

**INTERNATIONAL BARYTEX RESOURCES LTD.
MANAGEMENT DISCUSSION AND ANALYSIS
December 31, 2005**

Date of Information

The date of the information contained in this Management Discussion and Analysis ("MD&A") is April 20, 2006. The following information should be read in conjunction with the audited financial statements for the year ended December 31, 2005 and related notes attached thereto, which are prepared in accordance with Canadian generally accepted accounting principles.

This MD&A may contain statements that are forward-looking in nature, involving known and unknown risks and uncertainties such as general economic and business conditions, operating costs, changes in foreign currency exchange rates, and other factors. Since forward-looking statements address future events and conditions, by their nature, they involve inherent risks and uncertainties. Therefore, actual results may be materially different from those expressed or implied in such statements.

Description of Business

International Barytex Resources Ltd. (the "Company") is a natural resource corporation currently engaged in the acquisition and exploration of mineral properties.

The Company is a reporting issuer in British Columbia and trades on the TSX Venture Exchange under the symbol IBX.

Exploration and Property Acquisition and Disposition

Mel Zinc-Lead-Barite Property

The Mel zinc-lead-barite property is located in the Watson Lake Mining Division, in southeast Yukon, approximately 100 kilometers northeast of the town of Watson Lake. International Barytex acquired from Breakwater Resources Ltd. ("Breakwater") a 100% interest in the Mel Property which currently consists of 257 claims. To date the Company paid a total of \$1,000,000 and incurred \$1,372,375 (including \$472,706 by Cominco) expenditures on the property. The Company also issued 600,000 common shares of the Company to Breakwater and has agreed to pay a royalty of 1% of any net smelter return from the property to Breakwater. The cost of the Mel project was written down to a nominal value of \$1 during the year ended December 31, 2004. Nevertheless, the Company still considers the Mel property is of merit and expects to continue with exploration of the property when there is a sustained improvement in base metal prices.

Barb Zinc-Lead-Silver Property

The Barb zinc-lead-silver property is located in the Watson Lake Mining Division in southeast Yukon, approximately 100 kilometers north of the town of Watson Lake. The property consists of 31 mineral claims. Historic exploration on the property has outlined a small deposit of zinc, lead, and silver. In 1998, an airborne geophysical survey conducted over the property outlined several geophysical anomalies that warrant testing.

The cost of the Barb property was written down to a nominal value of \$1 during the year ended December 31, 2004. Nevertheless, the Company still considers the Barb property is of merit and expects to continue with exploration of the property when there is a sustained improvement in base metal prices. A program of ground geophysical surveying to detail potential drill targets is under consideration.

China Project (Dulong Tin – Zinc Property)

The Dulong tin-zinc property is located in southeast Yunnan Province, China. The Company entered into a new agreement in January 16, 2003 with Asia Now Resources Limited (“AN”) replacing a November 7, 2002 agreement with AN. Under the new agreement, the Company was granted an option to acquire all of AN’s interest (up to 75%) in the Dulong tin-zinc property by issuing to AN 2,500,000 shares of the Company as follows:

- 625,000 shares upon receipt of a business licence by the joint venture company which is to be formed in China to hold the property;
- an additional 625,000 shares after expenditure by the Company of US\$1,500,000;
- an additional 625,000 shares after further expenditures by the Company of US\$2,500,000;
- the balance of 625,000 shares after further expenditure by the Company of US\$3,000,000.

The agreement is subject to approval by the Chinese authorities who are parties to the underlying agreements of the assignment of interest in the property (such approval has been granted), the issuance of a business licence to the joint venture company, and approval of the TSX Venture Exchange.

In May 2003, the Company received an Independent Technical Report by Hatch, an international engineering firm, on the Dulong tin-zinc property in Yunnan Province, China. The report states that “additional work on the technical and economic aspects of a future operation at Dulong is warranted to advance the project through a pre-feasibility study.” Hatch concludes that a significant Inferred Resource in the order of 51 million tonnes grading 5.02% zinc and 0.58% tin exists on the Dulong property, placing Dulong within the top three tin resources in China. Approximately 90% of the Inferred Resources on the Dulong property lies within the Manjianzhai portion of the property with the balance in Tongjie and other satellite showings. A large portion of the resource appears to be accessible by open-pit mining. Production records and underground development provide support for the Chinese surface drilling results and, by extension, the Inferred classification of the resource.

The following pre-feasibility work is recommended by Hatch:

1. Confirmation drilling and open-pit mine design.
2. Expanded metallurgical testing at a Canadian Laboratory to confirm process conditions and metal recoveries.
3. Scoping level environmental studies, including waste rock characterization and acid base accounting tests.
4. Site geotechnical investigation of potential tailings dam and waste rock storage areas.

It is estimated that a budget of between US\$1.2 to US\$1.4 million would be required to complete all the necessary field work, metallurgical test-work, drilling and related studies.

During the year ended December 31, 2004, the Company held further follow-up discussions in Yunnan, China and identified that the privatization process involving the Dulong tin-zinc property, initiated by the government has been completed. As a result a new company, The Yunnan Hualian Zinc-Indium Co. Ltd. will hold the rights to the Dulong mine. The Company is in discussions regarding involvement with the new company for the development of the Dulong project. It is not known when these discussions might be concluded or if they will be successful. The Company’s primary objective is to negotiate a suitable agreement.

In meetings held in China in 2004, the Chairman of Yunnan Hualian Zinc-Indium Co. Ltd. confirmed his interest in completing a business arrangement with the Company. The Company has been unable to get clarification from the Wenshan Prefecture regarding its underlying agreements with the Wenshan Prefecture and Yunnan Non-Ferrous Geology and Mining Ltd. on the Dulong property.

Total costs of \$158,713 incurred on this project were written down to a nominal value of \$1 during the year ended December 31, 2004. The remaining balance was written off during the year ended December 31, 2005.

Shituru Property, Congo

By agreement dated May 27, 2005, the Company acquired an option to purchase up to an 86.67% interest in East China Capital Holdings Ltd. ("ECCH") which company's sole asset is an option to acquire a 75% share interest in the Shituru copper-cobalt deposit from Generale Des Carrieres et des Mines ("Gecamines") by agreeing to provide all funds to place the property into production. When the option is fully exercised, the Company will indirectly hold a 65% interest in the Shituru Property which is located one kilometer east of the Gecamines hydro metallurgical complex on the eastern limits of the city of Likasi in the Democratic Republic of Congo. In accordance with the terms of the agreement, the Company agreed to pay a total of US\$5,000,000 and issue 6,950,000 common shares of the Company in stages as follows:

- (1) payment of US\$200,000 upon execution of the agreement (paid);
- (2) payment of US\$1,300,000 and issuance of 1,600,000 common shares of the Company to acquire a 30% interest in ECCH within five days following the later of the date when the agreement is accepted for filing with the TSX Venture Exchange and the date when the legal title of the Shituru Property has been transferred to a joint venture corporation ("TSX Acceptance Date") (paid and issued);
- (3) payment of US\$1,000,000 and issuance of 1,600,000 common shares of the Company to acquire an additional 20% interest in ECCH within three months following the TSX Acceptance Date;
- (4) payment of US\$1,000,000 to acquire an additional 10% interest in ECCH within six months following the TSX Acceptance Date;
- (5) payment of US\$1,500,000 and issuance of 2,150,000 common shares of the company to acquire an additional 5% interest in ECCH upon completion of a feasibility report and a production decision is made;
- (6) issuance of 1,600,000 common shares of the Company to acquire an additional 21.67% interest in ECCH upon commencement of commercial production.

In addition, the Company must also assume certain obligations with respect to the underlying option agreement between ECCH and Gecamines, which includes US\$1,000,000 payment within 30 days of submission of the feasibility study and US\$1,500,000 in seven monthly payments commencing in the fourth month after the start of commercial production. The property is subject to a 1.5% to 2% net sales revenue royalty to be negotiated depending on the results of the feasibility study.

On September 20, 2005, TSX Venture Exchange has accepted for filing the acquisition of the Shituru Property. On November 18, 2005, the legal title of the Shiruru Property was transferred to the joint venture corporation.

By an amendment agreement dated February 20, 2006, except for the first US\$1,500,000 and issuance of 1,600,000 common shares, the balance of the terms of payments in cash and shares were modified as follows:

- (1) payment of US\$500,000 and issuance of 1,600,000 common shares of the Company within three months following the TSX Acceptance Date (paid and issued);
- (2) payment of US\$500,000 within five months (April 18, 2006) following the TSX Acceptance Date;
- (3) payment of US\$1,000,000 within eight months (July 18, 2006) following the TSX Acceptance Date;
- (4) payment of US\$1,500,000 and issuance of 2,150,000 common shares of the company upon completion of a feasibility report and a production decision being made;
- (5) issuance of 1,600,000 common shares of the Company upon commencement of commercial production.

By a preliminary agreement dated April 19, 2006 the US\$500,000 payment due on April 18, 2006 and the US\$1,000,000 payment due on July 18, 2006 are now both due on May 18, 2006.

On March 6, 2006, the Company initiated a drilling program on the Shituru Property. To date, seven drill holes have been completed. Assay results are not yet available for this group of holes. Drilling continues on the property.

The Company continues to review other opportunities in the mineral resource industry.

Deferred Exploration Costs:

Deferred exploration costs incurred during the three months and year ended December 31, 2005 are as follows:

	<u>Mel</u> <u>Property</u>	<u>Barb</u> <u>Property</u>	<u>Shituru</u> <u>Property</u>	<u>Total</u>
Balance, September, 30 ,2005	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 162,154</u>	<u>\$ 162,154</u>
Addition during the period:				
Accommodation	-	-	26,547	26,547
Air fares	-	-	23,234	23,234
Artisanal miners	-	-	15,765	15,765
Depreciation	-	-	12,374	12,374
Drilling	-	-	54,964	54,964
Equipment	-	-	(8,673)	(8,673)
Field expenses	-	-	52,208	52,208
Geological consultants	-	-	78,151	78,151
Legal, disbursements and other	-	-	4,420	4,420
Meals	-	-	5,824	5,824
Office expenses	-	-	29,820	29,820
Office rent	-	-	10,838	10,838
Travel-others	-	-	2,484	2,484
Vehicle expenses	-	-	18,104	18,104
Wages	-	-	120	120
	<u>-</u>	<u>-</u>	<u>326,180</u>	<u>326,180</u>
Balance, December 31, 2005	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 488,334</u>	<u>\$ 488,334</u>

Deferred exploration costs incurred during the year ended December 31, 2005 are as follows:

	<u>Mel Property</u>	<u>Barb Property</u>	<u>Shituru Property</u>	<u>Total</u>
Balance, December 31, 2004	\$ -	\$ -	\$ -	\$ -
Addition during the period:				
Accommodation	-	-	45,838	45,838
Air fares	-	-	84,406	84,406
Artisanal miners	-	-	15,765	15,765
Assays	-	-	58	58
Claim renewal fees	105	4,305	-	4,410
Depreciation	-	-	12,374	12,374
Drilling	-	-	54,964	54,964
Equipment	-	-	2,603	2,603
Field expenses	-	-	57,664	57,664
Geological consultants	-	-	115,001	115,001
Legal, disbursements and other	-	-	4,420	4,420
Meals	-	-	12,956	12,956
Office expenses	-	-	33,446	33,446
Office rent	-	-	10,838	10,838
Travel-others	-	-	13,492	13,492
Vehicle expenses	-	-	24,389	24,389
Wages	-	-	120	120
	<u>105</u>	<u>4,305</u>	<u>488,334</u>	<u>492,744</u>
Written off during the period	<u>(105)</u>	<u>(4,305)</u>	<u>-</u>	<u>(4,410)</u>
	<u>-</u>	<u>-</u>	<u>488,334</u>	<u>488,334</u>
Balance, December 31, 2005	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 488,334</u>	<u>\$ 488,334</u>

Selected Annual Information

Year Ended	Revenue (\$)	Operating Income/(Loss) (\$)	Basic & Fully Diluted Loss per Share (\$)	Total Assets (\$)	Long Term Liabilities (\$)	Cash Dividend (\$)
31-Dec-05	77,135	(1,069,557)	(0.04)	5,332,196	Nil	Nil
31-Dec-04	20,766	(1,307,868)	(0.06)	709,492	Nil	Nil
31-Dec-03	11,369	(259,869)	(0.01)	1,456,118	Nil	Nil

Results of Operations

The Company's revenue currently consists of management services provided to a junior mining company in the amount of \$40,560 (2004 - \$11,100) and interest income of \$36,575 (2004 - \$9,666).

The Company recorded a net loss during the year ended December 31, 2005 of \$1,069,557 (\$0.04 per share) compared to \$1,307,868 (\$0.06 per share) last year.

During the year ended December 31, 2005, major expenses were as follows:

- i) Stock-option compensation of \$818,584 (2004 - \$327,600);
- ii) Management fees of \$40,800 (2004 - \$44,000);
- iii) Wages and benefits of \$70,563 (2004 - \$61,643) which included one full time and two part-time employees;
- iv) Professional fees of \$30,782 (2004 - \$16,855) which included accounting services of \$7,020 paid to an officer.

During the quarter ended December 31, 2005, the Company incurred a loss of \$76,008. In comparison with the loss of \$832,108 during the quarter ended December 31, 2004, the current quarter's loss was \$756,100 lower mainly due to lower stock-option compensation of \$63,000, write down of acquisition costs of mineral property of \$573,225, and write down of deferred costs on the China Project of \$158,711.

Investor Relations

During the year ended December 31, 2005, investor relations services were provided by the Company's employee, Mr. Ivan Bebek. Duties included acting as the Company's investor relations contact, preparing materials for publication purposes, maintaining the Company's website and handling investment dealer communications.

Summary of Quarterly Results

Quarter Ended	Revenue (\$)	Operating Income / (Loss) (\$)	Basic & Fully Diluted Loss per Share (\$)	Total Assets (\$)	Long Term Liabilities (\$)	Cash Dividend (\$)
31-Dec-05	31,236	(76,008)	(0.003)	5,332,196	Nil	Nil
30-Sep-05	20,217	(875,153)	(0.037)	5,505,335	Nil	Nil
30-Jun-05	12,949	(80,976)	(0.003)	949,490	Nil	Nil
31-Mar-05	12,733	(37,420)	(0.002)	1,024,457	Nil	Nil
31-Dec-04	12,753	(832,108)	(0.038)	709,492	Nil	Nil
30-Sep-04	2,771	(379,725)	(0.018)	1,473,343	Nil	Nil
30-Jun-04	1,921	(50,419)	(0.002)	1,412,003	Nil	Nil
31-Mar-04	3,321	(45,616)	(0.003)	1,421,038	Nil	Nil

Liquidity and Capital Resources

As at December 31, 2005, the Company had working capital of \$2,858,556 (December 31, 2004 - \$695,885), and cash and cash equivalent of \$2,362,071 (December 31, 2004 - \$655,021).

During the year, a total of 4,540,607 common shares were issued in a private placement of 4,540,607 units at \$1.07 per unit for total proceeds of \$4,496,475 net of share issuance costs. Each unit consisted of one common share and

one non-transferable share purchase warrant entitling the holder to purchase one additional common share at the price of \$1.40 per share for a period of two years. The warrants are subject to an acceleration clause whereby if the common shares of the Company trade above \$2.00 for a period of 10 consecutive trading days, the Company may require warrant holders to exercise the warrants within 30 days of formal notice from the Company. In consideration for the above financing, the Company paid certain finders in commissions and issued agent's warrants to purchase up to 307,800 shares of the company on and subject to the same terms as the private placement warrants. In connection with the agent's warrants, the Company recorded a share issuance cost of \$387,631. The fair value of these warrants, which vested immediately at the date of grant, is estimated on the grant date using the Black-Scholes option pricing model.

In addition to the private placement, the Company received \$14,150 for stock options exercised and \$352,500 for warrants exercised.

Subsequent to the year end, 320,000 stock options and 86,250 warrants were exercised for total proceeds of \$41,600 and \$129,750 respectively.

Stock Options

On September 28, 2005, the Company issued 650,000 stock options to directors, officers, employees and consultants of the Company, exercisable at the price of \$1.06 per share over a period of five years. On January 10, 2006, the Company issued 25,000 stock options to Bruno Barde, who was appointed as Exploration Manager, exercisable at the a price of \$1.54 per share for a period of five years. On March 27, 2006, the Company issued 50,000 stock options to a consultant and 75,000 stock options to Michael Liu who was appointed as director of the Company, exercisable at a price of \$1.62 per share for a period of five years.

Related Party Transactions

During the year ended December 31, 2005, the Company paid \$40,800 (2004 - \$44,000) for management services to H. Leo King & Associates Inc., a company controlled by Leo King, the President of the Company. The Company entered into a contract with H. Leo King & Associates Inc. on May 1, 2001 to provide management services at the rate of \$5,000 per month. Effective March 1, 2004, the contract was revised to provide management services at the rate of \$3,400 per month.

For the year ended December 31, 2005, the Company paid \$7,020 (2004 - \$2,820) for accounting services to Albert Wu & Associates Ltd., a private corporation controlled by Albert Wu who is the Chief Financial Officer of the Company.

An amount of \$37,862 is due from Kobex Resources Ltd. ("Kobex") and Pacific Imperial Mines Inc. ("PPM") and a private corporation, with common directors and officers, for their share of the office rent, administration and general office expenses. The amount due is non-interest bearing, unsecured, with no fixed terms of repayment.

During the year, the Company wrote off bad debts of \$1,243 (2004 - \$63,536) due by a related company.

In February 2005, the Company acquired 472,289 shares of a private company with common directors at the price of \$0.05 per share pursuant to a debt settlement agreement.

Latest Outstanding Share Data

As of April 20, 2006, the Company had the following outstanding securities:

(1)	Common Shares issued	31,809,686
(2)	Stock Options	1,830,000
(3)	Share Warrants	4,762,157