

Explor Resources Inc.

Management's Discussion and Analysis Report (For the six-month period ended October 31, 2007)

This management's discussion and analysis report ("MD&A") provides an analysis of our financial condition and results of operations to enable a reader to assess material changes for the second quarter ended October 31, 2007, in comparison with the same period of last year. This MD&A was prepared as at December 21, 2007, and is intended to complement the financial statements. Our financial statements and this MD&A are intended to provide investors with reasonable basis for assessing our results of operations and financial performance.

Explor Resources Inc. ("Explor") was incorporated under the *Canada Business Corporations Act (Alberta)*. It is an exploration company operating in Canada. It holds properties in Ontario (Eastford Lake, Carnegie, Kidd Township, Pyne, Montrose and Carnegie-Kidd), in Quebec (Launay, East Bay, Duparquet, Opawica, Destor and Nelligan) and in Saskatchewan (Pipestone Bay, Jepson Lake, Bielby Lake and Scriver Lake).

MINING PROPERTIES

EASTFORD LAKE (ONTARIO)

In October 2005, the Company entered into two option agreements in which it acquired the option to obtain a 100% interest (2% NSR) in the "Eastford Lake Claims" (gold claims), situated in the Kerrs, Warden and Nelligan Townships, near Matheson, Ontario. In consideration for this acquisition, the Company paid a total of \$18,000 and issued 450,000 shares. The Company completed a 1,149 meter drilling hole in April 2006.

On September 10, 2007, the Company acquired 57 contiguous mining claims (912 hectares) by staking in the Kerrs, Warden, Milligan townships and in the Rayner Lake area in Ontario in the famous Timmins-Porcupine mining camp. The Eastford Lake Property now consists of 170 mining claims for a total area of 3,140 hectares.

A drilling program completed in April 2006 confirmed the presence of gold bearing rock and structures typical of world class gold camps. The drilling confirmed mafic and ultramafic volcanics as well as multiple intrusions of quartz-feldspar-porphyry. Two pyretic shear zones were intersected with anomalous gold values. Geophysical surveys have identified six targets along a major fault-like structure running east-northeast through the central part of the property. The major fault that was intersected is coincident with the northern or "up-ice" cut-off of a large gold and mercury in soil geochemical anomalies.

Phase III of the diamond drill program started on June 1st, 2007. The drill was mobilized and has started the first hole to test the interpreted bedrock source of the fragile, friable carbonatized quartz porphyry float and fuchsitic altered ultramafic float located within the north-west end of

the gold/quartz boulder train previously discovered. Deep drift/overburden cover (up to 90m) made discovery and exploration of the fault like structure difficult.

The drilling program completed 6 holes totalling 3,200 meters. The holes were drilled on the southwestern part of the property on interpreted geophysical and coincident geochemical targets. The holes were drilled on a 200 meter spacing and anomalous gold values were observed in the holes. The values increased in a north-easterly direction from 0.4 g/t Au to 0.8 g/t Au and finally to 1.3 g/t Au all over a 1 meter length. In addition, a large porphyry structure has been observed up to and in some cases over 200 meters in thickness and the structure is open to the northeast. To the northwest of the property banded ultramafics on an anticlinal fold axis (with known gold intersections) vector onto the northeast part of our property. These two conditions have led us to complete a northeast grid where the vectors drawn along the anticlinal fold axis and the increasing anomalous gold values intersect.

A phase IV exploration program consisting of line cutting, geochemistry and geophysics has been completed. Targets have been defined and a drilling program is planned for January 2008.

CARNEGIE (ONTARIO)

On March 2, 2007, the Company entered into an agreement to purchase seven (7) mining claims located in the Carnegie Township in the Porcupine mining division in the district of Cochrane, Province of Ontario. Explor paid \$25,000 at the signature and issued 300,000 common shares and will have to pay \$10,000 and issue 100,000 common shares in the coming year for an option to acquire a 100 % interest in the Carnegie Property. The vendors have retained a 2.0% NSR in the property.

On March 22, 2007, the Company entered into a second agreement to acquire two (2) additional claims in the property. To acquire this option, Explor issued 100,000 common shares of the Company. The vendors have retained a 2.0 % NSR in the property.

On June 29, 2007, the Company entered into a third agreement to acquire three (3) additional claims in the property. In consideration for this acquisition, Explor has paid \$5,000 and issued 100,000 common shares of the Company. The vendors have retained a 2.0% NSR in the property.

The Carnegie Property is located in the central part of Carnegie Township approximately 1.5 kilometres north of the Kidd Creek mine site. The property is approximately 20 km north of the city of Timmins, Ontario. Excellent access is provided by Highway 655. The property is approximately 1.0 km off the highway. The most obvious topographical feature in the area is the Kidd Creek open pit at approximately 1.5 km to the south of the property as well as a series of sand eskers.

The property is located in a greenstone belt composed mainly of sequences of meta-volcanic rocks cut by faults and deformation zones that lie in a NW-SE direction. Also, there are many suites of mafic volcanic rocks.

A series of untested airborne anomalies have been observed on the property. The Kidd Creek Mine located to the south of the property is known for Cu-Zn-Pb-Ag production. The Kidd Creek Mine has produced 130,000,000 tonnes of base metal ore since it started production in 1966. The presence of mafic and felsic rocks with anomalous copper and zinc values make this an exploration property of merit. A review of existing data revealed a series of structural anomalies of interest.

Explor plans on conducting a two phase exploration program. Phase I is designated to better determine the location of the structural targets via magnetic and max-min geophysics. Phase II, planned for the winter of 2008, will consist of diamond drilling the identified target or targets.

KIDD TOWNSHIP (ONTARIO)

In May 2007, the Company entered into an option agreement to obtain a 100 % interest in 5 mining claims in the Kidd Township Property. In consideration for this acquisition, the Company paid \$25,000 CDN and issued 200,000 common shares of the Company. The vendors have retained a 2.0% NSR in the property.

In May 2007, the Company entered into a second option agreement to obtain a 100 % interest in 4 additional mining claims. In consideration for this acquisition, Explor paid \$6,000 CDN and issued 100,000 common shares of the Company. The vendors have retained a 2% NSR in the property.

In November 2007, the Company entered into a third option agreement to obtain a 100% interest in 5 mineral claims located in Wark, Kidd, Prosser and Murphy Townships in the Province of Ontario. To acquire this property, Explor paid \$6,000 CDN and issued 150,000 common shares of the Company. The vendors have retained a 2% NSR on the property.

In November, 2007, the Company entered into a fourth option agreement to obtain a 100% interest in 6 mineral claims located in Wark and Kidd Townships in the Province of Ontario. To acquire this property, Explor paid \$10,000 CDN and issued 140,000 common shares of the Company. The vendor has retained a 2% NSR on the property.

The Kidd Township Property is located in the south central part of Kidd Township 1.5 kilometres south east of the Kidd Creek mine site. The property is approximately 20 km north of the city of Timmins, Ontario. Excellent access is provided by Hwy 655 which passes through the middle of the property. The property covers an area of approximately 1818 hectares. The most obvious topographical feature in the area is the Kidd Creek open pit approximately 2.5 km to the north west of the property as well as a series of sand eskers. The property is located in a greenstone belt composed mainly of sequences of meta-volcanic rocks cut by faults and deformation zones that lie in a nw-se direction. Also there are many suites of mafic volcanic rocks.

Explor plans on conducting a two phase exploration program. Phase I is designed to better determine the location of the structural targets via magnetic and geophysics. Phase II, planned for the winter of 2008, will consist of diamond drilling the identified target or targets.

PYNE (ONTARIO)

On July 5, 2007, the Company entered into an option agreement to acquire a 100 % interest in six mining claims situated in Pyne Township in the Larder Lake mining division, district of Cochrane, province of Ontario. To acquire this property, the Company has paid \$8,000 CDN and issued 200,000 common shares. The vendor has retained a 2.0% NSR in the property.

The property is located approximately 60 km northeast of the city of Timmins, Ontario and 35 kilometres south east of the town of Cochrane, Ontario in the southern part of Pyne Township. Excellent access is provided via Hwy 574 from Cochrane. The property is approximately 0.5 km west of Arpin on Hwy 574. The 6 mineral claims cover an area of approximately 1230 hectares.

The property is located in a greenstone belt composed mainly of sequences of meta-volcanic rocks cut by faults and deformation zones. The property is located within the Potter Stock and on a fault known as the Potter Fault where the orientation changes from the dominant east west orientation to 070°, is coincident with the Abitibi belt terrain boundary and lies along the axis of an Archean sedimentary belt. The Nickel Offset (650,000 tons @ 0.17 oz/ton) and the Franklin Gold deposit (310,000 tons @ 0.23 oz/ton) are spatially associated with the Potter Fault. A review of existing data has revealed a series of interpreted and untested structural anomalies of interest.

Explor plans on conducting a two phase exploration program. Phase I is designed to better determine the location of the structural targets via interpretation of the existing magnetic, EM anomalies, GEOTEM anomalies and geochemical anomalies. Phase II will consist of diamond drilling the identified target or targets.

The permit for the creek crossing from the MNR has been obtained and we should install a temporary bridge by the end of December 2007. The analysis of the geophysics is complete and drilling of the identified targets is planned for the winter of 2008.

MONTROSE (ONTARIO)

On July 17, the Company acquired one hundred and fifty (150) units mineral claim package comprising of eleven (11) mineral claims situated in Montrose and Midlothian Township in the Larder Lake mining division, district of Cochrane, province of Ontario. Explor will pay a total of \$62,000 CDN and issue 600,000 common shares over a 2 year period for an option to acquire 100% interest in the Montrose and Midlothian Township mineral claims. The vendor has retained a 2.0% NSR in the property.

The claims are located in the southern part of Montrose Township and the northern part of Midlothian Township approximately 8 kilometres northwest of the town of Matachewan. The

property is approximately 64 km west of the city of Kirkland Lake, Ontario. Excellent access is provided by Hwy 66 from Kirkland Lake. The property covers an area of approximately 2,429 hectares. The most obvious feature in the area is the Young Davidson Mine 10 kilometres to the east of the property. Northgate is currently spending \$5,000,000 on exploration on the Young Davidson Mine as per the Northgate website.

The property is located in a greenstone belt composed mainly of sequences of meta-sedimentary rocks descriptively similar to the Temiskaming meta-sedimentary rocks found in the Kirkland Lake area. The area is characterized by a wide northeast deformation zone of shearing. The claims are located in an area with very little overburden. The geology of the property is similar to the geology of the Young-Davidson property that was acquired by Northgate. A series of untested airborne anomalies have been observed on the property.

Explor plans on conducting a two phase exploration program. Phase I is designed to better determine the location of the structural targets via review of existing technical information, ground exploration, outcrop sampling and geophysics. Phase II will consist of diamond drilling the identified target or targets.

CARNEGIE-KIDD (ONTARIO)

On July 24, 2007, the Company entered into an option agreement to acquire four (4) mining claims (22 units) located in the Carnegie and Kidd Townships in the mining division of Porcupine, district of Cochrane, province of Ontario. Explor paid \$15,000 CDN and issued 150,000 common shares for an option to acquire 100% interest in the additional Carnegie and Kidd Township mineral claims. The vendors have retained a 2.0% NSR in the property.

The Carnegie-Kidd Property is located in the south central part of Kidd Township 1.5 kilometres south east of the Kidd Creek mine site. The property is approximately 20 km north of the city of Timmins, Ontario. Excellent access is provided by Hwy 655. Twelve (12) of the units of the Carnegie-Kidd Property are contiguous with the Kidd Township Property, which acquisition was previously announced (June 06, 2007), are strategically located and cover an area of approximately 355 hectares. This will increase Explor's land position in the area to 1003.2 hectares. The most obvious topographical feature in the area is the Kidd Creek open pit approximately 2.5 km to the north north-west of the property as well as a series of sand eskers. The property is located in a greenstone belt composed mainly of sequences of meta-volcanic rocks cut by faults and deformation zones that lie in a nw-se direction. Also there are many suites of mafic volcanic rocks.

Explor plans on conducting a two phase exploration program. Phase I is designed to better determine the location of the structural targets via magnetic and max-min geophysics. Phase II, which is planned for the winter of 2008, will consist of diamond drilling the identified targets.

LAUNAY (QUEBEC)

In September 2006, the Company entered into an option agreement to obtain a 100% interest in the five (5) claims of the Launay Property. The Company will pay \$25,000 CDN and issue 200,000 common shares over a 2 year period. The vendor has retained a 2% NSR in the property.

In April 2007, the Company entered into a second option agreement to obtain a 100 % interest in 48 mineral claims situated in Launay Township, province of Quebec. To acquire the option, the Company paid \$10,000 and issued 500,000 common shares of the Company. The vendor has retained a 2.0% NSR in the property.

The Launay Property is located in the northern part of the Launay Township approximately 6 km from the town of Launay, Quebec. The property consists of 53 mining claims covering an area of approximately 2249.46 hectares. Excellent access is provided by a logging road that connects the Launay-Guyenne road to the property approximately 4.5 km from the town of Launay.

The most obvious topographical feature in the area is Lake Doyon approximately 1.3 km to the west of the property as well as gently rolling hills consisting of outcrops and eskers. The property is contiguous to a large low grade nickel deposit that was once owned by Dumont Nickel Corporation and now by Royal Nickel Inc. The Royal Nickel Property consisted of 56 claims in Launay & Trecesson Townships, 17 km west of Amos, with an indicated resource of 400,000,000 tons of grade of 0.325% Ni as reported in the Northern Miner Canadian Mines Handbook of 1988-1989 (*Northern Miner, January 2, 1971* of 455,000,000 tons of 0.324 Ni). Royal Nickel Inc., a private company, has completed a 19,000 meter drilling program on the property.

The gold mineralization is hosted within a quartz-tourmaline-carbonate veins within a seritized shear zone and faults cutting quartz feldspar porphyries and intermediate to mafic volcanics. Between 1966 and today limited line cutting magnetic, electromagnetic surveys as well as limited I.P., surface mapping and prospecting has been completed by several companies.

The gold showing consists of quartz-carbonate veins and veinlets cutting quartz-feldspar porphyry dykes in contact between diorite and volcanic rocks that are intensely altered to sericite-carbonate schist.

The geophysics were reviewed which revealed an interpreted shear zone corridor of approximately 300 feet wide and several thousand feet long. Several primary and secondary I.P. targets were identified and a diamond drilling program was developed to test the I.P. targets. A diamond drilling program consisting of 10 NQ holes was conducted on this property during the month of November 2006. The results help us to increase our geological knowledge of this sector despite the fact that no economical value was obtained. However, interesting gold values were obtained in one hole. This unexpected result encourages us to reconsider our geological interpretation of the sector to ensure that our exploration program hasn't missed something

important. In fact, the sector is favourable for gold mineralization. Other companies are active in the sector and our geological team has prepared an important geological model.

The Launay Property was evaluated and it was determined that the property had the potential for Nickel. The property itself wraps around the Northwest portion of the Royal Nickel Dumont Nickel Project. The Royal Nickel Deposit has been cited to contain 175 million tonnes grading 0.47% nickel. The geophysical signature indicated that the geological structure that contains the Royal Nickel deposit runs through the middle of Explor's Launay Nickel Project.

EAST BAY (QUEBEC)

On February 7, 2007, the Company acquired sixteen (16) mineral claims situated in the Duparquet Township in the Rouyn-Noranda mining district, Province of Quebec. Explor has paid \$15,360 CDN to acquire a 100 % interest in the East Bay Property. The vendor has retained a 1% NSR in the Property.

On October 3, 2007, the Company acquired 17 mining claims located in the Duparquet Township in the Rouyn-Noranda mining district, Province of Quebec. Explor has issued 51,429 common shares at the signature of the agreement to acquire a 100% interest in these 17 additional claims. The vendor has retained a 2.0% NSR in the Property. These claims cover an area of 293.5 hectares and are contiguous to the East Bay Property.

The East Bay Property is located in the western central part of Duparquet Township approximately 1.0 km west of the town of Duparquet, Quebec. Excellent access is provided by a paved road that connects the highway 101 from Matheson, Ontario to Rouyn-Noranda, Quebec to the property at approximately 2.0 km off the highway. The property covers an area of approximately 541.5 hectares. The most obvious topographical feature in the area is Beattie Island in Duparquet Lake.

The mineralization on the property is exposed on Beattie Island within Duparquet Lake and is hosted within the Destor Theolitic Unit of the Blake River Group. Mineralization is associated with interflow volcanic sediments between andesite flows and dioritic sills. The alteration consists of silicification, carbonization and considerable sulphide enrichment. Gold occurs with pyrite-chalcopyrite in shallow dipping quartz veins which crosscut the stratigraphy. Historical channel samples completed by Lacana Mining Corporation in 1982 include 0.81 oz/ton over 5 feet, 0.165 oz/ton over 6 feet and 0.10 oz/ton over 10 feet.

The property is located approximately 0.5 km directly to the west of the former Consolidated Beattie and Donchester gold mines which produced over 1.0 million oz of gold between 1933-1956. The mineralization appears to be located in a splay off the Procupine Destor Fault Zones.

Explor plans on conducting a two phase exploration program. The Company has completed a study and a complete compilation of work executed in the past. The first phase of lining cutting, of magnetic survey and of VLF to determine the localization of structural targets is finished.

Phase II of the exploration program will consist of diamond drilling the identified targets and is expected to be completed in the 1st half of 2008.

DUPARQUET (QUEBEC)

On October 12, 2007, the Company entered into an option agreement to acquire eleven (11) mining claims located in the Duparquet Township, in the Rouyn-Noranda mining district, Province of Quebec. The Company paid \$5,000 and issued 100,000 common shares to acquire a 100 % interest in the Duparquet Property. The vendors have retained a 2.0%NSR in the property. This property covers an area of 262.69 and is contiguous to the East Bay Property.

On October 26, 2007, the Company entered into an option agreement to acquire six (6) mining claims located in the Duparquet Township, in the Rouyn-Noranda mining district, Province of Quebec. The Company paid \$3,000 and issued 90,000 common shares to acquire a 100 % interest in the additional claims of the Duparquet Property. The vendors have retained a 2.0%NSR in the property. This property is contiguous to the East Bay Property.

The Duparquet Property is located in the western central part of Duparquet Township approximately 1.0 km west of the town of Duparquet, Quebec. Excellent access is provided by a paved road that connects the highway 101 from Matheson Ontario, to Rouyn-Noranda, Quebec to the property approximately 2.0 km off the highway. The most obvious topographical feature in the area is Beattie Island in Lac Duparquet. By combining the East Bay and Duparquet properties, Explor now has 1008.96 hectares in the Duparquet Township and has 3 km of property along the Porcupine-Destor fault in the Duparquet mining camp. The property is contiguous with the former Beattie/Donchester Mine.

The mineralization on the Duparquet Property is interpreted to be similar to that exposed on Beattie Island within Lac Duparquet and is hosted within the Destor Theolitic Unit of the Blake River Group. Mineralization is associated with interflow volcanic sediments between andesite flows and dioritic sills. The alteration consists of silicification, carbonization and considerable sulphide enrichment.

This property is located approximately 0.5 km directly to the west of the former Consolidated Beattie and Donchester gold Mines which produced over 1.0 million oz of gold between 1933-1956. The mineralization appears to be located in a splay off the Porcupine Destor Fault Zone.

Explor plans on conducting a two phase exploration program. Phase I is designed to better determine the location of the structural targets via magnetic and VLF geophysics. Phase II will consist of diamond drilling the identified target or targets.

DESTOR (QUEBEC)

On February 9, 2007, Explor entered into an agreement to acquire ten (10) mining claims situated in the Destor Township in the Rouyn-Noranda mining district, province of Quebec. As a consideration for this property, the Company paid \$5,000 CDN and issued 100,000 common

shares and committed itself to realized work for \$200,000 prior to December 31, 2009 in order to acquire a 100 % interest in the Destor Property. The vendors have retained a 2.5% NSR in the Property.

The Destor property is located in the central part of the Destor Township approximately 42 km north of Rouyn-Noranda, Quebec. Excellent access is provided by Highway 393 that traverses the northern part of the property and connects to the town of Duparquet, Quebec. The property covers approximately 279 hectares.

The property is located in a greenstone belt approximately 1 km north of the Porcupine Destor Fault Zone, a major structure which is spatially related to several major gold deposits. Numerous faults, shears and other structural features closely related to the main Porcupine Destor Fault Zone occur on the claim group. The two most significant faults on the claim group are the Duquesne and the Lepine Lake Faults.

The property is located halfway between the former Beattie Gold Mine and the Aiguebelle Mine. The southern portion of the Destor Property hosts similar sheared and faulted feldspar porphyries which host the past-producing Duquesne Mine located 1.6 km along strike to the east.

Explor plans on conducting a two phase exploration program. Phase I is designated to better determine the location of the structural targets via magnetic and VLF geophysics. Phase II will consist of diamond drilling the identified target or targets.

NELLIGAN (QUEBEC)

On February 8, 2007, Explor entered into an agreement to acquire six mining claims situated in the Nelligan Township, in the mining district of Val-d'Or, Province of Quebec. As a consideration for this acquisition, the Company will pay \$45,000 CDN and will issue 400,000 common shares over a three year period for an option to acquire a 100 % interest in the Nelligan Property. The vendors have retained a 2.5% NSR in the property.

On March 13, 2007, the Company entered into an option agreement to obtain a 100 % interest in sixteen additional (16) mining claims in the property. In consideration of this acquisition, Explor paid \$10,000 and issued 300,000 common shares of the Company. The vendors have retained a 2.0 % NSR in the property.

The Nelligan Property is located in the eastern central part of Nelligan Township, approximately 20 km west of the town of Desmaraisville, Quebec. Excellent access is provided by a logging road that connects the Senneterre-Chibougamau highway 113 to the property at approximately 2 km off the highway. The property consists of 22 mining claims covering an area of approximately 1,198.49 hectares. The most obvious topographical feature in the area is the Waswanipi Lake approximately 6 km to the east of the property as well as a large hill on the property consisting of outcrops and eskers.

The property is located in a greenstone belt composed mainly of sequences of meta-volcanic and meta sedimentary rocks cut by faults and deformation zones that lie in a NE-SW direction. Also, there are many suites of mafic intrusive rocks.

Bachelor Lake Mining Camp is located nearby and is known for its precious metal and polymetallic potential. This property is located directly to the west of the former Conigas Mine. Previous historical work included trenching by the Canadian Nickel Company (circa 1960-1970). The series of trenches by INCO revealed the presence of mafic and ultramafic rocks with nickel mineralization. Historical grab samples with up to 10 % Ni and 0.6% cobalt were obtained. A review of existing data revealed a strong linear and enechelon magnetic geophysical feature with an east-northeast trend.

The additional claims were acquired because they are contiguous and to the west of the Murgor Nelligan Discovery where recent channel samples across a shear zone have yielded 124 g/t Au over 2.53 meters including a 53 cm section grading 582 g/t Au (Murgor press release dated December 14, 2006). Exploration is ongoing on the Murgor Nelligan Property.

The Nelligan Exploration Project will be explored for Nickel-Cobalt. Previous historical work includes trenching by the Canadian Nickel Company (circa 1960-1970). The series of trenches by INCO revealed the presence of Mafic and Ultramafic rocks with Nickel mineralization. Grab samples with up to 10% Ni and 0.6% cobalt were obtained. A review of existing data revealed a strong linear and enechelon magnetic geophysical feature with an east-northeast trend.

Explor is currently completing phase II of a 2 phase exploration program. Phase I consisted of line cutting and geophysics to determine the structural targets. It was designed to better determine the location of the structural targets via magnetic and TDEM geophysics. The geophysical program has revealed six (6) TDEM targets. Four of the six (6) TDEM targets have been drilled and we are waiting assay results. A gossan zone has been found on the property and has been stripped. The gossan zone extends for over 200 meters. Grab samples of up to 2.3% have been obtained. A diamond drill program is scheduled for the winter of 2008.

OPAWICA (QUEBEC)

On February 7, 2007, the Company signed an option to acquire thirty (30) mineral claims situated in Lesperance and Gand townships in the Val-d'Or mining camp, Province of Quebec. In consideration for this option, Explor paid \$10,000 CDN and issued 250,000 common shares and has to complete a \$500,000 work commitment at the latest on December 31, 2009, for an option to acquire 100% interest in the Opawica Property. The vendors have retained a 2.5% NSR in the property.

The Opawica Property is located in the central part of the Lesperance and Gand townships approximately 20 kilometers northwest of the town of Desmaraisville, Quebec. Excellent access is provided by a logging road that connects the Senneterre-Chibougamau highway 113 to the property approximately 2.0 km off the highway. The property consists of 30 mining claims

covering an area of approximately 480 hectares. The most obvious topographical feature in the area is Opawica Island located in Opawica Lake.

Two gold zones have been identified on the property as the “A” and “B” zones. The geology consists of broadly striking east west volcanic intrusive sequence of bands of iron formation. The iron formation locally contains Cu-Zn values in massive sulfides. Gold showings are located in ENE or WNW structural zones of the Short Lake/Bachelor Lake type.

Historical results by Minnova in 1990 include 0.132 oz/ton Au over 5.9 feet, 0.295 oz/ton Au over 3.9 feet, 0.275 oz/ton Au over 4.1 feet and 0.106 oz//ton Au over 9 feet.

Explor plans on conducting a two phase exploration program. Phase I is designated to better determine the location of the structural targets via magnetic and VLF geophysics. Phase II will consist of diamond drilling the identified target or targets.

SCRIVER LAKE (SASKATCHEWAN)

The Scriver Lake Property consists of 1 claim totalling 200 hectares in the McLennan Lake area. The property is at the grass roots exploration phase. For the moment, we are focusing our efforts on the properties in Quebec and Ontario in the Abitibi Greenstone Belt.

BIELBY LAKE PROPERTY (SASKATCHEWAN)

The Bielby Lake Property consists of 3 claims totalling 745 hectares in the Otter Lake area. The property is at the grass roots exploration phase. For the moment, we are focusing our efforts on the properties in Quebec and Ontario in the Abitibi Greenstone Belt.

JEPSON LAKES (SASKATCHEWAN)

The Jepson Lake Property consists of 7 claims totalling 191 hectares in the Sulphide Lake area. The property is at the grass roots exploration phase. For the moment, we are focusing our efforts on the properties in Quebec and Ontario in the Abitibi Greenstone Belt.

PIPESTONE BAY (SASKATCHEWAN)

The Pipestone Bay Property covers the “Rob Zone”, 1 claim totalling 240 hectares of copper-gold anomalies in rock on strike from old Anglo Rouyn copper-gold mine. The property is at the grass roots exploration phase. For the moment, we are focusing our efforts on the properties in Quebec and Ontario in the Abitibi Greenstone Belt.

FINANCIAL DATA

Our financial statements were prepared in conformity with generally accepted accounting principles in Canada, and all monetary values contained in this MD&A are expressed in Canadian currency.

Significant Financial Data (Audited)

YEARS ENDED APRIL 30	2007	2006	2005
	\$	\$	\$
Total assets	1,169,762	1,439,056	1,286,326
Total Liabilities	44,547	128,199	101,519
Revenue	-	-	-
Net Loss	1,255,369	296,686	225,207
Net loss per share on a diluted basis	0.11	0.03	0.03

Summary of Quarterly Results (Non-Audited)

	Oct. 31	July 31	April 30	January 31	Oct. 31	July 31	April 30	January 31
	2007	2007	2007	2007	2006	2006	2006	2006
Total assets	4,313,640	4,066,666	1,169,762	1,870,448	1,674,275	1,432,950	1,439,056	1,288,902
Total liabilities	47,557	48,685	44,547	136,245	113,821	168,855	128,199	140,314
Revenue	-	-	-	-	-	-	-	-
Net Earnings (Net loss)	(175,722)	(15,521)	(1,229,496)	(16,176)	(37,065)	(46,762)	15,512	(64,050)
Net Earnings (net loss) per share on a diluted basis	0.01	(0.00)	(0.11)	(0.001)	(0.00)	(0.00)	0.00	(0.00)

STATEMENT OF EARNINGS

Revenues

Being a mining exploration company, Explor does not generate significant earnings.

Expenses

During the quarter ended October 31, 2007, the net loss before taxes of the Company is \$175,722 compared to \$57,125 as at October 31, 2006. During the quarter ended October 31, 2007, the Company had an increase in all the items of the administrative expenses compared to the quarter ended October 31, 2006. This is mainly due to the increase in the activities of the Company.

Summary of the administrative expenses for the last fourth quarters

	Oct. 31, 2007	July 31, 2007	April 30, 2007	Jan. 31, 2007
General administrative expenses	18,828	16,448	18,398	7,120
Professional fees	58,922	33,192	38,745	42,510
Consultant fees	36,000	22,688	69,259	14,000
Registration, listing fees and shareholders' information	15,394	10,726	14,349	7,904
Stock-based compensation	46,240	22,440	28,630	-

- a) During the last three quarters, the general administrative expenses have remained stable.
- b) During the quarter ended October 31, 2007, the professional fees are higher than on the other quarters because of the accounting of secretarial and translation fees for an amount of \$7,500 as well as the accounting of audit and accounting fees for an amount of \$10,000.
- c) Registration, listing fees and shareholders' information expenses have increased in the quarter ended April 30, 2007 compared to the other quarters because of the acquisition of mining properties and the closing of private placements.
- d) During the quarter ended April 30, 2007, the Company entered into an agreement with an investor relations firm and this firm invoiced an amount of \$24,453. Explor also incurred an expense of \$25,000 with another investor relations firm. This explains the difference with the other quarters.
- e) The stock-based compensation increased significantly because of the grant of options to an investor relations firm and by the grant of share purchase warrants pursuant to private placements.

CASH FLOWS

During the three-month period ended October 31, 2007, the Company raised \$234,598 following the exercise of share purchase warrants. The Company incurred for \$13,228 in share issuance expenses pursuant to the acquisition of mining properties.

During the quarter ended October 31, 2007, the Company incurred for \$796,974 in investment activities for the purchase of mining properties (\$35,896), in deferred exploration expenses (\$685,042), for the acquisition of fixed assets (\$7,850) and in advances on exploration work (\$68,186).

BALANCE SHEET

As at October 31, 2007, our total assets amount to \$4,313,640 compared to \$1,169,762 as at April 30, 2007. The important difference between these periods is mainly due to the increase in

the cash flow because of two private placements and of the exercise of share purchase warrants for an amount of \$3,162,636. The creditors' level went from \$44,547 as at April 30, 2007 to \$47,557 as at October 31, 2007. The Company is proud to have successfully maintained the creditors at this low level. The deferred exploration expenses have increased by more than \$1,200,000. Shareholders equity went from \$1,125,215 as at April 30, 2007 to \$4,266,083 as at October 31, 2007. As at October 31, 2007, the working capital is \$1,515,197 compared to \$89,044 as at April 30, 2007. The financial condition of the Company is in a good position and management makes the necessary efforts in order to realize other private financings.

SOURCES OF FINANCING

In November 2007, the Company closed a flow-through financing for an amount of \$1,042,475 and a financing in common shares for an amount of \$1,182,525. The Company is aware that it will have to incur for about \$500,000 in administrative expenses in the coming year. The Company believes that these financings will help to stabilize its financial condition but the Company is still looking for non-flow-through financings so its can continue to operate in the best of conditions.

Date	Financing		Commercial Goals	
Oct. 2006	Flow-through shares	\$315,000	Exploration expenditures in Quebec	Completed.
	Common shares	\$85,000	Working capital	
Dec. 2006	Flow-through shares	\$185,400	Exploration expenditures in Quebec	Completed.
	Common shares	\$43,600	Working capital	
Feb. 2007	Flow-through shares	\$300,000	Exploration expenditures in Quebec	Completed.
	Common shares	\$70,000	Working capital	
May 2007	Flow-through shares	\$1,859,000	Exploration expenditures in Ontario	As at the date of this MD&A, the Company has to incur for \$1,038,411 in exploration work on its Ontario properties, no later than December 31, 2008.
		\$285,500	Exploration expenditures in Quebec	As at the date of this MD&A, the Company has to incur for \$268,150 in exploration work on its Quebec properties, no later than December 31, 2008.
	Common shares	\$845,000	Working capital	
June 2007	Common shares	\$160,000	Working capital	
November 2007	Flow-through shares	\$937,475	Exploration expenditures in Ontario	Will be completed at the latest on December 31, 2008.
		\$105,000	Exploration expenditures in Quebec	Will be completed at the latest on December 31, 2008.
	Common Shares	\$1,182,525	Working Capital	

OBLIGATION AND CONTRACTUAL COMMITMENTS

Since the beginning of the fiscal year, the Company has raised an amount of \$3,186,975 in flow-through financings. Out of this amount, the Company has already incurred for \$837,939 in exploration expenditures and Explor will have to incur for at least \$2,349,036 in exploration expenditures prior to December 31, 2008, in order to respect the flow-through shares agreements.

In September 2006, the Company entered into an agreement with individuals by which it could acquire a 100% interest in the Launay Property in Quebec. The Company had to issue 150,000 shares and to pay \$15,000 in the first year of the agreement and engaged for \$100,000 in exploration expenditures (condition fulfilled). In addition, the Company will have to make a last payment of \$15,000 in cash and to issue 100,000 shares at the latest on September 20, 2008.

In February 2007, the Company entered into an agreement with individuals by which it could acquire a 100% interest in the Nelligan Property in Quebec. The Company had to issue 100,000 shares at the signature of the agreement (condition fulfilled). In addition, the Company will have to pay \$45,000 in cash and to issue 300,000 shares over a three-year period.

In February 2007, the Company entered into an agreement with a company by which it could acquire a 100% interest in the Destor Property in Quebec. The Company had to issue 100,000 shares and to pay \$5,000 at the signature of the agreement (condition fulfilled). In addition, the Company will have to incur \$200,000 in exploration expenses prior to December 31, 2009.

In February 2007, the Company entered into an agreement with a company by which it could acquire a 100% interest in the Opawica Property in Quebec. The Company had to issue 250,000 shares and to pay \$10,000 at the signature of the agreement (condition fulfilled). In addition, the Company will have to incur \$500,000 in exploration expenses prior to December 31, 2009.

In March 2007, the Company entered into an agreement with individuals by which it could acquire a 100% interest in the Carnegie Property in Ontario. The Company had to issue 200,000 shares and to pay \$15,000 at the signature of the agreement (condition fulfilled). In addition, the Company will have to pay \$10,000 in cash and to issue 100,000 shares on March 1st, 2008.

In July 2007, the Company entered into an agreement pursuant to which Explor could acquire a 100 % interest of the Montrose/Midlothian Property in Ontario. The Company had to issue 150,000 shares and had to pay \$12,000 at the signature of the agreement (condition fulfilled). In addition, the Company will have to pay \$20,000 and issue 200,000 shares at the latest on July 17, 2008. Explor will also have to pay \$30,000 and issue 250,000 shares at the latest on July 17, 2009.

At the end of November 2007, the Company terminated the services of “CHF Investor Relations” (CHF), an investors’ relations firm.

In September 2007, the Company entered into an agreement to retain the services of Buick Group Corp for investors’ relations activities. The monthly fees will be \$7,500 for the duration of

the agreement, which is for one year. In addition, Buick Group Corp. will have 500,000 share purchase options at \$0.30 per share that will expire on September 19, 2008.

Long-Term Debt

The Company has no long-term debt.

Royalties on the mining properties are as follows:

PROJECT NAME	ROYALTY	PROJECT NAME	ROYALTY
Nelligan	2.5%	Nelligan Ext.	2 %
East Bay	1%	Destor	2.5%
Jepson Lake	1%	Opawica	2.5%
Eastford Lake	2%	Carnegie	2%
Launay	2%	Bielby Lake	2.5%
Devil Lake	1%	Pyne	2%
Montrose	2%	Kidd	2%
Carnegie-Kidd	2%	Duparquet	2%

RELATED PARTY TRANSACTIONS AND COMMERCIAL GOALS

Christian Dupont

During the quarter ending October 31, 2007, the Company incurred an amount of \$6,375 in administrative expenses and \$57,375 as engineering fees with a company controlled by the President of Explor Resources Inc. These fees are similar to what the market offers. As a professional engineer, when the President is acting as such for the Company, he has to consult many geological reports, to prepare budgets for the exploration work, to visit several mining properties and to negotiate their acquisition price. The President of the Company spends an important portion of his time supervising the mining exploration activities.

These transactions are concluded in the normal course of operations of the Company and are measured at the exchange amount which is the amount of consideration established and agreed by the parties.

FINANCIAL INSTRUMENTS

The fair value of the Company's financial instruments nears the book value unless indicated otherwise in the notes. The positive cash flow and receivables bear no interest. Payables and incurred costs sometimes bear interest at different rates.

RISK FACTORS

Risks Pertaining to 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, labor 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

Factors that influence the market value of gold and any other mineral discovered are beyond the Company's control. Resources prices have fluctuated considerably in the past few years. The impact of those 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.

Disclosure Controls and Procedures

The Company's President and the Chief Financial Officer are responsible for establishing and maintaining the Company's disclosure controls and procedures in accordance with the Multilateral Instrument 52-109 of the Canadian Securities Administrator. These controls and procedures have been evaluated as at April 30, 2007 and have been determined to be effective.

Internal Controls over Financial Reporting

The Company's President and the Chief Financial Officer are responsible for establishing and maintaining the Company's internal controls over financial reporting in accordance with Multilateral Instrument 52-109 of the Canadian Securities Administrators. These controls have been established as at April 30, 2007. There have been no changes in these controls during the fiscal year ended on April 30, 2007, which has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting.

ADDITIONAL INFORMATION FOR EMERGING ISSUERS WITHOUT SIGNIFICANT INCOME

The Company provides information on deferred exploration expenses found in note 5 of its intermediary financial statements ended October 31, 2007.

The Company has no research and development expenses.

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

The general and administrative expenses for the second quarter ending October 31, 2007 are broken down as follows:

Travelling, representation and promotion expenses:	\$5,426
Vehicle expenses:	\$668
Office supplies and expenses:	\$2,249
Directors insurance:	\$2,916
Rent, taxes and permits:	\$1,965
Electricity, mail and courier:	\$1,493
Management expenses:	\$2,197
Telecommunications	<u>\$1,913</u>
For a total of	\$18,828

INFORMATION ON OUTSTANDING SHARES

As at October 31, 2007, the share capital of Explor Resources Inc. is composed of 33,709,880 common shares, issued and outstanding. As at the date of this MD&A, the share capital of the Company is composed of 40,840,877 common shares issued and outstanding.

Options

The Company has a stock option plan intended for its officers, consultants and directors. As at December 21, 2007, the share purchase options are as follows:

<u>Number</u>	<u>Exercise price (\$)</u>	<u>Expiration</u>
100,000	0.20	01-27-2008
250,000	0.35	02-15-2010
90,000	0.20	10-28-2010
600,000	0.20	03-20-2012
80,000	0.30	03-20-2012
150,000	0.20	04-19-2012
<u>500,000</u>	0.30	09-19-2008
1,770,000		

Share Purchase Warrants

As at December 21, 2007, the Company's outstanding purchase warrants are as follows:

<u>Number</u>	<u>Exercise price (\$)</u>	<u>Expiration</u>
250,000	0.30	12-06-2007
323,531	0.22	02-28-2009
300,000	0.28	03-21-2008
73,941	0.25	12-14-2008
9,491,250	0.30	05-23-2009
800,000	0.30	06-14-2009
<u>3,178,572</u>	0.50	11-08-2009
14,417,294		

Warrants issued to Brokers

As at December 21, 2007, the Company's outstanding options issued to brokers are as follows:

<u>Number</u>	<u>Exercise price (\$)</u>	<u>Expiration</u>
75,000	0.22	02-28-2008
1,444,440	0.20	05-23-2009
80,000	0.20	06-14-2009
<u>635,714</u>	0.35	11-08-2008
2,235,154		

STRATEGY AND PERSPECTIVE

The Company continues to focus on finding high quality exploration properties in the Abitibi Greenstone Belt. It is one of the largest greenstone belts in the world and it has produced over 180,000,000 ounces of gold and more than 450,000,000 tons of Cu-Zn ore. There are still several “elephants” to be discovered in the Abitibi. At present, we have excellent exploration properties with lots of potential.

We have acquired the Carnegie and Kidd Township projects which are located in Ontario and have the potential of a major discovery in the Timmins mining camp. We have started to complete a geological assessment and study of both the Carnegie and Kidd Properties. A geophysical survey is currently being started in order to determine potential targets. We are looking for a base metal deposit similar to the Kidd Creek Mine deposit. Once completed line cutting will be followed by a geophysical survey in order to determine the targets. The Company plans on starting a drilling program in the coming months.

The exploration efforts in the Eastford Lake Gold Project (Ontario) have proven encouraging. We have found the same rocks types and structures that are found in the Timmins and Kirkland Lake mining camps. A favourable geological environment for gold has been observed. However no intersections that could potentially be economic have been found.

The drilling program completed 6 holes totalling 3200 meters. The holes were drilled on the southwestern part of the property. The holes were drilled on a 200 meter spacing and anomalous gold values were observed in the holes. The values increased in a north-easterly direction from 0.4 g/t Au to 0.8 g/t Au and finally to 1.3 g/t Au. To the northwest of the property banded ultramafics on an anti-clinal fold axis vector onto the northeast part of our property. These two conditions have led us to complete a northeast grid where the vectors drawn along the anticlinal fold axis and a vector along the increasing anomalous gold values intersect. A Phase IV Exploration Program consisting of line cutting, geophysics and diamond drilling of the identified targets has been started.

The results of the diamond drilling has prompted Explor to add 57 claims (912 ha) to the east of its existing claim package increasing the total Eastford Lake property to 3104 ha.

We have completed our geological study on the East Bay Property in Quebec, which tells us that there still exist a lot of potential in the Duparquet mining camp. Line cutting and geophysics consisting of Mag and VLF has been completed. Several structural targets have been interpreted from the geophysics. A drill program is planned for the coming months.

We have completed the geological study of the Nelligan Nickel Property. Line Cutting and geophysics consisting of mag and TDEM has been completed. Several targets have been interpreted from the geophysics. Drilling has started on the property.

The Company continues to evaluate and study properties in the Abitibi Greenstone Belt as they become available in order to determine if they have the potential to increase shareholder value. In the coming months, we are going to focus our efforts on the exploration programs that we have in place.

In the coming weeks, we will focus on making the Company better known in the financial centers in Canada.

ADDITIONAL INFORMATION AND ONGOING DISCLOSURE

This MD&A was prepared as at December 21, 2007. The Company regularly discloses additional information by means of press releases and quarterly financial statements on SEDAR's website (www.sedar.com) or on the Company's web site (www.explor.com).

CERTIFICATE

This MD&A was approved by the board of directors.

(s) Christian Dupont
Christian Dupont
December 21, 2007.