INV INTERNATIONAL NICKEL VENTURES

INTERNATIONAL NICKEL VENTURES CORPORATION MANAGEMENT'S DISCUSSION AND ANALYSIS Third Quarter 2007

The following management's discussion and analysis of the financial condition and results of operations ("MD&A") of International Nickel Ventures Corporation ("INV" or the "Corporation") was prepared to enable the reader to assess material changes in the financial condition and results of operations of INV as at and for the three and nine month periods ended September 30, 2007 in comparison to the corresponding prior year periods. This MD&A is prepared as at November 12, 2007, and is intended to supplement and complement the unaudited consolidated financial statements of INV for the three and nine month periods ended September 30, 2007 and 2006 (the "Q3 Statements"), which are prepared in accordance with Canadian generally accepted accounting principles ("GAAP") for interim financial statements. This MD&A should be read in conjunction with the Q3 Statements and the audited financial statements and MD&A for the year ended December 31, 2006 included in the 2006 Annual Report, the Annual Information Form dated March 28, 2007 and a prospectus ("Offering"), dated May 11, 2007, on file with the Canadian provincial securities regulatory authorities and available on SEDAR at www.sedar.com. This MD&A contains certain forward looking statements based on management's current expectations (please see "Cautionary Note Regarding Forward Looking Statements" below). All references to dollars herein are in Canadian dollars unless otherwise specified.

HIGHLIGHTS

Effective July 30, 2007, Robert Bell, P. Geo. was appointed President and Chief Executive Officer of INV. In addition, effective June 1, 2007, Mario Miranda, CA was appointed Vice President and Chief Financial Officer of the Corporation. Effective September 7, 2007, Marco Túlio Naves de Carvalho was appointed to the position of Vice-President, Exploration, and effective October 3, 2007, Ann Gibbs was appointed Director of Investor Relations.

On November 12, 2007 INV announced that it had entered into a binding agreement under which INV will purchase 100% ownership in three non-Sudbury, northern Ontario mineral properties from the wholly-owned subsidiary of FNX Mining Company Inc. ("FNX"), Aurora Platinum Corp., in exchange for INV issuing 2.9 million common shares to FNX. Two of the properties, Lansdowne House and Fishtrap, are located in the James Bay Lowlands area and contain mafic-ultramafic igneous complexes emplaced along major structures which appear to mark the same geological terrane boundary that hosts the recently discovered McFaulds Lake high-grade, nickel-copper-precious metal deposit. Previous explorers at Lansdowne House discovered broad zones of highly anomalous copper-nickel and precious metals, ranging from weakly anomalous to drill intersections of 21.5 metres grading 0.79% copper and 0.64% nickel, and 1.04 g/t platinum+ palladium + gold over 25.5 metres. The third property, Montcalm, is contiguous with Xstrata Nickel's producing Montcalm nickel-copper mine northwest of Timmins and covers four kilometres of the interpreted strike extension of the Montcalm deposit's host rocks, but to date this high-priority target has received little exploration and only two known historic boreholes within this trend. Potential quality and grade is conceptual in nature. There has been insufficient exploration to define a mineral resource on any of these properties and it is uncertain if further exploration will result in any such targets being delineated as mineral resources.

On July 17, 2007, INV entered into an option agreement to acquire mineral interests in the Damolândia nickel sulphide property, located in the Anápolis Belt, approximately 60 km north of Goiânia city, Goiás State, Brazil. The property lies 60 km east of the Americano do Brasil nickel-copper mine (owned and operated by Prometálica Mineração Ltda) and 90 km east of the Mangabal nickel-copper deposit, currently being explored by Castillian Resources Corp. The property consists of four claims (7,916 ha), which cover two nickel sulphide targets drilled by Billiton Plc. in the early 1980's (several holes intersected wide zones of low grade nickel-copper mineralization). On October 23 INV initiated an 8-hole, 2000 metre drill program.

As a result of continuing positive progress on the Santa Fé/Iporá properties, on July 16, 2007, the Corporation paid US$1.782 million ($1.859 million) to Mineradora Montita Ltda. ("Montita") representing its 27% share of the US$6.6 million option payment for the Santa Fé/Iporá properties. A final purchase payment of US$ 9.25 million (INV's share US$2.5 million) is due by November 16, 2007. Once that payment is made, the Joint Venture interest will be earned. The Corporation will then hold a 20.25%,interest, Teck Cominco Limited ("Teck Cominco") will hold a 54.75% and Montita a 25% interest inthe Santa Fé/Iporá project.

On May 18, 2007, the Corporation completed a secondary public offering, raising gross proceeds of $20 million by issuing 13,187,434 units at a price of $1.75 per unit. Each unit consisted of one common share of the Corporation and one-half of one common share purchase warrant. Each whole common share purchase warrant entitles the holder to acquire one additional common share until November 18, 2008 at a price of $2.25.

The Corporation recorded a net loss of $1,237,137 or $0.03 per share during the third quarter of 2007 compared with a net loss of $406,803 or $0.01 per share for the same period in 2006. For the nine months ended during the same periods, the net loss for 2007 and 2006 were $2,488,410 or $0.06 per share and $1,490,041 or $0.05 per share, respectively.
General and administrative expenses during the third quarter and nine months ended September 30, 2007 increased by $176,259 and $131,852 respectively compared to the same periods in 2006.

General exploration costs increased by $34,870 and $248,069 respectively during the three and nine month periods ended September 30, 2007 as compared to the same periods in 2006. During the third quarter of 2007 and based upon management's review of its portfolio of properties, it was decided to drop certain areas within certain of the properties (See Mineral Properties – Current Developments in this MD&A) and write off $573,994.

Interest income increased by $126,479 and $235,191 respectively during the three and nine month periods ended September 30, 2007 as compared to the same periods in 2006. The surplus cash balances generated from the initial public offering ("IPO") and, more recently, the May 18, 2007 offering were invested in low risk, fully liquid, deposits at a major Canadian chartered bank.

Mineral properties – current developments

Expenditures on mineral property and deferred exploration totaled $577,179 and $1,927,855 in the third quarter and nine months of 2007 respectively (compared to $1,038,617 and $1,671,076 in the third quarter and nine months of 2007 respectively).

(a) Santa Fé/Iporá (presented as "Investment in INVI " on the consolidated financial statements)

The Corporation, together with the 73% joint venture ("JV") partner and operator Teck Cominco (Teck Cominco 73%; INV 27%) owns the right to earn a 75% interest from Montita in the Santa Fé/Iporá nickel laterite deposits located in southwestern Goiás State in south central Brazil. The 75% interest may be earned by making a final property payment of US$ 9.25 million (INV's share: US$2.5 million) by November 16, 2007. As a result of continuing positive progress on the properties, the Corporation and Teck made the pre final property payment of US$6.6 million (INV's share: US $1.78 million or $1.875 million) on July 16, 2007. Including this payment, the JV has made total property payments of US$23.3 million ($26.6 million) to date.

The Corporation accounts for the JV investment on an equity basis of accounting, hence the presentation of the expenditures for the Santa Fé/Iporá properties within Investment on the balance sheet.

On November 23, 2006, INV announced a NI 43-101 Inferred Mineral Resource estimate on the Santa Fé/Iporá properties of 109 million tonnes grading 1.11% nickel and 0.06% cobalt, using a 0.8% nickel cutoff. This estimation was based on drill results up to October 3, 2006.

A drill program to define and expand the Mineral Resources has now been completed. Assay results from an additional 277 diamond drill holes with a total length of 3,335 metres have now been received, compiled and verified. These final holes include ones drilled on a 100x100 metre grid in mineralized areas and their recently discovered extensions, as well as in-fill holes that cover gaps in previous 50x50 m and 100x100 metre grids.

At Santa Fe, the final 109 drill holes, totaling 967 m, continue to provide positive confirmation of good nickel grades in the Southwest, Central and North zones. At Iporá, the final 168 drill holes, totaling 2,368 metres, continue to provide positive confirmation both of nickel grades and of substantial thicknesses in the Northeast zone at Iporá North (see press release dated October 24, 2007 for more details on the drill results). INV has begun to construct an updated resource model, which will incorporate the results from this recent drill program.

In addition to the drill program, a large trench approximately 250 m long and 6 to 7 m deep was excavated in the southwest mineralized area of Santa Fe. The purpose of the trench was to investigate the continuity of laterite lithologies and grades and to assess the mineability of the mineralized zone. The area had previously been drilled at 50 metre centres and one trench wall was sampled by vertical channels at 10 m spacing for comparison with drill results and to test continuity. In addition, multiple portable X-Ray Fluorescence readings were taken along the trench wall between the channels. The results to date indicate that the visual identification and morphology of the mineralized horizon would likely minimize dilution and ore loss in mining.

Metallurgical investigations on the Santa Fe/Iporá project have continued with a focus on the upgrading of the nickel content of various sample types. The results of the upgrading work are encouraging, suggesting, based on the samples selected and tested, a 0.1% nickel grade increase with either scrubbing/classification, for some samples, or magnetic separation. It may be possible that a combined treatment using scrubbing/classification and magnetic separation could be employed to obtain an overall greater increase in nickel grade. This work will be pursued in the next stages of metallurgical investigation.

Total JV expenditures made as of September 30, 2007 are $50.6 million, of which $26.6 million (US$ 23.3 million) are option payments to Montita. The Corporation's portion of these expenditures is $13.7 million. Following the final payment being made, due on November 16th, 2007, the JV partners will determine their plans for 2008.

All scientific or technical information described herein this section (a) has been prepared by or under the supervision and review of, and verified by J. Alan Spence, President of Spence Resource Management Inc. and Mohan Srivastava, President of FSS Canada Consultants Inc., both independent consultants to INV and Qualified Persons as defined under NI 43-101 of the Canadian Securities Administrators. The drill hole and assay data (from SGS Geosol Laboratórios Ltda., Brazil) for this release have been provided by Teck Cominco, with industry standard QA/QC procedures in place.

(b) Damolândia property

On July 17, 2007, INV entered into an option agreement with BCV - Consultoria e Projetos ("BCV"), a private Brazilian Corporation, to acquire BCV's 100% interest in the Damolândia nickel sulphide property, located in the Anápolis Belt, approximately 60 km north of the city of Goiânia, Goiás State, Brazil. To earn its 100% interest INV must make a series of payments to BCV over 48 months, totaling US$900,000, with US$20,000 paid upon signing and US$500,000 upon the application for a mining license. The property lies 60 km east of the Americano do Brasil nickel-copper mine (owned and operated by Prometálica Mineração Ltda) and 90 km east of the Mangabal nickel-copper deposit, currently being explored by Castillian Resources Corp. The property consists of four claims (7,916 ha), which cover two nickel sulphide targets drilled by Billiton Plc. in the early 1980's (several holes intersected wide zones of low grade nickel-copper mineralization).

As the property is considered highly prospective for both disseminated and massive nickel sulphide deposits, a variety of geophysical surveys, designed to detect either style of mineralization, were utilized. This includes an airborne electromagnetic survey ("VTEM"), a fixed loop electromagnetic survey, and an induced polarization ("IP") survey. An 8-hole 2,000 metre diamond drill program started on October 23, 2007. The drill program is targeting a combination of geological and geophysical targets. To date the geophysical program has resulted in the detection of two conductors which had not been previously drill tested, and a strong IP anomaly associated with and extending beyond the known mineralization. INV's geophysical surveys will continue to look for additional anomalies and drill targets.

(c) Anapolis properties

Based on aeromagnetic and radiometric maps, the Corporation acquired by staking 62 granted claims totaling 92,399 hectares of prospective nickel sulphide properties in Goiás State, Brazil in late 2006. This land position increased to 118 granted claims totaling 168,439 hectares during the first quarter of 2007, to 146 claims totaling 206,142 hectares at the end of the second quarter, and to 147 granted claims totaling 208,098 hectares at the end of the third quarter of 2007. Exploration activities at Anapolis were comprised of geological reconnaissance and mapping, geochemical sampling, assaying and petrography, with initial encouraging soil geochemical results ranging from weakly anomalous (~1,000 ppm) to 6,335 ppm (0.63%) nickel. As a result of this initial reconnaissance three targets, Taquaral East, Taquaral West and Aguas Claras, were identified for follow-up.

At Taquaral East, a stream sediment survey indicated the presence of anomalous nickel concentrations from a belt of mafic-ultramafic bodies, the northern most of which was mapped along a strike of 4,000 metre and soil sampled at 25 metre intervals along 400 metre spaced lines. Two anomalous nickel zones, 1,200 metres and 800 metres in length with nickel values ranging from 1,169 ppm to 6,039 ppm were delimited, and two copper anomalies with values ranging from 182 to 286 ppm copper were outlined.

At Taquaral West, the regional soil sampling grid with 500m line spacing, over a 6.4 kilometre long ultramafic body, defined a nickel anomaly extending for 4.2 kilometres with values above 2,000 ppm to a maximum of 6,335 ppm. A 600 metre long copper in soil anomaly was identified in the southwestern portion of the belt, defined by soil values ranging from 182 ppm to a peak of 476 ppm copper. The coincidence of copper and nickel geochemical anomalies suggests the possibility of a sulphide bedrock source.

At the Aguas Claras target, two ultramafic bodies (mainly pyroxenite) extending over 1,700 and 1,300 metres, were identified by reconnaissance mapping. Sulphides (chalcopyrite, pyrite, pyrrhotite and possibly pentlandite) were observed in several outcrops. A light brown gossanous outcrop was sampled and returned values of 1,159 ppm nickel, 689 ppm copper and 1,028 ppb platinum. Several rock and termite mound samples returned values ranging from weakly anomalous in nickel (688 ppm) to 2,923 ppm nickel and 198 to 665 ppm copper.

An airborne electromagnetic survey (VTEM) was flown in mid October 2007 over the Taquaral and Aguas Claras properties with final interpretation expected in the latter half of mid-November. Pending the results, drilling could be possibly carried out in the first quarter of 2008.

During the third quarter of 2007, INV dropped several areas of no further interest within the Anapolis property and wrote off $92,095 of accumulated acquisition and exploration expenditures ($Nil during the nine months ended September 31, 2006).

Potential quality and grade is conceptual in nature. There has been insufficient exploration to define a mineral resource on any of the Anapolis properties and it is uncertain if further exploration will result in any such targets being delineated as mineral resources.

(d) Goiás Region properties

The Corporation holds beneficial title to properties known as the Goiás Region properties located in southwest Goiás State, Brazil. Two diamond drill-holes (totaling 373 metres) were drilled early in 2007, to test coincident geochemistry and geophysical (magnetic and induced polarization) anomalies. Both drill-holes intercepted mafic-ultramafic rocks with disseminated (1-3%) sulphides (pyrrhotite, pyrite and trace chalcopyrite and pentlandite). The results returned a low grade mineralized zone (52 metres @ 0.2% nickel), including 4 metres @ 0.37% nickel, in fresh rock.

(e) Norte Sul properties

At the end of 2006 the Corporation held 63 granted claims totaling 192,498 hectares, along with two claim applications totaling 7,963 hectares in Goiás, Para and Tocantins States (collectively the “Norte Sul” properties). By the end of the first quarter of 2007 the claim applications had been granted and certain claims relinquished, leaving 53 claims totaling 159,931 hectares. This remains the claim status as of the end of the third quarter.

Geological and geochemical reconnaissance, consisting of stream sediment, soil, termite mound, auger and rock sampling, identified six areas of interest - Itaporã, Conceição do Araguaia, Miranorte, Itapaci, Lagoa Feia and Porto Nacional.

At the Itaporã Target (Area NS-13) the potential for gold has been recognized. Metabasic to intermediate volcanics, iron formation and veins of quartz with aspects suggesting strong hydrothermal activity (sulphidation) have been identified. Sulphides occur in a northeast-southwest striking shear zone approximately 1,200 metres long and 300 metres in width. Troy Resources' Mamão gold deposit is located 4 kilometres north of the eastern limit of license NS-13. It is associated with a northeast-southwest striking shear zone in strongly altered mafic metavolcanics (basalt and gabbro) affected by intense hydrothermal activity resulting in silicification, potassification and sulphidation. Sampling in the northeastern portion of the license returned a widespread, consistent set of gold assay values of 11 to 143 ppb. A second zone with similar gold assay values (11 to 173 ppb) spread over an area of approximately 3,000 metres by 2,000 metres is located at the northwestern portion of the license, over a large aeromagnetic high.

At the Conceição do Araguaia Target (Area NS-112) ten stream sediment samples returned elevated nickel values ranging from 71 to 131 ppm and a copper anomaly with values ranging from 59 to 96 ppm. A termite mound sample at the southwestern corner of the permit yielded a copper value of 423 ppm and weakly anomalous precious metal values of 38 ppb combined platinum plus palladium. Further evaluation is warranted.

At the Miranorte Target (Area NS-18) geological reconnaissance identified fractured, silicified and sheared serpentinite in tectonic contact with schists. The contact line is marked by a thick zone of sheared milky quartz. Stream sediment sampling, with nickel values ranging from 601 to 870 ppm, and soil sampling with 1,000 ppm to 6,204 ppm nickel and 81 to 228 ppm copper, defined a 2.5 x 1.3 km north-south-trending zone composed mainly of serpentinites. The serpentinite zone is coincident with the airborne magnetic anomaly that occurs at the western portion of the target. The weathering profile is weakly developed, which reduces the potential for laterite nickel mineralization, but the coincidence between nickel and copper anomalies in soils could be related to a sulphide source.

At the Itapaci Target (NS-32, NS-33) stream sediment sampling carried out in 2006 identified anomalous nickel values (104 to 609 ppm), but without copper. However in the southwestern part of the area, two samples with high platinum plus palladium values (724 and 315 ppb) were collected. Regional soil sampling defined a coincident nickel, chromium, cobalt and precious metal anomaly,1.3 km wide and open at both ends. Nickel values (461 to 1,745 ppm) and chromium (907 ppm to 4,236 ppm) values suggest an ultramafic source. Precious metal values from 21 to 137 ppb in soils define an anomaly with dimensions of 1.5 x 1.0 kilometres, open both to the north and to the south. Detailed work (soil sampling) is required to better define this target.

At the Porto Nacional and Lagoa Feia targets, located at Tocantins State, gold anomalies were located in stream sediments, with values ranging from 24 to 174 ppb. Old gold workings, exploited by small miners ("garimpeiros") were identified at the northeast border of the Lagoa Feia target.

During the third quarter of 2007, INV dropped several areas of no further interest within the Norte Sul properties and wrote off $340,343 of accumulated acquisition and exploration expenditures ($Nil during the nine months ended September 31, 2006).

Potential quality and grade is conceptual in nature. There has been insufficient exploration to define a mineral resource on the above properties and it is uncertain if further exploration will result in any such targets being defined as mineral resources.

(f) São José properties

In early 2006, the Corporation acquired, by staking, beneficial title to certain properties collectively known as the "São José Properties", consisting of seven exploration properties located along the eastern border of Para State. An additional two properties were added in late 2006. Together the 9 properties comprise 59,235 hectares. As of the end of the 3rd quarter 2007 a total $252,884 has been invested on the properties.

At target SJ05 geological reconnaissance identified ultramafic rocks (serpentinite) coincident with the big "bulls-eye" airborne magnetic anomaly. Geochemistry reconnaissance (rock and soil sampling) was carried out which yielded anomalous nickel values from 889 to 5,114 ppm (rock) and 1,529 to 2,363 ppm (soil). To better evaluate this area an auger-drill program was executed, resulting in 38 holes for a total of 75.10 metres. The auger holes reached just the upper portion of the weathering profile, in which nickel is typically low, as well magnesium, while iron is high. Nickel values varied from 1 m grading 0.70% to 5 metres grading 0.79% nickel, including 1 metre @ 1% nickel.

At SJ-03 three assays of termite mounds and a stream sediment sample yielded high assay values between 819 and 1,824 ppm nickel, chromium values between 3,805 to 7,470 ppm, and weakly anomalous platinum values of 13 – 19 ppb.

During the third quarter of 2007, INV dropped several areas of no further interest within the São José properties and wrote off $141,556 of accumulated acquisition and exploration expenditures ($Nil during the nine months ended September 31, 2006).

Potential quality and grade is conceptual in nature. There has been insufficient exploration to define a mineral resource on the above properties and it is uncertain if further exploration will result in any such targets being defined as mineral resources.

(g) Ontario, Canada Property Acquisition (refer also to "HIGHLIGHTS" on this MD&A)

The large Lansdowne House property (14,880 hectares), located approximately 80 kilometres west of the recently discovered McFaulds Lake high-grade, nickel-copper-precious metal deposit, was first identified as having nickel-copper-precious metal potential by the former Inco Limited, now CVRD Inco ("Inco") when it conducted extensive exploration on the property in the mid 1970's. Drilling was concentrated on a three-kilometre long trend of electromagnetic anomalies coincident with magnetic highs. Broad zones of highly anomalous mineralization were encountered, with results ranging from weakly anomalous to intersections grading 0.30% copper and 0.12% nickel over 33.3 metres and 0.74% copper and 0.40% nickel over 17.7 metres in one zone and grading 0.32% copper and 0.13% nickel over 4.6 metres and 0.79% copper and 0.64% nickel over 21.5 metres, including 1.0% copper and 0.83% nickel over 14.9 metres, in another zone. Aurora Platinum Corp. acquired and explored the property for precious metals in the early 2000's and drill-intersected anomalous precious metal values, ranging from weakly anomalous to intersections grading 1.04 g/t precious metals (platinum+ palladium + gold = "TPM") over 25.5 metres, including 3.1 g/t TPM over 1.5 metres, and 0.32 g/t TPM over 220.6 metres . In 2006, FNX carried out a modern airborne geophysical survey over the property and identified numerous untested conductors, but has not carried out any ground surveys or drilling to date.

Like Lansdowne House, the 49 claim (760 units totalling 12,160 hectares) Fishtrap property, located approximately 60 km south of the McFaulds Lake discovery, covers a large layered mafic-ultramafic complex. The eastern half of the complex is being explored by third parties for precious metals. There is no record of any previous drilling on the Fishtrap property. FNX's 2006 airborne geophysical survey identified a number of conductive zones associated with the basal portions of the complex. These conductors will become a high-priority exploration target for INV.

The 11 claim (145 unit, 2,320 hectares) Montcalm property, located 65 km northwest of Timmins, is contiguous to Xstrata Nickel's producing Montcalm nickel-copper mine northwest of Timmins and covers four kilometres of the interpreted strike extension of the Montcalm deposit's host rocks, but to date this high-priority target has received little exploration and only two known historic boreholes within this trend.

INV plans to engage the services of Clark Expl. Consulting, based in Thunder Bay, Ontario, to manage the exploration of the Ontario properties. An aggressive program including gridding, ground geophysics and drilling is planned to be initiated as soon as all required permits and access agreements are obtained, is currently being planned.

Potential quality and grade is conceptual in nature. There has been insufficient exploration to define a mineral resource on any of these properties and it is uncertain if further exploration will result in any such targets being delineated as mineral resources.

Results of operations

The Corporation recorded a net loss of $1,237,137 or $0.03 per share during the third quarter of 2007 compared with a net loss of $406,803 or $0.01 per share for the same period in 2006. For the nine months ended during the same periods, the net loss for 2007 and 2006 were $2,488,410 or $0.06 per share and $1,490,041 or $0.05 per share, respectively. The increased loss was due to the write off of $573,994 of mineral property and deferred exploration costs ($Nil for the same period in 2006) and higher corporate overhead costs offset partially by higher interest income.

General and administrative expenses during the third quarter and nine months ended September 30, 2007 increased by $176,259 from $261,993 to $438,252 and $131,852 respectively from $ 1,100,810 to $ 1,232,662 compared to the same periods in 2006. The increase is mainly a result of higher compensation costs, shareholder information, office and other, partially offset by decreases in administrative services, travel and professional costs. Compensation costs increased by $49,015 from $97,719 to $146,734 and $139,054 from $263,898 to $402,952 respectively during the three and nine months ended 2007 as compared to 2006 due to new officers appointed in 2007, director fees which commenced this year and compensation for the Corporation's previous President and Chief Executive Officer (now the Corporation's Chairman of the Board of Directors), who maintained an office in Vancouver where he currently resides, along with compensation costs related to support services there. Shareholder information and regulatory compliance expense was $30,211 and $39,904 higher respectively in the third quarter and year to date of 2007 as a result of additional listing and technical report filing costs associated with the offering completed on May 18, 2007, increasing from $27,097 to $57,308 in the third quarter and $259,389 to $299,293 year to date. Other expenses increased during the nine month period ended September 30, 2007 by $19,858, increasing from $ 2,181 to $22,039, primarily as a result of incurring a capital tax expense of $18,889, compared to $nil in 2006.

General exploration costs increased by $34,870 from $159,013 to $193,883 and $248,069 from $344,939 to $593,008 respectively during the three and nine month periods ended September 30, 2007 as compared to the same periods in 2006. The Corporation continues to actively look for properties to acquire and spends a relatively large amount of funds on general exploration. Exploration activities in 2006 were lower as the Corporation did not complete IPO and receive the resultant funding until March 17, 2006.

Based upon management's review of its portfolio of properties, it was decided to drop certain areas within the properties (See "Mineral Properties – Current Developments") and write off $573,994 of accumulated exploration and acquisition costs ($Nil for the same period in 2006).

Stock options granted to directors, senior management, Amazonia Mineração Ltda. ("Amazonia"), an independent Brazilian mineral exploration Corporation that provides exploration services to INV, and other consultants upon closing of the IPO on March 17, 2006 and subsequent grants to others resulted in stock-based compensation expense of $339,934 and $743,763, being $196,760 and $301,718 higher that their comparative third quarter and year to date of 2007, respectively, than in 2006. Most of the exploration activity in 2007 and 2006 was undertaken by Amazonia and as part of a strategic alliance between Amazonia and INV, Amazonia was granted 200,000 stock options in INV for 2006, and an additional 100,000 stock options will be granted in 2007 (50,000 granted to September 30, 2007).

Interest income increased by $126,479 from $187,493 to $313,972 and $235,191, from $434,030 to $669,221 , respectively during the three and nine month periods ended September 30, 2007 as compared to the same periods in 2006. The surplus cash balances generated from the IPO and, more recently, the May 18, 2007 offering were invested in low risk, fully liquid, deposits at a major Canadian chartered bank. The Corporation does not have any asset-backed commercial paper and is thus unaffected by the sub-prime mortgage events in the United States.

Foreign exchange

INV reports its financial results in Canadian dollars. The Corporation's costs, however, are in Canadian dollars, United States dollars ("US$") and Brazilian reais ("R$"). Should any of the Corporation's properties commence production, future metal sales revenue will be in US$. The Canadian dollar had been appreciating relative to the US$ as the average rate in the third quarter of 2007 was $0.96/US$ (2006-$0.89/US$), compared to $0.88/US$ in the first six months of 2007 (2006 - $0.88/US$). The exchange rate as at October 31, 2007 was $0.95/US$. The Canadian dollar has been relatively steady compared to the Brazilian reais during 2007 as the average rate was $0.55/R$ in the third quarter and nine months of 2007 ($0.52 in the third quarter and nine months of 2006). The Brazilian reais was $0.54/R$ as at November 8, 2007.

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Financial Condition and Liquidity

Cash and cash flows

The Corporation is not in commercial production on any of its resource properties and accordingly, it does not generate cash from operations. The Corporation finances its activities by raising capital through equity issues. As at September 30, 2007 the Corporation had cash of $28.8 million and working capital of $29.2 million. Cash and working capital have increased significantly from December 31, 2006 as a result of the proceeds from the financing completed on May 18, 2007.

Cash used in operating activities during the three and nine-month periods ended September 30, 2007 was $1,361,093 (2006 - $430,543) and $1,848,855 (2006 – $1,057,357), respectively. Stock-based compensation expense and mineral property write-offs makes up the principle amount that reconciles the statement of loss to the statement of cash flows from operating activities.

On May 18, 2007, the Corporation completed a bought deal financing (the "Financing") of 11,420,100 units at a price of $1.75 per unit for gross proceeds of $19,985,175. Each unit consisted of one common share in the capital of INV and one-half of one common share purchase warrant. Each whole common share purchase warrant entitles the holder to acquire one additional common share until November 18, 2008 at a price of $2.25.

Concurrent with the Financing, INV completed a private placement with FNX and Teck Cominco on the same terms as the Financing (the "Concurrent Private Placement") for, in aggregate, 1,767,334 units for gross proceeds of $3,092,835. Pursuant to an agreement between INV and Teck Cominco, INV had granted Teck Cominco the right (the "Teck Right") to purchase units on the same terms as the Financing to maintain its pro rata interest in INV. Teck Cominco purchased 420,604 units and FNX purchased the remaining units, subject to the Teck Right, that Teck Cominco did not elect to purchase.

In consideration for their services in connection with the Financing and the Concurrent Private Placement, the underwriters in the Financing received a fee equal to 5.5% and 3.0% of the gross proceeds of the Financing and Concurrent Private Placement, respectively.

Proceeds of $45,000 and $891,200 were received during the three and nine months period ended September 30, 2007 (2006 - $Nil and $150,025) from the exercise of 37,500 options in the third quarter of 2007 and 588,500 warrants and 212,000 in the year to date 2007 (500,100 options in the year to date 2006).

On March 17, 2006, the Corporation completed an initial public offering and issued 21,120,000 common shares at a price of $1.20 per share for gross proceeds of $25,344,000. In consideration for their services in connection with the IPO the underwriters in the Financing received a fee equal to 6% of the gross proceeds of the IPO plus 1,267,200 warrants (the "Compensation Warrants"). Each Compensation Warrant entitles the holder to purchase one common share at a price of $1.20 per share for a period of two years from the date of issuance (1,110,000 expiring on March 17, 2008 and 157,200 expiring on April 6, 2008). The Compensation Warrants were ascribed a fair value of $536,389.

On March 17, 2006, Teck Cominco was issued 1,299,800 common shares with a value of $1,559,760 in satisfaction of the $1,562,490 (US$1,350,000) of funds advanced by Teck

Cominco to INV pursuant to a non-interest bearing note dated December 6, 2005, with the $2,730 difference being a foreign exchange gain.

Cash used in investing activities for the three and nine-month periods ended September 30, 2007 totaled $2,737,617 (2006 - $2,440,474) and $5,708,293 (2006 - $4,582,233), respectively. Investing activities in 2006 were lower as the Corporation did not complete the IPO and receive the resultant funding until March 17, 2006. The Corporation's investment in INVI, (the Santa Fé/Iporá JV), in the third quarter and nine months of 2007 totaled $2,160,438 and $3,780,438 respectively (of which $1,859,000 were option payments to Montita) as compared to $1,401,857 and $2,911,157 for the same periods in 2006 ($Nil option payments to Montita). $577,179 and 1,927,855 respectively for the third quarter and nine months of 2007 were spent on the Corporation's wholly-owned properties in Brazil ($1,038,617 and $1,671,076 respectively in the same periods in 2006).

In management's view, the Corporation has sufficient financial resources to fund currently planned exploration programs and ongoing operating expenditures. The Corporation will continue to be dependent on raising equity capital as required until it reaches the production stage and generates cash flow from operations.

Related Party Transactions

In addition to the related party transactions with Teck Cominco, the Corporations partner on the INVI JV and a shareholder of the Corporation, and FNX, a shareholder of INV that has certain directors that are also directors and shareholders of the Corporation, discussed under "Financial Conditions and Liquidity" on this MD&A, the following are related party transactions for the three and nine months ended September 30, 2007:

On November 12, 2007 the Corporation entered into a binding agreement with FNX, under which INV will purchase 100% ownership in three non-Sudbury, northern Ontario mineral properties from FNX's wholly-owned subsidiary, Aurora Platinum Corp., in exchange for INV issuing 2.9 million common shares to FNX. Upon closing, INV will enter into a Technical Assistance Agreement with FNX under which FNX will provide technical assistance at market rates to INV, if requested, with respect to mineral exploration programs on the acquired properties. The properties to be acquired are subject to certain net smelter royalties (See "Mineral Properties – Current Developments" section (g)).

In case of a production decision for any of the three properties (within twenty years of the closing date), FNX has the option of acquiring 50% of INV's beneficial interest in that by paying to INV two times the aggregate of all expenditures made by INV on that property interest. FNX shall be appointed as the operator of the venture.

Completion of the transaction is subject to receipt of the approval of the Toronto Stock Exchange.

FNX invoiced INV $71,344 and $157,770 respectively for the three and nine months ended September 30, 2007 (2006 - $71,726 and $259,504), under the Services and Facilities Agreement dated January 1, 2006. At September 30, 2007 there is $12,626 (December 31, 2006 - $149,042) due to FNX.

INV INTERNATIONAL NICKEL VENTURES

Outlook

The JV's exploration budget for the Santa Fé/Iporá properties in 2007 totals $14.8 million, INV's share of which is $4.0 million. Depending upon the results of further exploration work, Teck, as operator, may propose a further work program and INV will be required to fund its 27% share.

In addition, INV has established a budget for the acquisition of additional mineral properties and/or the exploration of its other mineral properties in 2007 of $3.0 million for the year.

The Corporation believes that, in conjunction with the funds on hand including the funds it received from the Financing, it will have sufficient funds to conduct all of its currently planned business activities in 2007.

As announced on November 12, 2007, INV is expanding its exploration efforts into Canada with the acquisition of three high-potential copper-nickel sulphide properties in Ontario from FNX and its wholly-owned subsidiary Aurora Platinum Corp. (see "Related Party Transactions").

INV intends to prioritize and continue to advance targets within its extensive 100% owned land package by carrying out work programs including further geochemical, geological, and ground geophysical surveys followed by drilling where warranted. In addition, INV is aggressively seeking new exploration opportunities.

Quarterly Financial Information

The following selected financial data has been prepared in accordance with Canadian generally accepted accounting principles and should be read in conjunction with the Corporation's interim and annual consolidated financial statements for the periods noted below.

Fiscal Quarter Ended	**September 30 2007**	June 30 2007	March 31 2007	December 31 2006
Interest income	**$313,972**	$229,882	$125,367	$158,216
Net loss	**(1,237,137)**	(532,670)	(718,603)	(2,271,960)
Basic and diluted loss per share*	**$(0.03)**	$(0.01)	$(0.02)	$(0.08)

Fiscal Quarter Ended	**September 30 2006**	June 30 2006	March 31 2006	December 31 2005
Interest income	**$187,493**	$225,167	$21,370	$-
Net loss	**(406,803)**	(407,612)	(675,626)	(758,997)
Basic and diluted loss per share*	**$(0.01)**	$(0.01)	$(0.05)	$(0.07)

*Basic and diluted loss per share is calculated based on the weighted-average number of shares outstanding. The conversion of stock options and warrants is not included in the calculation of the diluted loss per share because the conversion would be anti-dilutive

The quarterly trend has generally been towards increasing levels of costs due to the increased Corporation activity, partly offset by interest income, since the Corporation invests excess cash on low risk, fully liquid deposits. INV has raised funds through the IPO and the subsequent financings and is actively looking for new properties to acquire and it spends a relatively large amount of funds on general exploration. The third quarter of 2007 increased loss (as compared to the second quarter of 2007) is largely due to the write off of $573,994 of mineral properties and deferred exploration costs, representing accumulated acquisition and exploration costs in areas of no further interest to the Corporation (see “Mineral Properties – Current Developments”). The loss in the fourth quarter of 2006 is higher than any other quarter, largely due to a write off of resource properties of $1.6 million, representing the value of properties or areas within the Corporation properties that were of no further interest. The relatively large loss on the fourth quarter of 2005 is due to a onetime non-cash payment to FNX valued at $450,000 as payments for the FNX’s services and financial support for the period from November 2003 to December 31, 2005 (the Corporation issued 900,000 common shares as payment for those services).

Outstanding Share Data

As at November 8, 2007, the Corporation had 48,480,734 common shares outstanding, as well as stock options to purchase 1,800,500 common shares, compensation warrants to purchase 3,026,588 common shares at $1.20 per share and share purchase warrants to purchase 6,593,717 common shares at $2.25 per share.

Critical Accounting Estimates

There have been no changes to critical accounting estimates during the nine months ended September 30, 2007.

Changes in accounting policies and recent accounting pronouncements

(a) Changes in accounting policies

Financial instruments

Effective January 1, 2007, the Corporation adopted the recommendations of the Canadian Institute of Chartered Accountants (CICA) Handbook Section 1530, Comprehensive Income; Section 3855, Financial Instruments – Recognition and Measurement; Section 3861, Financial Instruments – Disclosure and Presentation, Section 3865, Hedges and Section 3251, Equity. These sections apply to fiscal years beginning on January 1, 2007 for the Corporation and provide standards for recognition, measurement, disclosure and presentation of financial assets, financial liabilities and non financial derivatives. Section 1530 establishes standards for reporting and presenting comprehensive income, which is defined as the change in equity from transactions and other events from non-owner sources. Other comprehensive income refers to items recognized in comprehensive income that are excluded from net income calculated in accordance with generally accepted accounting principles.

Financial Instruments – Recognition and Measurement (Section 3855); Financial Instruments – Disclosure and Presentation (Section 3861)

In accordance with the new standards, the Corporation now classifies all financial instruments as held-to-maturity, available-for-sale, held-for-trading, loans and receivables or other financial liabilities. Financial assets held to maturity, loans and receivables and financial liabilities other than those held-for-trading are measured at amortized cost. Available-for-sale instruments are measured at fair value with unrealized gains and losses recognized in other comprehensive income. Instruments classified as held-for-trading are measured at fair value with unrealized gains and losses recognized on the statement of loss.

Upon adoption of the new standards, the Corporation has designated its cash as held-for-trading, which is measured at fair value. Accounts and interest receivable, advances to service provider and prepaid expenses are classified as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities and advances from service provider and related parties are classified as other financial liabilities which are measured at amortized cost. The adoption of the new standards had no effect on the consolidated financial statements for the three and nine months ended September 30, 2007.

Comprehensive Income (Section 1530)

Comprehensive income consists of changes in the equity of the Corporation from sources other than the Corporation's share owners, and includes earnings of the Corporation, the foreign currency translation adjustment relating to self-sustaining foreign operations and unrealized gains and losses on changes in fair values of available for sale assets and effective cash flow hedging instruments. Other comprehensive income comprises revenues, expenses and gains and losses that are recognized in comprehensive income but are excluded from earnings for the period. This change in accounting policy had no effect on the consolidated financial statements for the three and nine months ended September 30, 2007.

Equity (Section 3251)

These recommendations require separate presentation of the components of equity, including retained earnings (deficit), accumulated other comprehensive income, contributed surplus, share capital and reserves, and the changes therein. This change in accounting policy had no effect on the consolidated financial statements for the three and nine months ended June 30, 2007.

(b) Future Accounting Pronouncements

(i) Capital Disclosures

In December 2006, the CICA issued Handbook Section 1535, Capital Disclosures, which establishes standards for disclosing information about an entity's capital and how it is managed. The entity's disclosure should include information about its objectives, policies and processes for managing capital and disclose whether or not it has complied and the consequences of non-compliance with any capital requirements to which it is subject. The new standard will become effective on January 1, 2008 for the Corporation. The Corporation is currently evaluating the impact of the adoption of Section 1535 which the Corporation does not expect to have a significant effect on the consolidated financial statements.

(ii) Financial Instruments – Disclosures and Financial Instruments – Presentation

In December 2006, the CICA issued Handbook Sections 3862, Financial Instruments – Disclosures, and 3863, Financial Instruments – Presentation. Section 3862 modifies the disclosure requirements of Section 3861, Financial Instruments – Disclosure and Presentation, including required disclosure for the assessment of the significance of financial instruments for an entity's financial position and performance and of the extent of risks arising from financial instruments to which the Corporation is exposed and how the Corporation manages those risks, whereas Section 3863 carries forward the presentation related requirements of Section 3861. The new standards will become effective on January 1, 2008 for the Corporation. The Corporation is currently evaluating the impact of the adoption of Section 3862 and 3863 which the Corporation does not expect to have a significant effect on the consolidated financial statements.

Internal Controls Over Financial Reporting

There were no changes in the Corporation's internal control over financial reporting that occurred during the three and nine months ended September 30, 2007, that have materially affected, or are reasonably likely to materially affect, the Corporation's internal control over financial reporting.

Cautionary Note Regarding Forward Looking Statements

Certain statements in this document constitute "forward-looking statements" and are based on current expectations and involve risks and uncertainties, referred to above and/or in INV's AIF dated March 28, 2007 (the "AIF") and filed with Canadian provincial securities regulatory authorities and available on SEDAR at www.sedar.com that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in the forward looking statements. Examples of such forward looking statements include statements regarding financial results and expectations for 2007, including, but not limited to, interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, results of initial feasibility, pre-feasibility and feasibility studies, and the possibility that future exploration, development or mining results will not be consistent with the Corporation's expectations, forecast levels of production of ore and/or metals, metal prices, demand for metals, currency exchange rates, political and operational risks inherent in mining or development activities, legislative factors relating to prices, taxes, royalties, land use, title and permits, importing and exporting of minerals, environmental protection, expenditures on property, plant and equipment, increases and decreases in reserves and/or resources and anticipated grades and recovery rates and are or may be based on assumptions and/or estimates related to future economic, market and other conditions. This list is not exhaustive of the factors that may affect the forward-looking statements and other factors should be considered carefully by prospective investors, who should not place undue reliance on such forward-looking statements. Factors that could cause actual results, developments or events to differ materially from those anticipated include, among others, the factors described or referred to elsewhere herein and/or the AIF, and include unanticipated and/or unusual events. Many of such factors are beyond INV's ability to control or predict. Actual results may differ materially from those anticipated. Readers of this MD&A are cautioned not to put undue reliance on forward looking statements due to their inherent uncertainty. Forward-looking statements are made based upon management's beliefs, estimates and opinions on the date the statements are made, which management believes are reasonable, and the Corporation undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as otherwise required by applicable law. These forward looking statements should not be relied upon as representing management's views as of any date subsequent to the date of this MD&A.

Additional information, including quarterly and annual consolidated financial statements, the AIF, management information circulars and other disclosure documents, may also be examined and/or obtained through the Internet by accessing INV's website at www.nickelventures.com or by accessing the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) website at www.sedar.com.