 428,571 shares, significantly enhancing the Big Trout Lake property. The total capitalized cost of the mining leases was \$312,312 which included related acquisition costs. Previous wide spaced drilling by INCO intersected the widest and richest chromium drill intersections ever located in North America. In-fill drilling with assays from accredited labs would be required along a currently defined strike length of 9 km underlying the leases and claims to produce a NI 43-101 compliant resource or reserve and there is no guarantee that the drill valuation would be successful. A NI 43-101 report is being drafted which describes the enhanced chromium, platinum group element and base metal potential.

With finance in place, drilling on the Big Trout Lake property was to commence in February, 2006. Kitchenuhmaykoosib Inninuwug First Nation (KI) is the closest First Nation community, located north of the Platinex claims. The publicly funded winter road leading to KI passes through the center of the claims. In February, while contractors were building the drill camp and mobilizing the drill to site, among other things KI members blockaded the winter road and obstructed the crew's ability to bring in the drill and prepare the camp. They also ploughed the lake at the campsite to prevent aircraft from landing. The Ontario Provincial Police on-site stated that they would not interfere with the activities of KI without the Company first obtaining an injunction. Prior to the blockade, Platinex hired a specialist to manage any potential conflict. On behalf of the Company, he negotiated the safe withdrawal of the crew and agreed to temporarily vacate the drill camp and halt mobilization. KI chief and council agreed to commence immediate negotiations respecting Platinex's return to the drill camp and to leave the camp,

supplies and equipment intact. Neither promise was kept by KI. KI did not respond to calls from the Company. Without notice to, or authorization from the Company, KI members tore down the camp and removed from the site all equipment, fuel and supplies.

Platinex has sought unobstructed access to its mining claims and leases on the Big Trout Lake property to conduct low impact exploration through a motion for injunctive relief against KI. The company also has issued a Statement of Claim against the same parties for damages. KI sought an order preventing Platinex from engaging in any exploration activities pending the trial of the main action between the parties. On August 1st the company reported that the Ontario Superior Court in Thunder Bay had issued its judgment.

In late July 2006, the Ontario Superior Court dismissed the company's motion and issued an order that requires KI to establish a consultative committee to engage in tripartite discussions with Platinex and the Provincial Crown with the objective being to develop an agreement by which Platinex can proceed with exploratory drilling on the Big Trout Lake property. Platinex's support in principle for good faith consultations with KI and the Crown notwithstanding, Management has determined that it is obliged to continue to preserve and pursue its full legal rights by way of an appeal. Intention to appeal the Court's decision will not deter Platinex from engaging in tripartite discussions immediately as ordered and, pursuant to this requests to initiate the process have been made by the Company to both KI and the Crown. These discussions were initiated in July and we have some hope that a protocol setting out the consultation process will be signed shortly.

Management is concerned that the Court's decision sanctions the KI unilateral "moratorium" on prospecting and exploration on KI's traditional Territory and has sanctioned a 7 year veto on drilling even though Justice Smith indicated that KI does not have a veto. Minister Ramsay of the Ministry of Natural Resources has stated publicly that the KI "moratorium" has no legal standing. Further, Platinex's activities were based on assurances from the Provincial Government that the Company has the right and the obligation to explore its claims, and the obligation to keep those claims in good standing.

Under subsection 129(4) of the Mining Act RSO 1990 c.M.14, as amended, the Mining and Lands Commissioner has ordered that effective April 18th 2006 Platinex's mining claims are to remain in good standing until the legal proceedings are resolved.

A special insert in this Management Discussion and Analysis entitled "Big Trout Lake First Nations Relations" deals in more detail with this topic highlighting historic and legal perspectives.

During the quarter work commenced to evaluate 17,000 feet of drill core from previous drilling of the leases. The core is being moved to Company facilities near Peterborough. The company intends to resample and assay most of this core for platinum group elements. Work continues to integrate the data from the leases with the data on the claims which yielded a great amount of information from litho-geochemical work and multi-criteria analysis.

On August 24, 2006 Platinex announced that its drilling contractor, Cartwright Drilling Inc. is claiming \$310,073 plus 2% per month in damages. The claim arises out of a drilling contract between Platinex and Cartwright under which Cartwright was to perform drilling on Platinex's Big Trout Lake property. Cartwright's drilling crew was forced to leave the property as a result of actions taken by the local native Band, KI. Cartwright claims it is entitled to damages under the contract. Platinex believes that the amounts claimed by Cartwright are excessive and has filed a defense. Cartwright issued an amendment to its claim on September 7, 2006 offering to settle the dispute for \$130,000 plus interest.

Platinex has been evaluating several potential property acquisitions in order to have an additional outlet to spend its flow through funds by year end.

Big Trout Lake Ontario

The Big Trout Lake Igneous Complex is a large layered intrusion with an unfolded strike length of up to 90 km and a thickness of up to 7 km. It is tholeiitic, rich in chromium and differentiated analogous to the Bushveld Igneous Complex of South Africa, the Stillwater Complex of Montana and the Great Dyke of Zimbabwe. The intrusion is of a critical mass sufficient to contain extensive concentrations of platinum group elements.

A recent synthesis of all exploration and research data on the Big Trout Lake property has greatly improved the focus of future exploration efforts. The previously planned two phase exploration program at a total cost of \$1,221,500 to test six targets which have already been shown to be well mineralized with platinum group elements (PGE), nickel and copper has been incorporated into a new qualifying report. The report proposes a \$2.3 million first phase 24 hole, 7,225 m drilling program, metallurgical studies on chromium-PGE beneficiation and logging with systematic PGE assaying of some 5,000 m of core previously drilled and obtained earlier this year from the INCO joint venture. Details of this exploration are presented on the Company website at <http://www.platinex.com/>.

The recently acquired leases provided a continuation of geology favourable for platinum group elements at the base of the intrusion. INCO completed three drill fences (cross sections) over a 6.4 km strike length to assess the stratigraphy of chromium mineralization within the basal portion of the intrusion. Thick intersections of chromium mineralization are evident in the fences of drill holes. The drill hole information was obtained from drilling in the 1970's and may have some technical limitations. According to Canadian Institute of Mining and Metallurgy Standards and National Instrument 43-101 a resource or reserve may not be calculated using this old data. However, twenty nine intersections in 15 drill holes demonstrated that two chromitites can be correlated over 13 km strike length and another two over six km. The four layers have a composite true thickness of 40.8 m. Just interpolating between intersections a conceptual model has been constructed with a total volume of 140,000,000 tonnes and a weighted average content of 8.4% Cr₂O₃. Further, based on a composite true width of 40.8 m, a strike length of 12 km and a projected depth of 1000 m, a conceptual model has been derived containing 1.68 billion tonnes of chromium-PGE mineralization. There is no guarantee that additional drilling will confirm the grades and thicknesses as indicated or either conceptual model. The chrome/iron ratio averages approximately 1.2/1 as determined from electron microprobe studies. Platinex management believes that there may be a very large deposit of chromium underlying the Big Trout Lake property rivaling in size the world's largest deposits.

Canico performed very few platinum and palladium assays but recorded values of up to 5.0 grams per tonne of platinum and palladium combined/ 0.4 m within an interval running 1.3 g/tonne/ 4.3 m in the Zone 2 Chromitite. In the correlative zone underlying the claims south of the former Canico property, the combined Pt plus Pd values is 8.4 grams/tonne/ 2.3 m within a 3.3 m section grading 11.94% Cr₂O₃. A total of 310 core samples most of which were collected within and marginal to the chromitites returned combined Pt and Pd assays greater than 1.

A recently submitted study by Process Research Ortech expresses the opinion that the increase in world chromium demand for the steel industry appears to be long term and the acceptable threshold for Cr/Fe ratio in ores has lowered to 1.2/1 or roughly equivalent to the ratio estimated on a preliminary basis for the Big Trout Lake deposits. It recommends sampling of approximately one tonne of representative material for pilot studies and bench tests at an estimated cost of \$100,000. In order to provide representative samples on this scale the deposits need to be redrilled.

Some three dimensional analysis of the chromium-iron mineralization outlined over a 9.0 km strike length by previous drilling of the leases was conducted by Burnside Engineering during the quarter and will be posted on the website.

Platinex has recently commenced the evaluation of 17,000 feet of core, which has been maintained in storage in Sudbury, Ontario by INCO Ltd. since it was drilled in the 1970's through to 1980. This core is being transferred to Platinex's own core storage facility near Peterborough in November and is suitable

for sampling and assaying. Enquiries are being made of INCO Ltd to acquire any additional samples of chromium mineralization removed from core boxes. The chromium samples, if obtainable, will be used for further research, beneficiation studies and analyzed for platinum group elements. The portion of core drilled in 1980 will be analyzed in entirety for platinum group elements. This core represents the potential continuation to known zones of platinum mineralization underlying the Platinex claims and there is a significant possibility of revealing a new reef-type deposit from this work.

For the purpose of this document Mr. J.R. Walls of R.J. Burnside & Associates Limited is the Independent Qualified Person.

Big Trout Lake First Nations Relations

The Company has pursued exhaustive consultations with First Nations band (Kitchenuhmaykoosib Inninuwug "KI") proximal to our Big Trout Lake property since Platinex acquired the property in 1999. Although KI had expressed concerns with Platinex's involvement some work was done on the property with employment of band members in the ensuing years. In 2000, KI applied for a treaty land claim with the Federal and Ontario governments and subsequently in 2001 declared a moratorium on exploration and development on their "traditional land". Their traditional land is Crown Land on which they signed off all right, title and interest in and to the land when they signed Treaty 9 in 1929. The land claim has not yet been accepted by the governments for negotiation. As for the moratorium, it was management's view that KI had no authority to unilaterally declare and apply a moratorium on Crown land.

As stated, however, and despite the moratorium Platinex continued consultation with KI and certain members of KI in the ensuing period and has carried out low intensity exploration work on the property. This was done with the knowledge of Platinex's designated contact in KI's band office at all times. Moreover in 2004 and 2005 the local trapping family and the chief agreed to support Platinex's proposed drilling program and a Memorandum of Understanding was prepared but not signed.

Platinex is not overly concerned about KI's land claim possibly overlapping the mining claims since the Federal government recognizes and excludes third party interests in land claim settlements.

In the last several years many First Nations bands (FN) across Canada have been fighting in and out of court to establish their rights respecting the land, governments and proponents of development. These rights are guaranteed in Section 35 of the Constitution Act of 1982 but are not defined therein leaving the definition to the courts. The more important legal principles affecting Platinex and KI include:

1. Governments have a duty to consult with FN respecting any resource development on their traditional lands. (In our view KI is taking an extreme position in bringing suit against the Ontario government saying that each administrative step in the life of a mining claim requires consultation and failure to do this renders the Mining Act unconstitutional).
2. Governments and Industry have an obligation to accommodate FN concerns. Such requests for accommodations must be reasonable. An example of an accommodation would be to move a proposed development so as not to disturb a burial site.
3. FN do have an obligation to consult if this is requested. They cannot avoid this and claim they were not consulted.
4. FN do not have a veto on development.
5. The proponent does not have a duty to consult.

So where has the government been through this time? Over a period of several years Platinex has on several occasions been able to obtain exemptions 'exclusion of time orders' from filing assessment work in order to keep the mining claims in good standing by convincing government of Platinex's consultation efforts. In 2004, however the senior mining bureaucrat in the Ontario government stated in a letter "Please note that no further exclusions, which are based on First Nations concerns, will be provided for the claims in question..." In a previous letter to me in 1999 the same individual stated, "Your legal rights are set out in the Mining Act...the recorded claimholder has both a right and an obligation to perform assessment work in order to maintain its claims in good standing...with regard to consultation, our Ministry supports the notion that the community has a right to know and comment about activities in their area." Thus it was necessary according to instructions received from the Ontario government to carry out the winter exploration in order to keep the claims in good standing. It seems in Justice Smith's ruling Platinex did not get credit for this. The government, notwithstanding that Platinex has no authority to address FN to government issues, such as treaty matters or FN assertions of rights (eg the moratorium), de facto delegated consultation to Platinex. Platinex did on several occasions request that the Ontario government pay attention to KI's needs, but there was no response to our knowledge.

The Ontario government is only now formulating a generic consultation protocol, but substantive issues which FN wants resolved such as resource revenue sharing have not been addressed by the Ontario government.

In June 2005 Platinex negotiated an option agreement including a confidentiality clause with a major investor to explore the Big Trout Lake property. Execution of an agreement was contingent on obtaining letters of support from the local trapping family and chief and council. Such a letter was obtained from the trapper and we entered an agreement with him to among other things expedite the written comfort letter from the chief and council.

On September 2, 2005 we received a fax dated August 30, 2005 from our contact in the KI band office which in effect cancelled all contracts, agreements and understandings between Platinex, KI and KI band members (which would include the trapper). The person who signed and sent the fax contacted the Company and indicated that the council wanted to seek consensus of the community through a referendum before issuing a comfort letter to Platinex. This would be conducted in a few weeks time and Platinex would be requested to present information on exploration to the community. It was understood by the company that the letter was a political message in the run up to a Band election. Management discussed this letter thoroughly. We particularly questioned in a purportedly free society how the band council in any situation could unilaterally cancel contracts between individuals. At this time Platinex wrote Chief Morris informing him that Platinex must conduct a drilling program during the winter or lose its claims requesting a "without prejudice" letter of support and offering to contribute to the referendum process.

In the next few weeks the contact person left his post. His successor would not address the referendum/community information session with us as a Band election was approaching. On October 28, 2005 Platinex submitted its final listing application. On October 27, 2005 Chief Morris of KI and several other chiefs issued a press release stating a new unilateral moratorium on resource development on their traditional lands. Platinex received the release on November 2.

The tone of the press release did concern management but it was in the context of an upcoming band election and as previously noted we believed that the FN had no such authority on Crown Land. Further a senior official from a major mining company that was at the meeting indicated that Chief Morris had said privately to that person something to the effect, "If you wish to drill on KI traditional territory you should make an agreement with the trapper the way Platinex has done." This was relayed to us by the major company's representative. Chief Morris's private comments were interpreted by Platinex executive to mean that the August 30 letter and the moratorium would not apply in their minds to Platinex. At that time management was confident in its relationship with KI, and continued trying to convene a meeting with members of council and support the referendum,

accepting that there would be a delay for the band election, so that Platinex would be in a position to sign an agreement with the major investor.

The company proceeded to raise money in December 2005 to conduct its drilling program in the winter. A 3,700 metre drill contract was signed with Cartwright Drilling in December, 2005 and over 1 million dollars was raised at the end of December. In all our dealings raising money or signing contracts Platinex has provided, a fair analysis of the FN risks. For instance while the moratoriums are not specifically mentioned in the listing application, management discussed these with the potential investors in December along with the content and management's interpretation of the August 30 letter.

During December and early January management continued to attempt to convene a meeting with KI representatives and at last a meeting was scheduled for early in 2006. Two days prior to the meeting KI unilaterally substituted the agenda with a new agenda presenting the Company with a faites accompli denying the Company access for exploration. Management declined to attend this meeting.

In late December 2005, Platinex's President wrote to Mr. Rick Bartolucci, Minister of Northern Development and Mines, to advise him that the government should publicly refute the moratorium declared by the FN since some of the FN members might actually believe they had such rights and this could lead to serious physical conflicts. Bartolucci did not answer the letter nor did the government say anything about the moratorium until the Minister of Natural Resources, David Ramsay, in March 2006 said the moratorium had no legal standing.

Cartwright Drilling started mobilizing a drill and camp from Labrador in late December to arrive in Pickle Lake circum February 10. The mobilization was to take place up a 200 km winter road failing which it would be flown in. The process from Pickle Lake commenced circum February 10, 2006.

During this time KI wrote to Platinex on a few occasions threatening unspecified consequences if we entered on KI traditional territory and forbidding Platinex and its workers from entering the area. On February 8, Platinex's President again wrote to Bartolucci asking for the government to intervene. Two days later Platinex's President received a fax dated February 7 from the new Assistant Deputy Minister for the Ministry of Northern Development and Mines, Christine Kaszycki, which said that MNDM would try to convene a meeting. In several ensuing conversations with Ms. Kaszycki it became evident that KI was avoiding any meeting with government that could be construed as a consultation. However, Ms. Kaszycki offered that the government might consider extending Platinex's mining claims.

Leading up to the mobilization of the camp one of our consultants ascertained in interviews with the Ontario Provincial Police and the Ministry of Natural Resources that if a blockade were erected on the publicly funded winter road, it would be removed by the OPP. However, by February 20, 2006 when the camp was in place the OPP had changed their position and stated that they would not remove a blockade without an injunction.

In late February members of KI blockaded the road and sabotaged the airstrip forcing the company to evacuate its workers. This is described in many press releases and the details need not be repeated.

Platinex immediately tried to confer with KI to reverse the decision and discuss the matter with the Minister and senior bureaucrats of MNDM. KI did not return phone calls and the Minister when cornered at a Mining convention stated he would meet with Platinex – but never did return any calls or meet Platinex representatives. A few conversations ensued with Kaszycki who did have a meeting in Big Trout Lake in April with KI, but KI refused consultation.

Platinex had no alternative but to retain legal counsel and file for an interlocutory injunction to obtain access to our exploration property. With the application for injunction a claim was filed for damages of one million dollars and ten billion dollars. (the latter figure is based on our speculative estimate of the net present value of the chromium-iron deposit).

(Back tracking, Platinex acquired 100% interest in 81 mining leases adjoining our claims in February 2006 from an INCO joint venture. Previous drilling has outlined a major chromium-iron deposit believed to be one of the largest in the world. However, the data is too old and the deposit has not been drilled in sufficient detail to make a resource estimate to NI 43-101 standards.)

KI countersued Platinex claiming irreparable harm to their culture and land claim if Platinex were able to drill. KI also named the Ontario Government in the suit claiming that the Mining Act is unconstitutional. Another FN group, Independent First Nations Alliance of which KI is a member, sought and received intervenor status. Exhaustive efforts were made by all sides to amass and file voluminous affidavits and attend at cross examinations.

On July 28, 2006 the Superior Court of Ontario ruled against Platinex's motion and upheld KI's motion, granting an injunction to KI until December 28, 2006, conditional on KI striking a committee to enter tripartite consultations and negotiations with Platinex and the Ontario government. The parties are to appear before the judge again on January 5, 2007. At that time the judge will expect to see a reconciliation of interests between the parties.

The main justification for overlooking illegal acts by KI and not granting Platinex's injunction seems to be the possibility that the Company's disclosure in raising flow through funds in December was insufficient. This was absolutely not the case. However, the judge's decision did not actually reflect that we were raising money from accredited investors and that the FN risks including mention of all circumstances surrounding the moratoriums were explained from the company's viewpoint to investors. Platinex immediately filed for leave to appeal the decision.

Another reason for the judge's decision was the apparent absence of the Ontario government in consultation.

Since the decision each of the parties has appointed a lead contact to be involved in the consultation. One consultation meeting has been held, a consultation protocol is being negotiated and consideration is being given to obtaining a facilitator. The Ontario government has offered to pay for the facilitator and KI costs of the facilitation. Platinex has requested that side discussions be held with government which will not prejudice progress but will address reimbursement of Platinex's 'thrown away' costs this past year and costs of consultation. Further Platinex has already agreed since mid-September to sign the protocol but differences between KI and Ontario are prolonging negotiations. KI and the Ontario government have now apparently entered their own consultation from which Platinex is excluded. The protocol document is a straight forward agreement setting out the terms, limits and timetable for the consultation...more or less how to place the chairs around the table. The fact that the parties have not yet addressed any substantive issues is in and of itself extremely frustrating for the Company. Platinex has reminded government officials, its Ministers and KI of the urgent need to resolve this matter, but those parties appear unable to reconcile their differences.

Through the entire exercise Platinex has been respectful of KI, seeking good faith consultation concerning exploration. The main targets of KI's actions appear to be the federal and provincial governments. Ontario, in particular, has not engaged FN communities as other provinces have over the last 16 years. Some provinces have adopted resource revenue sharing and skills creation programs...but this is not evident in Ontario. The court imposed consultation appears to have been the only way to get KI and the provincial government to the table to discuss substantive issues. However, they both appear reluctant to progress the issues.

The FN in Ontario's north live in difficult conditions. They expect and deserve more and several bands have started agitating for it. Ontario through David Ramsay, Minister of Natural Resources, and Stan Beardy, Grand Chief of Nishnawbi-Aski Nation (NAN), which includes most of the Treaty 9 bands covering two thirds of Ontario, announced a Northern Table Initiative in March, 2006 covering a large number of topics but including to a large extent resource access issues. Platinex may

become the lead case for the Northern Table. The access issue and provincial policy are both on the table before a provincial election, the case is in the public eye and I expect and will demand progress. By their various dictates and policy changes the Ontario government pitted Platinex workers against KI this winter in what was a life threatening situation. It is intolerable that the government would allow the situation to deteriorate to anarchy and refuse communication with the Company. Company management is intent on using all of this information to maximum advantage in up coming negotiations.

Some of the mining claims were to lapse in July, if work was not applied and these could not be extended. In June MNDM refused application of expenditures incurred during the winter on the claims and also would not extend the claims. (Remember Kaszycki's previous remark.) An application seeking an exclusion of time order was deemed risky, but one MNDM official steered the company to the Mining and Lands Commissioner. The Commissioner has issued an order freezing the requirement to file assessment on the claims for the duration of the legal action. Since it could be years before a claim is heard this order has provided exceptional administrative comfort to the company.

In August 2006 Cartwright Drilling filed a claim for \$310,073.18 plus interest of 2% per month against Platinex. Platinex has paid all of Cartwright's reasonable costs this past winter and the claim in management's opinion is opportunistic in view of the current lawsuit and Ontario government involvement. Platinex has filed a defense, as it thinks Cartwright's claims are excessive. Cartwright is still interested in drilling for Platinex when the access issues are resolved. Since filing the claim Cartwright has offered to settle the claim for \$130,000 plus 2% per month interest.

The mobilization/demobilization costs and legal costs outlined in the financial statements and the Management Discussion and Analysis are significant. These have been dealt with as exploration costs as management has obtained opinions to justify these as a flow through expenses.

Apart from the good news that the company's Big Trout Lake claims are protected in good standing for the duration of the legal process, Platinex has a very large and potentially valuable chromium-iron deposit in addition to the known platinum group element mineralization underlying the Big Trout Lake property. An independent study of the chromium market has mapped out the future work to be done on the chromite-iron deposit and this will bring some economic perspective to the matter.

Platinex is currently taking delivery of 17,000 feet of core from INCO's Sudbury storage to its own core facility near Peterborough. This core has been sparsely assayed for PGE's and the Company does not know if the methods used for PGE assays by INCO in the 1970's were effective. On assembly of the core in Peterborough it is to be relogged, sampled and assayed.

Several of the holes passed through very prospective PGE targets and were not assayed for PGE. This will be explained in greater detail as assays are revealed.

Results of Operations

In 2005, several financings were completed issuing 6,733,658 shares and 1,596,363 warrants to purchase shares to net the treasury \$1,525,101. The working capital stood at \$1,256,125 at December 31, 2005 compared to a working capital of \$23,404 at September 30, 2006 for a decrease in working capital of \$1,232,721.

During the first quarter of fiscal 2006, exploration expenses totaled \$337,316 and administrative expenses were \$64,922 compared to \$29,373 of exploration expenditures and administration expenses of \$16,951 in the first quarter of 2005.

During the second quarter of fiscal 2006, exploration expenses totaled \$491,158 and administrative expenses were \$52,300 compared to \$9,966 of exploration expenditures and administration

expenses of \$76,042 in the second quarter of 2005. Of the 2006 second quarter exploration expenses, \$400,404 were legal costs related to securing access to the property.

During the third quarter of fiscal 2006, exploration expenses totaled \$83,762 and administrative expenses were \$40,258 compared to \$107,981 of exploration expenditures and administration expenses of \$93,996 in the third quarter of 2005. Of the 2006 third quarter exploration expenses, \$17,654 were legal costs related to securing access to the property. The company is currently awaiting an opinion on the tax treatment of these expenditures.

Summary of Quarterly Results

The following tables set out the selected unaudited financial information for the Company for the first nine months of fiscal 2006 and each of the last eight quarters of fiscal 2005 and 2004.

Year 2006		First Quarter		Second Quarter		Third Quarter		Fourth Quarter
Revenue	\$	--	\$	--	\$		\$	
Exploration	\$	337,316	\$	491,158	\$	83,762	\$	
Administration	\$	64,922	\$	52,300	\$	40,258	\$	
Net Loss	\$	402,238	\$	543,458	\$	124,020	\$	
Net Loss per share basic and fully diluted	\$	0.0285	\$	0.0381	\$	0.0087	\$	

Year 2005		First Quarter		Second Quarter		Third Quarter		Fourth Quarter
Revenue	\$	--	\$	--	\$	--	\$	--
Exploration	\$	29,373	\$	9,966	\$	107,981	\$	24,815
Administration	\$	16,951	\$	76,042	\$	93,986	\$	162,669
Future Income Tax Recoverable	\$	0	\$	0	\$	0	\$	(486,492)
Net Loss (Income)	\$	46,324	\$	86,008	\$	201,967	\$	(323,804)
Net Loss per share basic and fully diluted	\$	0.0064	\$	0.0089	\$	0.0187	\$	0.0257

Year 2004		First Quarter		Second Quarter		Third Quarter		Fourth Quarter
Revenue	\$	--	\$	--	\$	--	\$	--
Exploration	\$	55,522	\$	22,589	\$	--	\$	--
Administration	\$	24,687	\$	42,258	\$	34,048	\$	27,761
Net Loss	\$	61,200	\$	64,847	\$	34,048	\$	27,761
Net Loss per share basic and fully diluted	\$	0.0088	\$	0.0093	\$	0.0049	\$	0.0039

Liquidity and Capital Resources

The Company's working capital position as of December 31, 2005 was \$1,256,125, which decreased by \$1,232,721 by the end of the third quarter of 2006 to \$23,404. This change comprises exploration expenditures for the period totaling \$912,236, plus administrative expenditures totaling \$157,480, plus the acquisition of mining interests of \$312,312 plus the purchase of property, plant and equipment of \$1,404 less amortization of \$711 and less the issuance of common shares of \$150,000. Following the unexpected costs associated with the disruption of the drilling program, cash resources on hand are insufficient to allow the Company to move its exploration activities on the Big Trout Lake property

through its next phase and cover budgeted administrative expenses for the foreseeable future. However, the recently initiated legal consultation process, if successful, will enable further financing efforts for the first phase of drilling to proceed. Provided that drilling results prove to be successful the Company will have to review funding alternatives at that time to further advance on the project. The Company does not have any long term contractual obligations.

Exploration expenditures will continue to expand during 2006 compared to 2005 as the Company has budgeted larger scale exploration programs in the current year. Platinex has been evaluating several potential property acquisitions in order to have an additional outlet to spend its flow through funds by year end if the Big Trout Lake drilling project cannot proceed immediately. As mentioned before, financing alternatives will be driven by existing factors in the market at the time.

Transactions with Related Parties

During the nine months ended September 30, 2006, the Company paid \$57,000 in management fees (\$54,000 - 2005) and reimbursed rent and utility costs of \$9,000 (\$9,000 - 2005) to a partnership owned by the President and CEO of the Company. Of the management fees, \$30,000 was allocated to exploration expenditures on the Big Trout Lake property in 2006 (\$6,000 - 2005). Of the rent and utility costs, \$1,800 was allocated to exploration expenditures on the Big Trout Lake property in 2006 (\$0 - 2005). As at September 30, 2006, \$5,000 was included in prepaid expenses as an advance to the partnership owned by the President and CEO of the Company on account of expenses.

During the nine months ended September 30, 2005, James R. Trusler received 57,036 common shares in consideration for outstanding debt by the corporation of \$14,259 and J.R. Trusler & Associates received 72,177 shares in consideration for outstanding debt by the corporation of \$182,295.

During the nine months ended September 30, 2006, the Company paid \$48,947 in management fees (\$9,000 - 2005) to a company owned by a director and Vice-President of the Company. Of the management fees, \$47,570 was allocated to exploration expenditures on the Big Trout Lake property in 2006 (\$0 - 2005). As at September 30, 2006, \$5,000 was included in prepaid expenses as an advance to the company owned by a director and Vice-President of the Company on account of expenses.

During the nine months ended September 30, 2006, the Company incurred legal fees of \$8,050 (\$3,500 - 2005) to a legal firm where one of the firm's partners is a director of the Company. These legal fees were attributable to the acquisition of the mining leases and have been capitalized in the mining interests.

During the nine months ended September 30, 2005, a partner of the legal firm, who is a director of the company, received 96,999 shares in consideration for outstanding debt by the corporation of \$24,250.

During the nine months ended September 30, 2006, the Company incurred financial management fees of \$26,729 (\$12,527 - 2005) to an officer of the Company.

Included in accounts payable at September 30, 2006 is an amount of \$0 (\$73,345 - 2005) that is due to related parties.

Accounting Estimates/Change in Accounting Policy

There have been no changes in accounting estimates or in accounting policies in the first nine months of fiscal 2006.

Exploration Expenditures for the nine months ended September 30, 2006:

Property: Big Trout Lake \$912,236

For a comparison of expenditures for the first nine months of 2005 please refer to the charts above.

Outstanding Share Capital

The Company has authorized share capital of an unlimited number of common shares. As at September 30, 2006 the Company had outstanding: a) 14,271,163 common shares, b) 526,000 Employee's Options to purchase common shares at \$0.50 per share, c) 1,596,363 warrants to purchase common shares, d) 240,000 options of the TSX-V option plan have been allocated at \$0.50 per share as approved at the May 24, 2006 shareholder meeting.

On February 10, 2006 the Company closed an agreement to acquire a 100% unencumbered interest in 81 mining leases from a joint venture operated by INCO Limited for \$150,000 cash and the issuance of \$150,000 worth of the Company's common shares (428,751 common shares issued).

Summary of Warrants Issued

At the end of the Company's year end December 31, 2005 there were 1,596,363 warrants to purchase common shares outstanding.

(a)	FrontierAlt	– 363,636 warrants	72,727 broker warrants
(b)	MineralFields	– 727,273 warrants,	72,727 broker warrants
(c)	Northern Precious Metals	– 360,000 warrants	

Summary of Options Issued

In August 2001, options to purchase 574,500 common shares were granted to employees and directors at \$0.50 per share. As at December 31, 2005 and June 30, 2006, 526,000 of these options were still outstanding. These remaining options will expire on March 27, 2007.

In October 2005, the Company's Board of Directors approved a new stock option plan. Under the terms of the Company's new stock option plan, a maximum of 10% of the issued and outstanding common shares have been reserved for issuance to the Company's directors, officers, employees and eligible consultants.

In December 2005, the Company's Board of Directors granted an option to purchase 240,000 common shares at an option price of \$0.50 per share to the Company's investor relations firm. These options form part of the new stock option plan as disclosed above.

On January 25, 2006 the Company announced the granting of an aggregate of 865,000 options to various directors, officers, employees and consultants of the company pursuant to its stock option plan. Each option is exercisable into one common share in the capital of the Corporation upon payment of an exercise price of \$.38 per share at anytime until January 25, 2011. The new stock option plan was approved by the disinterested shareholders at the annual meeting of shareholders on May 29, 2006.

On August 9, 2006 the Company granted 60,000 options to a director of the company pursuant to its stock option plan. Each option is exercisable into one common share in the capital of the corporation upon payment of an exercise price of \$0.14 per share at anytime until August 8, 2011.

Escrowed Shares

At September 30, 2006 there were 3,850,056 of the issued shares held in escrow.

Officers and Directors

Individual	Office Held
James R. Trusler	Director, President and CEO
Simon L. Baker	Director, Vice President, Corporate Development
James Marrelli	Director
Thomas Atkins	Director
John D. Ross	Director
R. Bruce Reilly	CFO
Holly Kane	Secretary

Risks and Uncertainties

The securities of the Corporation must be considered speculative, generally because of the nature of the business and its stage of development. In addition, a prospective investor should carefully consider the following factors:

a) Mineral Exploration and Development

Mineral exploration and development involve a high degree of risk and few properties which are explored are ultimately developed into producing mines. There are no assurances that even if a body of commercial ore is discovered on the properties, a mine will be brought into commercial production.

b) Metal Prices

The Corporation's future revenues, if any, are expected to be derived in large part from the sale of platinum group elements and base metals. The price of those commodities fluctuates widely and is affected by numerous factors beyond the Corporation's control including international economic and political conditions, expectations of inflation, international currency exchange rates, interest rates, global and regional consumption patterns, speculative activities, levels of supply and demand, increased productions due to new mine developments and improved mining methods, etc. The effect of these factors on the price of base and precious metals, and therefore the economic viability of the Corporation's operations cannot be accurately predicted.

c) Additional Financing

The Corporation currently requires additional financing to conduct exploration, carry on business as a going concern and maintain its listing on the TSX Venture Exchange. The Corporation does not currently have sufficient financial resources to undertake by itself all of its planned exploration and possible development programs. The exploration and development of the property may therefore depend on the Corporation's ability to obtain additional required financing. There is no assurance that additional funding will be available to allow the Corporation to fulfill its obligations on the property.

d) Government Regulation

Exploration and development of the property will be affected to varying degrees by: i) government regulations relating to such matters as environmental protection, health, safety, and labour; ii) mining laws; iii) restrictions on production; price controls; tax increases; iv) maintenance of claims; v) tenure; and vi) expropriation of property. There is no assurance that future changes in such regulation, if any, will not adversely affect the Corporation's operations;

e) Limited Market

The Company recently listed its Common shares on the TSX Venture Exchange and a limited market for its securities has developed. However, the continued listing is subject to the Company maintaining all the listing requirements of the TSX Venture Exchange.

f) Title to Assets

Although the Company has received or will receive title opinions for any properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. At present a title opinion has been obtained for the claims on the Big Trout Lake Property and it disclosed no material issues. The Company has not conducted surveys of the claims in which it holds direct interests and therefore, the precise area and location of such claims may be in doubt. The mining leases which the Company recently acquired are surveyed.

g) Exploration and Development

There is no known body of commercial mineralized material on the Company's mineral properties. Development of the Company's properties will only follow upon obtaining satisfactory exploration results. Mineral exploration and development involves a high degree of risk and few properties which are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and development activities will result in any discoveries of bodies of commercial mineralized material. The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors.

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

The marketability of any minerals acquired or discovered may be affected by numerous factors which are beyond the Company's control and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting minerals and environmental protection.

h) Operating Hazards and Risks

Mining operations generally involve a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Hazards such as unusual or unexpected formations and other conditions are involved. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of precious and base metals, any of which could result in work stoppages, damage to or destruction of mines and other producing facilities, damage to life and property, environmental damage and possible legal liability for any or all damage. The Company maintains liability insurance in an amount which it considers adequate for its operations; however, the Company may become subject to liability for pollution, cave-ins or hazards against which it cannot insure or against which it may elect not to insure. The payment of such liabilities may have a material, adverse effect on the Company's financial position.

i) Competition and Agreements with Other Parties

The mining industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than itself. Competition in the mining business could adversely affect the Company's ability to acquire suitable producing properties or prospects for mineral exploration in the future.

The Company may, in the future, be unable to meet its share of costs incurred under agreements to which it is a party and the Company may have its interest in the properties subject to such agreements reduced as a result. Furthermore, if other parties to such agreements do not meet their share of such costs, the Company may be unable to finance the cost required to complete recommended programs.

j) Management

The Company is a relatively new company and has no proven history of performance or earnings and its ability to develop into a viable business enterprise is largely dependent upon its management.

k) Dependence on Key Personnel

The Company currently has one person working full-time who functions primarily in management, supervisory and administrative capacities. The Company's success is highly dependent upon the performance of its key personnel and, in particular, James R. Trusler. The Company currently has a consulting contract with James R. Trusler. The Company does not maintain key-man life insurance. The loss of the services of senior management and/or key personnel could have a material and adverse effect on the Company, its business and results of operations.

l) Cash Flow

The Company has no source of operating cash flow to fund all of its exploration and development projects. Any further significant work would likely require additional equity or debt financing. The Company has limited financial resources and there is no assurance that additional funding will be available to allow the Company to fulfill its obligations on existing and future exploration or joint venture properties. Failure to obtain additional financing could result in delay or indefinite postponement of further exploration and the possible partial or total loss of the Company's interest in certain properties. Additional equity financing will result in further potential dilution to purchasers of securities.

m) Limited History of Operations

The Company has a limited history of operations. The Company currently has no revenues from operations or the provision of a return on investment. Most of the Company's anticipated revenue will come from development of the Big Trout Lake Property, which is in the start-up phase. Investors should be aware of the delays, expenses and difficulties encountered in an enterprise in this critical stage, many of which may be beyond the Company's control including, but not limited to, problems related to regulatory compliance costs and delay and costs that may exceed current estimates. There can be no assurance that the Company will be able to implement its business strategies, successfully develop any of the planned projects or complete such projects according to specifications in a timely manner or on a profitable basis. There is no guarantee that either the Company or its current properties will generate any earnings, operate profitably or provide a return on investment in the future.

n) Conflicts of Interest

Each of James R. Trusler, Thomas Atkins and Simon L. Baker, a director and/or officer of the Company, is an officer and/or director of, or is associated with other natural resource companies that acquire interest in mineral properties. Such associations may give rise to conflicts of interest from time to time. As required by law, each of the directors of the Company is required to act honestly, in good faith and in the best interests of the Company. Any conflicts which arise shall be disclosed by the directors in accordance with the Business Corporation Act (Ontario) and they will govern themselves in respect thereof to the best of their ability with the obligations imposed on them by law.

o) Dividends

The Company has not, since the date of its incorporation, declared or paid any dividends on its Common Shares and does not currently intend to pay dividends. Earnings, if any, will be retained to finance further growth and development of the business of the Company.

p) Resale of Shares

The continued operation of the Company will be dependent upon its ability to procure additional financing. There can be no assurance that any such other financings can be obtained. If the Company is unable to generate such revenues or obtain such additional financing, any investment in

the Company may be lost. In such event, the probability of resale of the shares purchased would be diminished.

q) Effect of Scaling Back Exploration Programs

If less than the maximum financing is achieved and no further funds are raised, or if illegal interference by one or more outside parties impedes exploration, the planned exploration on the Big Trout Lake Property will be scaled back and/or not implemented at all. Failure to complete the program may lead to loss of all of the claims held by the Company on the Big Trout Lake Property. If the Company is unable to carry out a program or is only able to carry out a scaled back program on the Big Trout Lake Property, an application to extend the claims for one year will be made. There is no assurance that such an application will be approved by the government.

q) Environmental Factors

All phases of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on the Company's properties which are unknown to the Company at present which have been caused by previous or existing owners or operators of the properties.

r) First Nation Concerns

The mining claims comprising the Big Trout Lake Property and the newly acquired leases are within the area in northwestern Ontario covered by the James Bay Treaty, known as Treaty No. 9. The area covered by the treaty is about 280,000 square miles, about two-thirds of the Province. It was signed in 1905 and 1906 by the governments of Canada and Ontario with some of the aboriginal peoples, and adhered to in 1929 and 1930 by others. The treaty allocated "reserves" within the treaty area to the aboriginal people residing in the area at the time. The Company's mining claims are approximately 17km south of the nearest reserve land.

During mobilization for the drilling program in February 2006, the Company encountered difficulties with KI, as outlined in "Overall Performance" above. It is the position of Management demonstrated over the past several years that the Company recognizes a mutual benefit to be gained in working with local First Nations and developing sustainable economic development in the area. The KI First Nation has indicated to the company, among other things, that mineral exploration and development in their area has environmental, wildlife and lifestyle concerns. The Company has made extensive efforts to engage in good faith consultations over the past several years with KI representatives, with a view to developing a level of cooperation with them that will answer their concerns and that would permit the orderly and timely exploration of the Company's mining claims. In particular, the Company has focused on the extremely low environmental impact of early stage exploration and has sought to re-assure KI that cooperative progress on exploration can be to mutual benefit, both economically and in learning valuable information to assist with land use planning.

In view of the Ontario Superior Court decision in favour of KI, which requires a tripartite consultation process between KI, Provincial Government and the Company, management continues to review its rights and legal options, without prejudice to its commitment to the good faith consultation process.

Cautionary Statement

This MD&A contains "forward looking statements" that reflect Platinex Inc.'s current expectations and projections about its future results. When used in this MD&A, words such as "estimate", "intend", "expect", "anticipate" and similar expressions are intended to identify forward-looking statements, which are, by their very nature, not guarantees of Platinex Inc.'s future operational or financial performance, and are subject to risks, performance, prospects, or opportunities to differ materially from those expressed in, or implied by, these forward-looking statements. These risks, uncertainties and factors

may include, but are not limited to: unavailability of financing, fluctuations in the market valuations for platinum group elements, and other metal commodities, difficulties in obtaining required approvals for the development of the Big Trout Lake project and other factors.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this MD&A or as of the date otherwise specifically indicated herein. Due to risks and uncertainties, including the risks and uncertainties identified above and elsewhere in this MD&A, actual events may differ materially from current expectations. Platinex Inc. disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

“James R. Trusler”

James R. Trusler
President and CEO

November 28, 2006