

**INTERNATIONAL BARYTEX RESOURCES LTD.  
MANAGEMENT DISCUSSION AND ANALYSIS  
QUARTERLY REPORT  
For the Nine Months Ended September 30, 2005**

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**Date of Information**

The date of the information contained in this Management Discussion and Analysis is November 24, 2005. The following information should be read in conjunction with the unaudited and unreviewed financial statements for the six months ended September 30, 2005 and related notes attached thereto, which are prepared in accordance with Canadian generally accepted accounting principles.

**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 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.  
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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 recent meetings held in China, 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.

#### 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 ("TSX Acceptance Date") and the date when the legal title of the Shituru Property has been transferred to a joint venture corporation (US\$100,000 paid);
- (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.

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

Deferred exploration costs incurred during the three months and nine months ended September 30, 2005 are presented in the attached financial statements.

### Selected Annual Information

<b>Year Ended</b>	<b>Revenue (\$)</b>	<b>Operating Income/ (Loss) (\$)</b>	<b>Basic &amp; Fully Diluted Loss per Share (\$)</b>	<b>Total Assets (\$)</b>	<b>Long Term Liabilities (\$)</b>	<b>Cash Dividend (\$)</b>
December 31, 2004	20,766	(1,307,868)	(0.06)	709,492	Nil	Nil
December 31, 2003	11,369	(259,869)	(0.01)	1,456,118	Nil	Nil
December 31, 2002	894	(711,036)	(0.05)	730,037	Nil	Nil

### Results of Operations

The Company's revenue currently consists of management services provided to a junior mining company of \$30,420 (2004 - \$960) and interest income of \$15,479 (2004 - \$7,053).

The Company recorded a net loss during the nine months ended September 30, 2005 of \$993,549 (\$0.042 per share) compared to \$475,760 (\$0.022 per share) in the comparative period last year.

During the nine months ended September 30, 2005, major expenses were as follows:

- i) Stock-option compensation of \$818,584 (2004 - \$264,600);
- ii) Management fees of \$30,600 (2004 - \$35,270);
- iii) Wages and benefits of \$54,734 (2004 - \$46,988) which included one full time and two part-time employees;
- iv) Professional fees of \$17,126 (2004 - \$8,375) which included accounting services of \$5,250 paid to an officer.

In comparison with the loss of \$80,976 during the quarter ended June 30, 2005, the current quarter's loss was \$794,177 higher mainly due to \$818,584 stock-option compensation incurred during the third quarter.

### Investor Relations

During the nine months ended September 30, 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

<b>Quarter Ended</b>	<b>Revenue (\$)</b>	<b>Operating Income/ (Loss) (\$)</b>	<b>Basic &amp; Fully Diluted Loss per Share (\$)</b>	<b>Total Assets (\$)</b>	<b>Long Term Liabilities (\$)</b>	<b>Cash Dividend (\$)</b>
September 30, 2005	20,217	(875,153)	(0.037)	5,505,335	Nil	Nil
June 30, 2005	12,949	(80,976)	(0.003)	949,490	Nil	Nil
March 31, 2005	12,733	(37,420)	(0.002)	1,024,457	Nil	Nil
December 31, 2004	12,753	(832,108)	(0.038)	709,492	Nil	Nil
September 30, 2004	2,771	(379,725)	(0.018)	1,473,343	Nil	Nil
Jun 30, 2004	1,921	(50,419)	(0.002)	1,412,003	Nil	Nil
March 31, 2004	3,321	(45,616)	(0.003)	1,421,038	Nil	Nil
December 31, 2003	3,400	(54,044)	(0.003)	1,456,118	Nil	Nil

## Liquidity and Capital Resources

As at September 30, 2005, the Company had working capital of \$4,782,660 (Dec 31, 2004 - \$695,885), and cash and cash equivalent of \$4,337,106 (December 31, 2004 - \$655,021).

During the nine month period, a total of 5,795,607 shares were issued, which included 1,175,000 warrants exercised for total proceeds of \$352,500, and 80,000 stock options exercised for total proceeds of \$14,150. Also included was 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 \$337,275 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.

## Stock Options

On September 28, 2005, the 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.

## Related Party Transactions

During the nine months ended September 30, 2005, the Company paid \$30,600 (2004 - \$35,270) 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 nine months ended September 30, 2005, the Company paid \$5,250 (2004 - \$1,350) for accounting services to a company controlled by an officer of the Company.

An amount of \$44,265 is due from two related parties for its 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 period, the Company wrote off bad debts of \$1,243 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 November 24, 2005, the Company had the following outstanding securities:

(1)	Common Shares issued	28,203,436
(2)	Stock Options	2,000,000
(3)	Share Warrants	4,848,407