



## MANAGEMENT'S DISCUSSION AND ANALYSIS

Prepared August 24th, 2007 for quarter ended June 30th, 2007.

### GENERAL

This management's report presents an analysis of our operation results and our financial situation which should enable the reader to evaluate the considerable variations for the quarter ended June 30th, 2007, in comparison to the previous one. This report prepared on August 25th, 2007, is complementary to our quarterly consolidated financial statements. It was prepared in accordance with Regulation 51-102A1 and was approved by our company's board of directors. Our quarterly financial reports as well as this management report are meant to give our investors detailed information for them to evaluate our operation results and our financial performance.

### Prospective statements

The MD&A contains prospective statements which show, at this time, the company's expectations, estimates and projections regarding its operations, the mining industry and the economy in general. Although very reasonable, these statements entail a certain amount of risk and uncertainty which must be considered and could compromise their realization. Therefore, the actual results could differ greatly from the statements foreseen in the report.

Fieldex Exploration Inc., which is incorporated under the Federal Law for Business Corporations, is a mining exploration company involved in the acquisition and exploration of mineral with prospects for hosting nickel-copper-platinum-palladium mineral deposits. Fieldex is currently active in Canada and holds a significant portfolio of mineral properties in Quebec. Fieldex is a reporting issuer in British Columbia, Alberta and Quebec, and trades on the TSX Venture Exchange under the symbol FLX. It also trades on the Frankfurt, Munich, Xetra and Berlin Exchange in Europe under the symbol F7E and on the OTC Exchange in the United States under the symbol FXPIF.

### OVERALL PERFORMANCE

The transfer of our gold-bearing assets to Visible Gold Mines inc, and the distribution of 7,439,931 shares of *Visible Gold Mines Inc.* to Fieldex's shareholders in July are our most important recent events.. On July 17th, 2007, *Visible Gold Mines Inc.* has successfully completed an initial public offering totalling \$5.460,000 CAD and has obtained its listing on the TSX Venture Exchange. *Visible Gold Mines Inc.* is now a distinct public company and trades on the TSX Venture Exchange under the symbol VGD since July 17th, 2007.

The nomination of Gord Morrison – Vice-President of the FNX Mining Company, and Jean-Pierre Landry – Goldcorp Inc. on Fieldex's board of directors is a significant event for this quarter. The experience and knowledge they bring with them will undoubtedly solidify the administrative team already in place. The Company also wishes to thank Claude Dufresne – lamGold – who was willing to leave his Fieldex' seat and join the board of directors of Visible Gold Mines.

The Company has also acquired 50% of the Temiscamingue and Laforce properties, as well as 70% of the Midrim and Belleterre properties which had been announced last February. The Company now owns 100% of those companies except the Belleterre property of which 30% is owned by Hinterland Metals Inc. It intends to do the majority of its drilling program for 2007 on those properties. The acquisitions took place in exchange for 6,500,000 common shares of Fieldex thus making FNX Mining its most important shareholder. The agreement also established technical assistance from FNX Mining, as well as representation on Fieldex's board of directors.

Fieldex has optioned the Uranium property Lac Sairs in April and has started a 2,100-meter drilling program on this property. A 10,000-meter drilling program is scheduled for most of Fieldex's properties in 2007.

Also, Fieldex has announced a \$3,900,000 financing in July 2007 but has had to cancel it on August 24th, 2007 due to Market conditions and the considerable depreciation in value of Fieldex's shares. The Company is nevertheless in good financial position and this cancellation will not affect exploration work and operations already in process.

The Company has received, for this second quarter, cash inflows of over \$226,600 following the exercise of warrants and stock options and has also recorded a private placement of \$591,000 coming from its subsidiary Visible Gold Mines.

## **CREATION OF A SUBSIDIARY**

Fieldex has created on January 24th, 2007 a subsidiary *Visible Gold Mines Inc.* and has transferred its gold assets to concentrate on Nickel properties in the Temiscamingue region. The transfer of gold-bearing assets to the subsidiary company and the distribution of 7,439,931 shares of *Visible Gold Mines Inc.* to Fieldex's shareholders took place in July. Fieldex sold its Stadacona Gold Property in counterpart for 800,000 common shares of *Visible Gold Mines Inc.* and it has also sold its Hazeur Property in counterpart of cash payment for \$48,815. *Visible Gold Mines Inc.* has successfully completed an initial public offering of \$5,460,000 CAD and has obtained its listing on the TSX Venture Exchange. The subsidiary is now a distinct public company and trades on the TSX Venture Exchange under the symbol VGD since July 17th, 2007. In date of June 30th, 2007, all transactions regarding *Visible Gold Mines Inc.* have been consolidated to Fieldex's quarterly financial statements and an amount has been registered for non-controlling interest.

## **QUEBEC PROJECTS**

### **TEMISCAMINGUE PROJECT (Fieldex 100%)**

Fieldex recently bought back the 50% owned by FNX Mining and now owns 100% of the property. However, FNX Mining will keep a 2% net smelter return royalty on the property. This consolidation of property (55,373 hectares or 533 km<sup>2</sup>) represents the largest area covering the Volcanic Belt of the Temiscamingue. Exploration is done mainly on copper-nickel-platinum-palladium-type properties and volcanogenic massive sulphide (VMS) potentials. A partnership agreement for exploration with Superior Diamonds has enabled this diamond exploration company to discover a kimberlite on this property which is owned by Fieldex. This agreement gives all rights on diamonds to Superior Diamonds however, Fieldex holds a 2% diamond royalty.

In 2007, most of the work done on the Temiscamingue project consisted in cartography, sampling, prospecting and geophysics in the Kelly Lake area. A drilling program in the Devlin area is scheduled in the third quarter.

### **BABY-MIDRIM PROJECT (Fieldex 100%)**

The Company now owns a 100% of the Midrim Property following the buyback of FNX Mining's 70% interest. FNX Mining will keep a 2% net smelter return royalty. A drilling program totalling 1,059 meters took place in July 2006, following which, 177 samples were analysed in a laboratory. Results were made public by Press Release. Total cost for this project in 2006 was \$157,243. Another 16-hole drilling program is now in process. This program combines definition and exploration holes.

### **STADACONA PROJECT (Fieldex 100%)**

The Stadacona Gold Property was sold to *Visible Gold Mines Inc.* in July 2007 in counterpart of 800,000 common shares of *Visible Gold Mines Inc.* No royalty has been held by Fieldex.

#### NORANDA NORTH PROJECT (Lake Shore Gold 100%)

The Company has an option to acquire 50% of the Noranda North property which is located 40 km north of Rouyn-Noranda. According to the terms of the initial agreement between Lake Shore Gold and Fieldex, Fieldex was to incur in exploration expenses before September 30, 2005 in order to benefit on the option to acquire 50% of the Noranda North property. However, the deadline for mandatory work has been moved to March 31, 2007. In January 2006, the Company has given Lake Shore Gold \$150,000 for a 6-week-exploration program which took place in summer of 2006 and for a total cost of \$107,000. Due to uncontrollable circumstances, Fieldex was unable to meet with its obligation to incur \$500,000 in a drilling program before March 31, 2007. Therefore, a decision will be made shortly regarding the continuance of this project.

#### SCOTT PROJECT (Fieldex 100%)

The Company owns 100% of the Scott Property which is located south of the city of Chibougamau. Le Ministère des Ressources Naturelles has mandated a Megatam air survey of the property. This survey showed an important anomaly on the property. Sampling and stripping work has been made in the area. The conclusive results and the discovery of a massive sulphides deposit near the property by the Cogitore Company are sufficient to initiate an important drilling program in fall 2007.

#### CARPENTIER PROJECT (Fieldex 100%)

The Company owns 100% of the Carpentier Property which is located close to the city of Lebel-sur-Quévillon. It has been recently marked out for its potential in copper and zinc, and sampling, stripping and prospecting work is now in process.

#### LAFORCE PROJECT (Fieldex 100%)

This property is located in the Temiscamingue region near the Laforce municipality. Fieldex recently bought back the 50% owned by FNX Mining and now owns all of the property. FNX Mining will keep a 2% net smelter return royalty in this property. A 6-hole drilling program covering 1,056 meters took place in September 2006. The 4<sup>th</sup> hole has shown promising results with a 52-meter section at 1.01% in Nickel. Compilation and detailed cartography of the land is in now taking place and an important 5,000-meter drilling program should take place around mid- september 2007.

#### DUPARQUET AND HEBECOURT PROJECTS (Fieldex 100% )

The Company owns 100% of the Duparquet and Hébecourt properties which are located north of the city of Rouyn-Noranda, near the local municipality of Duparquet. A drilling program was done in 2006 to determine the properties' potential in gold content. However, results were not very conclusive and the Company is looking for a partner to work with.

#### JULIAN PROJECT (option on 90%)

The Company has the option of acquiring 90% of the Julian property. This property, which is located 40km north of the city of Matagami, was acquired for its potential in copper and zinc. Prospecting and sampling work has been done in summer 2006. The geological which was done after sampling does not recommend more work on this property. Consequently, Fieldex will not exercise its option to acquire 90% of this property.

#### LAC SAIRS (option on 100%)

In April 2007, Fieldex Exploration has signed a purchase agreement for an uranium property with a group of prospectors whereby Fieldex can earn up to a 100-per-cent interest in the Lac Sairs property located 100 kilometers northeast of North Bay near the Quebec-Ontario border, halfway between the Elliot Lake uranium camp and the Abitibi gold belt camp. The property comprises 17 claim blocks with a total area of approximately 1,000 hectares or 100 square kilometers. A 2,100-meter drilling program took place in May 2007. Samples are being analyzed and results will be made public upon reception.

## OTHER PROJECTS

Four other properties have been acquired by the Company (Bousquet, Laferté, Galiné and Hazeur) at an approximate cost of \$43,000. Prospecting and sampling took place in fall 2006 and date work will be done before contacting other companies for possible options. The Hazeur Property has been sold to « *Visible Gold Mines Inc.* » for an amount of \$ 48,815.

## ROYALTIES

Some of the Company's properties are affected by the burden of royalties if put into production.

Royalties on the mining properties are as follows:

Stadacona	A 3% net smelter return royalty is attached to the property. However, on April 6, 2006, the Company and Cambior have redeemed 2.5% of the 3% net smelter return royalty. Therefore, the Company holds 1.25% and could acquire 1% of Cambior 1.25% for an amount of \$500,000, \$750,000 or \$1M depending if the price of gold is under 450USD, between 450USD and 600USD, or over 600USD per ounce.
Laforce	A 2% net smelter return royalty is attached to three of the 8 property-claims. This royalty could be redeemed by the Company for \$1,000,000. Another net smelter return royalty is attached to two other property-claims; half of this royalty could be redeemed by the Company for \$1,000,000. Another 2% royalty is attached to the properties as a whole following the 50% buyback from FNX Mining. This royalty could be bought back along with other properties' royalties, for a total amount of \$1,500,000.
Blondeau-Nickel	A 2% net smelter return royalty is attached to the property.
Regionale Temiscamingue	A 2% net smelter return royalty is attached to the property following the 50% buyback from FNX Mining. This royalty could be bought back along with other properties' royalties, for a total amount of \$1,500,000.
Midrim	A 2% net smelter return royalty is attached to the property following the 70% buyback from FNX Mining. This royalty could be bought back along with other properties' royalties, for a total amount of \$1,500,000.
Belleterre	A 2% net smelter return royalty is attached to the property following the 70% buy back from FNX Mining along with the existing 2.5% at the time of the acquisition. The royalty could be bought back with royalty from other properties, for an amount totalling \$ 1,500,000 and 1.5% of the other royalty could be bought back for \$ 1,500,000.

## SELECTED ANNUAL INFORMATION AND OPERATION RESULTS

The Company's financial statements have been prepared according to generally accepted accounting principles in Canada. This statement's currency is in Canadian dollars and amounts shown in this report are in Canadian dollars.

## Significant financial information (audited)

	<b>Fiscal year ended December 31</b>		
	2006	2005	2004
	\$	\$	\$ restated
Total Assets	5,788,421	1,799,183	1,399,159
Income	76,218	16,276	4,957
Net Earnings (Loss)	(590,154)	(652,557)	(87,500)
Net Earnings (Loss) per share	(0,02)	(0,05)	(0,01)

Due to its field of activity, the Company does not generate revenue on a regular basis and must continually issue shares in order to insure the financial means for mining projects and its everyday transactions. During the fiscal year ended December 31, 2006, Fieldex Exploration Inc. registered a net loss of \$590,154, in comparison, the net loss registered for the fiscal year ended December 31, 2005 was \$652,557. Net loss in 2006 is not as high and brings a valuable advantage for future income tax of \$481,096 compared to \$110,600 in 2005. The Company has restated its results in 2004 by registering future income tax in regards to flow-through shares. This restating increased issuing expenses by \$168,500 and has lowered the deficit for the same amount. In 2006, stock-based compensation was \$450,600 compared to \$97,500 in 2005. In 2005, net loss was mainly consisted of two significant amounts: \$176,053 for the write-off of Stadacona property and its deferred exploration expenses and \$159,522 for the write-off of cash advance to a related company. Consultant fees went from \$152,972 in 2005 to \$249,115 in 2006 mainly because management' companies consulting fees went from \$26,100 in 2005 to \$101,300 in 2006. Professional fees have also increased from \$32,080 to \$47,871 in 2006 mainly because of the auditing of the Company's financial statements. General administration fees have also increased because of travel expenses and representation at mining conferences, they went from \$79,331 in 2005 to \$278,304 in 2006. Allocated sums for information to shareholders have also increased from \$62,914 in 2005 to \$72,838 in 2006. Allocated sums for investors relations have also increased; they went from \$11,112 in 2005 to \$31,465 in 2006, this is mainly due to a contract with a specialized firm which started at the end of 2005 and ended in the second quarter of 2006. Revenue for 2006 comes from interest on short-term investments which went from \$4,009 in 2005 to \$76,218 in 2006 which demonstrate the Company's good financial position. The main sources of financing for this fiscal year have been the taking up of two private investments; the first one of \$2,000,000 cash and the second of \$1,680,000 in flow-through shares, as well as \$1,230,000 cash inflow from share options and warrants. These amounts have allowed the Company to meet with and respect previous financial commitments with partners and respect established money incurrence into exploration work to meet with flow-through shares financing conditions. In 2005, the Company's liquid assets went from \$110,412 as at December 31, 2005 to \$2,012,590 as at December 31, 2006.

**SUMMARY OF QUARTERLY RESULTS (unaudited and restated)**

Quarter	Total revenue	Benefit (Loss) Net	Benefit (Loss) Net per share
	\$	\$	\$
September 2005	2,358	(52,348)	(0,00)
December 2005	5,337	(434,669)	(0,05)
March 2006	8,143	(462,459)	(0,02)
June 2006	21,207	(397,351)	(0,016)
September 2006	20,521	(117,963)	(0,004)
December 2006	26,347	(387,619)	0,01
March 2007	57,172	184,363	(0,01)
June 2007	50,710	(350,347)	(0,01)

As the Company does not generate significant revenue, variations in quarterly results are explained by market conditions. The last quarter of 2005 holds one of the most important losses of the last 8 quarters even if it was reduced by the registration of future income taxes totalling \$110,600. Most of the loss is due to the write-off of a property and its deferred exploration expenses for a total of \$176,053, the write-off of an advance to a related company for \$159,522, as well as the registration of stock-based compensation for \$70,500. The quarter ended March 31, 2006 and the quarter ended June 30, 2006 hold 2 of the most significant losses for the last 8 quarters. This situation has occurred because of stock-based compensation for respectively \$261,000 and \$173,800 whereas the quarter ended September 2006 cumulates a loss of \$117,963, holding only \$15,800 in stock-based compensation. The last quarter of 2006 holds no stock-based compensation but the registration of \$481,096 in future income tax has allowed the inscription of a \$387,619 benefit. Without the amount in future income tax, the Company would have registered a net loss of \$93,477. Loss in last quarter ended June 30th, 2007 is \$ 350,347 and includes stock-based compensation of \$ 435,615 as well as a gain on dilution regarding the non-controlling interest of *Visible Gold Mines Inc.* for an amount of \$ 296,690. This gain has been recorded following the diminution of the interest of the Company (from 83.2% to 68.2%) in Visible Gold Mines. For the same quarter for 2006, the Company registered a loss of \$ 397,351 including stock-based compensation of \$ 173,800. Expenses have been slightly higher than the same quarter last year partly because of the *Visible Gold Mines Inc.* project and its inscription and registration fees on the TSX Venture, . There is a steady increase in income which reflects on the Company's cash inflow since most of revenue comes from interest on short-term investments except for the preceding and last quarter which have respectively registered \$18,635 and \$ 5,414 in revenue from the sale of wood, There was also an amount of well as \$ 45,296 in interest income compared to \$ 21,607 in 2006.

## **CASH FLOW AND FINANCING SOURCES**

At the end of the first quarter, the Company had \$ 3,160,000 in cash with exploration funds of \$1,517,000. For the last quarter, the Company received around \$226,000 following the exercising of stock options and warrants and has inscribed the private placement of its subsidiary Visible for \$591,000 and spent \$ 613,070 in exploration expenses. Following these changes in cash inflow, the Company has over \$4,200,000 in liquid assets, as well as cash reserved of \$ 904,447 which is kept to cover exploration fees. As of June 30th, 2007, the Company's working capital is in good position at \$3,962,511 compared to \$2,500,000 on June 30th, 2006.

The exercise of nearly 4,461,000 warrants and broker options outstanding in date of this report represent a potential financing of over \$3,196,000. These warrants and broker options expire in November 2007, February and November 2008 and have an exercise price between \$.20 and \$1.

The exercise of the 1,770,000 outstanding share purchase options in date of this report represent an added potential financing of \$992,900. These options expire in 2010, 2011 and 2012 and have an exercise price of \$0.25 (50,000 options), \$0.64 (500,000 options), \$0.40 (500,000 options), \$0.63 (635 000 options) and \$0.71 (85,000 options). The Company has received its exploration tax credit of \$284,361 in May 2007, however, mineral rights of \$122,355 should be received at a later date. The Company's cash position in date of this report is good, and it expects to spend over \$2,000,000 in 2007 mainly on the nickel properties. The Company believes it has the necessary resources to maintain its activities for the next 24 months. However, the Company could decide to get more financing should it invest more resources in major work on one or more properties or in the case of a major acquisition.

## **ARRANGEMENTS NOT MENTIONED ON BALANCE SHEET**

The Company has no arrangements which could have a negative implication on its financial situation.

## **RELATED PARTY TRANSACTIONS AND COMMERCIAL OBJECTIVES**

### Martin Dallaire

For the last quarter, the Company has incurred \$25,000 (\$25,000 in 2006) in consultant fees from a company controlled by Fieldex' President. These fees are similar to what is paid on the market today. The President receives no compensation when he helps the Company underwrite investments by establishing business contacts and for dealing with the many responsibilities inherent to a president's position and functions. Furthermore, the Company has signed an agreement with its President for the rental of a business place in Toronto. This business place which costs \$1,500 a month is meant to accommodate the Company for transactions with business contacts and partners in Toronto.

## Sylvain Champagne

The last quarter the Company has incurred \$10,000 (\$11,250 in 2006) in consultant fees to a company controlled by Fieldex' Chief Financial Officer for services in corporate management and general accounting.

### **PROJECTED OPERATIONS**

The Company does not foresee, for the moment, any important acquisition or disposal of property.

### **CONSULTANT AND GENERAL ADMINISTRATION EXPENSES**

Consultant fees have increased; they went from \$87,149 in 2006 to \$93,597 for this quarter. This increase is mainly due to the spin-off project of *Visible Gold Mines*, including inscription and registration fees.

This is the detail for general administrative expenses as of June 30, 2007:

Travel expenses and representation	\$41,890
Car rental and gas	\$3,579
Stationary and office supplies	\$14,745
Insurance for directors	\$2,410
Advertisement and promotion	\$31,407
Office leasing	\$8,844
Telecommunications	\$7,615

Consultant fees are established as follows :

President and CEO	\$25,000
Administrative fees	\$38,260
Consultant in management and special projects	\$28,698
Mining claim manager	\$1,638

General exploration expenses are established as follows:

Land preparation expenses and permits	\$8,294
Travel expenses and accommodations	\$4,908
Map, telecommunications, logistic	\$1,846
Construction of access roads	\$32,100
Management fees	\$19,961

### **SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES**

Significant accounting policies and those requiring the most judgment and estimates in the preparation of the Company's financial statements are as follows:

#### **Stock-based Compensation and Other Stock-based Payments**

The Company accounted stock-based compensation provided to employees and directors, and stock-based payments to non-employees, using the fair value-based method. The fair value of stock options at the grant date is determined according to the Black-Scholes option pricing model. Compensation expenses are recognized over the vesting period of the stock options.

#### **Accounting Estimates**

Significant estimates include the carrying value of mining properties and deferred exploration expenses, mining rights and tax credit receivable and calculation of stock-based compensation expenses. Actual results may differ from those estimates.

## **OBLIGATIONS AND COMMITMENTS BY CONTRACT**

As of June 30th, 2007, the Company had to incur \$ 904,447 in exploration work regarding the issuance of flow-through shares for an amount of \$1,680,000. The Company had the liquidity to meet with its obligations at that time and work should be done by December 31st, 2007 at the latest according to fiscal laws. According to an agreement with Lake Shore Gold Corp, the Company had to incur \$500,000 in exploration work on the Noranda-North Property before March 31st, 2007 but has only incurred a little over \$107,000 so far for the work on the property. The Company is still waiting for final reports on this property from his partner before deciding on the future of the project. The Company has a lease on a vehicle for an amount totalling \$22,519. The required minimum payments per year total \$10,393 until 2008 and \$1,733 in 2009. The Company has also signed a three-year lease contract for an office amounting to \$48,807. The minimum payments payable are \$20,196 in 2007 and 2008 and \$8,415 in 2009. Lease for office expires on May 31st, 2009.

## **FINANCIAL INSTRUMENTS**

The fair value of the Company's financial instruments nears the book value unless indicated otherwise in the notes. The cash flow and receivables bear no interest. Payables and incurred costs sometimes bear interest at different rates. The fair value of advances and amounts owed of related parties could not be determined for there was no interest rate or cash flow modality.

## **MANAGEMENTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING**

Management, including the President and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Multilateral Instrument 52-109 of the Canadian Securities Administrators) as of June 30, 2007.

Management has concluded that, as of June 30th, 2007, the Company's disclosure controls and procedures were effective to provide reasonable assurance that material information relating to the Company would be made known to them by others within the Company, particularly during the period in which this report was being prepared.

Management is responsible for and has designed internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian GAAP. There were no changes in internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## **RISKS AND UNCERTAINTIES**

### **Exploration**

Exploration and mining involve a high degree of risk. Few exploration properties end up going into production. Other risks related to exploration and mining activities include unusual or unforeseen formations, fire, power failures, labour disputes, flooding, explosions, cave-ins, landslides and shortages of adequate or appropriate manpower, machinery or equipment. The development of a resource property is subject to many factors, including the cost of mining, variations in the quality of the material mined, fluctuations in the commodity and currency markets, the cost of processing equipment, and others, such as aboriginal claims, government regulations including regulations regarding royalties, authorized production, import and export of natural resources and environmental protection. Depending on the price of the natural resources produced, the Company may decide not to undertake or continue commercial production. There can be no assurance that the expenses incurred by the Company to explore its properties will result in the discovery of a commercial quantity of ore. Most exploration projects do not result in the discovery of commercially viable mineral deposits.

### **Environmental and Other Regulations**

Current and future environmental laws, regulations and measures could entail unforeseeable additional costs, capital expenditures, restrictions or delays in the Company's activities. Environmental regulations and standards are subject to constant revision and could be substantially tightened, which could have a serious impact on the Company and its ability to develop its properties economically. Before it commences mining a property, the Company must obtain environmental permits and the

approval of the regulatory authorities. There is no assurance that these permits and approvals will be obtained, or that they will be obtained in a timely manner. The cost of complying with government regulations may also impact the viability of an operation or altogether prevent the economic development of a property.

### **Financing and Development**

Development of the Company's properties therefore depends on its ability to raise the additional funds required. There can be no assurance that the Company will succeed in obtaining the funding required. The Company also has limited experience in developing resource properties, and its ability to do so depends on the use of appropriately skilled personnel or signature of agreements with other large resource companies that can provide the required expertise.

### **Commodity Prices**

The factors that influence the market value of gold and any other mineral discovered are outside the Company's control. The impact of these factors cannot be accurately predicted. Resource prices can fluctuate widely, and have done so in recent years.

### **Risks Not Covered by Insurance**

The Company may become subject to claims arising from cave-ins, pollution or other risks against which it cannot insure itself or chooses not to insure itself due to the high cost of premiums or other reasons. Payment of such claims would decrease and could eliminate the funds available for exploration and mining activities.

### **ADDITIONAL INFORMATION FOR NEW ISSUERS WITHOUT SIGNIFICANT REVENUE**

The Company provides information pertaining deferred exploration expenses in note 7 of its quarterly consolidated financial statements ended June 30th, 2007.

The Company has incurred no R & D expenses.

The Company has no deferred expenses other than the mining properties and deferred exploration fees.

### **INFORMATION ON OUTSTANDING SHARES**

As of June 30th, 2007, Fieldex Exploration Inc.'s share capital consisted of 45,274,240 common shares issued and outstanding. At the date of this management report, capital stock consists of 45,381,740 common shares issued. The shareholders of the Company approved a stock option plan (the "plan") whereby the board of directors may grant to employees, officers, directors and suppliers to the Company, share purchase options to acquire common shares in such numbers, for such terms and at such exercise prices as may be determined by the board of directors. The acquisition conditions of share purchase options are without restriction. As of June 30th, 2007, the total number of options to be granted was 4,432,049 since, on May 8th, 2007, the board of directors modified the number of options to be granted from 2,602,967 to 4,432,049 which represented 10% of outstanding common shares at that time. These modifications will have to be approved by the TSX Venture Exchange and by securities legislation for these stock options to be exercised.

As of August 24th, 2007, the purchase options reads has follows:

<b>Number</b>	<b>Exercise price</b>	<b>Expiration</b>
50,000	0.25 \$	January 24th, 2010
500,000	0.64 \$	January 19th, 2011
550,000	0.40 \$	June 28th, 2011
635,000	0.63 \$	May 1 <sup>st</sup> , 2012
85,000	0.71 \$	June 20 <sup>th</sup> , 2012

At the date of the MD&A, the Company warrants and broker options<sup>(1)</sup> are broken down as follows :

Number	Exercise price	Expiration
1,116,667	\$0,20	November 29th, 2007
387,500	\$0,25	November 29th, 2007
2,666,666	\$1,00	February 17th, 2008
266,666 <sup>(1)</sup>	\$0,75	February 17th, 2008
23,500 <sup>(1)</sup>	\$0,42	November 28th, 2008

## STRATEGY AND PERSPECTIVES

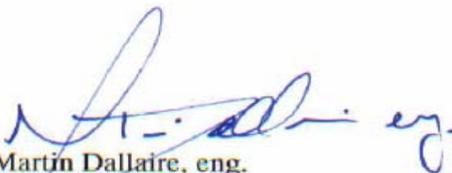
Our main objective is to maximize the value for our shareholders, and our strategy to succeed is to increase the value of our mining properties. The Company owns many high-quality properties which are at different stages in their own potential evaluation and progress. The Company also benefits from the expertise of significant partners such as Lake Shore Gold for gold deposit research, and the FNX Mining Company (technical agreement and representation on Fieldex's board of directors) for research in copper-nickel-platinum deposits. Many efforts have been made to promote Fieldex and its projects in Canada and Europe. The Company has acquired a certain visibility, thus allowing us to concentrate on marketing our *advanced* properties to prove their economical potential. Aside from the many projects taking place in 2007, the Company will continue with its program to acquire copper-nickel-platinum group deposits in the Temiscamingue Volcanic Belt. The Company has sufficient funds at its disposal to meet cash flow demands for the next 24 months.

### Additional information and ongoing disclosure

The Company regularly discloses complementary information by press release and quarterly financial statements on the SEDAR Internet site ([www.sedar.com](http://www.sedar.com))

### CONFIRMATION

This management report was approved by the Board of Directors



Martin Dallaire, eng.  
President & Chief Executive Officer

August 24th, 2007.