INV INTERNATIONAL NICKEL VENTURES

INTERNATIONAL NICKEL VENTURES CORPORATION MANAGEMENT'S DISCUSSION AND ANALYSIS SECOND QUARTER ENDED JUNE 30, 2008

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 six month periods ended June 30, 2008 in comparison to the corresponding prior year periods. This MD&A is prepared as at August 12, 2008, and is intended to supplement and complement the interim consolidated financial statements of INV for the three and six month periods ended June 30, 2008 and 2007 (the "Financial Statements"), which are prepared in accordance with Canadian generally accepted accounting principles for interim financial statements. This MD&A should be read in conjunction with the Financial Statements, the most recent annual financial statements dated December 31, 2007, the most recent Annual Information Form ("AIF") dated March 28, 2008, 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

On June 23, 2008, the Corporation announced that the initial seven hole, 1,553 metre drill program at the Damolândia property located 60 km north of the city of Goiania, Goiás State, Brazil, intersected disseminated nickel-copper sulphide mineralization with values up to 0.98% nickel and 0.58% copper. A follow-up four hole diamond drill program commenced in late June.

At the Niquelândia property in Brazil, drilling of the extensive, coincidental geophysical and soil geochemical anomalies began in early June. The first phase drilling campaign is comprised of 6 holes totaling 1,500 metres to evaluate the anomalies for a possible nickel-copper-precious metal sulphide source, along with 16 shallow holes to evaluate the nickel laterite potential of the property given its close proximity to two producing laterite operations

At Taquaral, Brazil, a three-hole diamond drill program, totaling 722 metres, has been completed to evaluate a coincident copper-nickel soil geochemical anomaly and strong induced polarization geophysical anomaly. Assay results are pending.

On June 11, 2008, the Corporation entered into a Letter of Comfort with the Neskantaga First Nation ("Neskantaga") on the Lansdowne House property, one of two large mineral properties the Corporation has in the prospective "Ring of Fire" area in northern Ontario. The Letter of Comfort allows INV to carry out exploration activities up to the point of drilling. Once drill targets are identified the Letter of Comfort will require modification prior to drilling commencing. At the Fishtrap property, INV's second property located within the "Ring of Fire" area, linecutting, a ground magnetometer survey, geological surveys, prospecting and a ground electromagnetic geophysical survey have been completed.

On May 27, 2008, the Corporation entered into a binding option/joint venture agreement with Votorantim Metais Niquel S.A. ("Votorantim") on 121 INV claims totaling 215,705 hectares, located in the states of Goiás, Tocantins, and Pará in central Brazil. The INV-Votorantim option/joint venture agreement grants Votorantim an option to acquire up to a 70% interest in the nickel and base metals rights of the properties. As a result of the agreement, INV will evaluate all but two of its nickel laterite properties in partnerships with two major mining companies.

At the Montcalm property in Ontario, INV has completed line cutting, ground electromagnetic ("UTEM") and magnetometer surveys over the four kilometres of interpreted strike extension of Xstrata Nickel's

HIGHLIGHTS (continued)

Montcalm nickel mine host rocks. The UTEM survey, completed by Lamontagne Geophysics Ltd., detected numerous conductors. Diamond drilling will commence when ground conditions permit access.

Marco Tulio Naves de Carvalho, Vice President Exploration, will leave INV to pursue other opportunities effective August 31, 2008.

The Corporation recorded a net loss of $1,468,861 or $0.03 per share for the three month period ended June 30, 2008 ("Q2/2008"), compared with a net loss of $532,670 or $0.01 per share for the corresponding period ended June 30, 2007 ("Q2/2007"). General and administration expenses for Q2/2008 were $606,167, compared to $436,034 for Q2/2007. The net loss for the first half of the year was $2,487,503, compared with $1,251,273 in 2007. Interest income during the quarter of $183,390, decreased by $46,492 from Q2/2007 as a result of INV's declining cash balance.

RESULTS OF OPERATIONS

The following table presents the changes between INV's Consolidated Statements of Operations for the three and six month periods ended June 30, 2008 and 2007.

	Three Months Ended			**Six Months Ended**		
	June 30, 2008	June 30, 2007	Change	**June 30, 2008**	June 30, 2007	Change
Expenses						
General and administration						
Shareholder information	**$ 58,190**	$171,272	$ (113,082)	**$ 161,403**	$ 241,985	$ (80,582)
Compensation	**253,498**	102,164	151,334	**528,087**	256,218	271,869
Administrative services	**-**	57,589	(57,589)	**-**	118,228	(118,228)
Travel	**53,478**	15,347	38,131	**140,007**	43,147	96,860
Professional	**124,762**	44,258	80,504	**181,097**	62,898	118,199
Office	**77,470**	19,316	58,154	**131,221**	40,002	91,219
Telecommunications	**16,010**	5,605	10,405	**26,333**	10,246	16,087
Other	**22,759**	20,483	2,276	**25,051**	21,686	3,365
Total general and administration	**606,167**	436,034	170,133	**1,193,199**	794,410	398,789
						-
General exploration	**466,954**	146,743	320,211	**790,863**	399,125	391,738
Mineral properties and deferred exploration written off	**150,374**	-	150,374	**150,374**	-	150,374
Stock-based compensation	**461,635**	172,792	288,843	**831,300**	403,829	427,471
Equity loss from investment	**808**	1,880	(1,072)	**531**	1,912	(1,381)
Foreign currency exchange (gain) loss	**(33,687)**	5,103	(38,790)	**(70,386)**	7,246	(77,632)
Interest income	**(183,390)**	(229,882)	46,492	**(408,378)**	(355,249)	(53,129)
Net loss and comprehensive loss	**$1,468,861**	$532,670	$ 936,191	**$2,487,503**	$ 1,251,273	$1,236,230
Basic and diluted loss per share	**$ 0.03**	$ 0.01	$ 0.02	**$ 0.05**	$ 0.03	$ 0.02

RESULTS OF OPERATIONS (continued)

The Corporation recorded a net loss of $1,468,861 or $0.03 per share for the three month period ended June 30, 2008 compared with a net loss of $532,670 or $0.01 per share for the corresponding period ended June 30, 2007. The increase in the net loss was due mainly to increased compensation and stock-based compensation expense awarded during the period to new executives and board members, travel and conference expenses related to additional employees, office expenses and general exploration. During the six months ended June 30, 2008, the Corporation recorded a net loss of $2,487,503 or $0.05 per share, which was $1,236,230 or $0.02 per share higher than in 2007 due to the increase in compensation and stock-based compensation expense, travel, office and general exploration expense increases.

General and administrative expenses increased by $170,133 from $436,034 in Q2/2007, to $606,167 in Q2/2008. The increase was mainly a result of higher compensation costs, travel, professional and office costs as management is building a dedicated team to focus on the Corporation's aggressive growth strategy. For the 2008 year to date, general and administrative expenses were $1,193,199, which was $398,789 higher than in 2007 due to the increase in compensation costs, travel, professional and office costs.

Compensation costs increased by $151,334 from $102,164 in Q2/2007, to $253,498 in Q2/2008, mainly due to new executives and full-time employees appointed within the past year. In the second quarter 2007, INV had a services agreement with FNX Mining Company Inc. ("FNX") to provide administration services and employee personnel. Administrative services expenses were $Nil in Q2/2008 compared to $57,589 in Q2/2007, due to the termination of the services agreement with FNX on December 31, 2007. For the 2008 year to date, compensation costs totaled $528,087 compared to $256,218 in 2007. Administrative service expense totaled $Nil in the first half of 2008, which was $118,228 lower than in the first half of 2007 due to the termination of the services agreement with FNX.

Shareholder information and regulatory compliance expense decreased from $171,272 in Q2/2007, to $58,190 in Q2/2008 as a result of the additional listing that took place in May of 2007 as well as additional costs that related to filing a technical report. Shareholder information and regulatory compliance expense totaled $161,403 in the first half of 2008, compared to $241,985 in the first half of 2007 resulting in a $80,582 decrease due to the financing and the additional costs related to the filing of the technical report in 2007.

General exploration costs increased from $146,743 in Q2/2007, to $466,954 in Q2/2008. The increase in general exploration costs is a result of a newly established office in Brazil, which resulted in increased salaries and related exploration expenditures, as well as additional regional tax. For the 2008 year to date, general exploration costs totaled $391,738 more than then the 2007 balance of $399,125. This was also a result of the newly established office in Brazil and the additional regional tax.

During Q2/2008, stock options and restricted share units granted to directors, senior management and employees resulted in stock-based compensation expense of $461,653, which was $288,843 higher than in Q1/2007, while the total year to date expense of $831,300, was $427,471 higher than in 2007. The increase was primarily due to the increase in the number of stock options and restricted shares granted during the year as the Corporation granted stock options to newly hired executives, employees and appointed directors as it continues to build solid management and support teams in Brazil and Canada.

Interest income decreased by $46,492 from $229,882 in Q2/2007, to $183,390 in Q2/2008, due to the decreased cash position of the Corporation in the quarter as a result of the additional funds from the May 18, 2007 financing. The Corporation's cash and cash equivalents are invested in low risk, fully liquid, deposits at a major Canadian chartered bank. For the 2008 year to date, interest income totaled $53,129 more than in 2007, due to the financing that took place in February 21, 2008.

FOREIGN EXCHANGE

INV reports its financial results in Canadian dollars. The Corporation's expenses include costs incurred in the Brazilian real ("R$"). The Canadian dollar has decreased relative to the Brazilian real during Q2/2008 as the average rate was $0.6104/R$ compared to $0.5538/R$ in Q2/2007. The 2008 year to date average rate was $0.5942/R$ compare to $0.5548/R$ in the first six months of 2007. The Brazilian real was $0.6384/R$ as at June 30, 2008. The Brazilian real was $0.6634/R$ as at August 11, 2008.

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 June 30, 2008, the Corporation had cash of $21,571,418 (2007 - $24,471,515) and working capital of $21,004,603 (2007 - $23,823,367). Cash and working capital have decreased from December 31, 2007, as a result of increased funds being spent on deferred exploration and increased operating activities.

Operating activities

Cash used in operating activities during the first six months of the year was $1,534,240 compared to $487,762 in the first six months of 2007. Stock-based compensation expense, write off of deferred exploration and the equity loss from investment comprise the principle amount that reconciles the statement of loss to the statement of cash flows from operating activities.

Financing activities

On February 21, 2008, the Corporation completed the offering of 2,400,000 common shares on a flow-through basis at a price of $1.25 per share, for aggregate gross proceeds of $3,000,000. In addition, Teck Cominco purchased 130,274 flow-through shares to maintain its pro rata interest in INV prior to the offering (approximately 5.1%) resulting in the issue of a total of 2,530,274 flow-through shares for aggregate gross proceeds of $3,162,843.

Proceeds from employee stock-based compensation plans were $nil during Q2/2008 as no options were exercised, compared with proceeds of $90,000 in Q2/2007 due to the exercise of 75,000 options. Proceeds of $nil were received during Q2/2008 on the exercise of warrants, compared to proceeds of $466,200 in Q2/2007. During the first six months of the year, proceeds from employee stock-based compensation plans were $nil as no options were exercised and $nil for the exercise of warrants compared to $140,000 and $706,200, respectively, for the first six months of 2007.

Investing activities

Cash used in investing activities for Q2/2008 totaled $2,631,190 compared to $1,193,279 in Q2/2007. Investing activities in Q2/2008 increased mainly due to the increased expenditures on mineral properties and deferred exploration as the company continues to perform exploration at its properties, and an increase in fixed asset additions as the Corporation purchased new furniture and computer equipment for the Brazil and Canadian offices, partially offset by decreased expenditures on the Santa Fé/Iporá properties. The Corporation's investment in the Santa Fe/Iporá properties ("Investment in INVI" "INVI" per the consolidated financial statements, see below) at the end of Q2/2008 totaled $17,203,286, as compared to $16,691,820 as at December 31, 2007. Cash used in investing for the first six months of 2008, was $4,254,267 compared to $2,970,676 for the same period in 2007. The increase was due to the increased expenditures on mineral properties and deferred exploration and fixed asset additions, partially offset by decreased exploration on the Santa Fé/Iporá properties.

FINANCIAL CONDITION AND LIQUIDITY (continued)

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.

MINERAL PROPERTIES

Expenditures on mineral property and deferred exploration in Q2/2008 totaled $2,292,218, compared to $545,279 in Q2/2007. During the first six months of the year, expenditures on mineral properties totaled $3,583,271 compared to $1,350,676 in the first six month of 2007. Exploration activities in Q2/2008 and in the first six months of the year consisted of exploration at a number of newly acquired properties, including expenditures on the Niquelândia and Damolândia properties in Brazil and the Montcalm, Lansdowne and Fishtrap properties in Ontario.

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

INV holds an indirect 20.25% interest in the Santa Fé/Iporá properties, while Teck Cominco Limited ("Teck Cominco") holds a 54.75% and the Atalla Group holds a 25% interest. The Corporation resource estimates, using a cut-off grade of 0.8% nickel, consist of 35.7 million tonnes of indicated mineral resources grading 1.14% nickel, and 104.3 million tonnes of inferred mineral resources grading 1.03% nickel.

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

In Q2/2008, INV funded $207,660, compared to $648,000 in Q2/2007, for its share of expenditures on the Santa Fé/Iporá properties. The 2008 program consists of a scoping study which is scheduled for completion in late 2008. The activities currently underway as part of the scoping study include preliminary mine planning, capital expenditure estimating, engineering design work and planning for an environmental study that will be necessary as part of the feasibility study.

2) Brazilian properties

a) Terracorp Consultoria Serviços de Mineração ("Terracorp") agreements

Terracorp provides certain mineral exploration, technical and administration services for INV's mineral exploration efforts in Brazil. As at June 30, 2008, the Corporation had advanced $658,466 in excess of Terracorp's expenditures on behalf of the Corporation (June 30, 2007 – the Corporation had advanced $95,492 of funds in excess of Terracorp's expenditures on behalf of the Corporation). These funds were spent on behalf of the Corporation subsequent to June 30, 2008.

b) Niquelândia property

The soil geochemical survey carried out by INV identified two highly anomalous trends ranging from 700 metres to 1,300 metres long by 100 metres to 400 metres wide. Copper in soil values range from 250 ppm to a high of 4,000 ppm, nickel from 2,086 ppm to a high of 15,000 ppm (1.5%), platinum from 49 ppb to a high of 476 ppb, and palladium in soil values range from 109 ppb to a high of 655 ppb. The very high metal assays in soil may be a result in part from lateritic enrichment. The induced polarization ("IP") survey outlined 14 anomalous trends, suggesting a potential copper-nickel sulphide bedrock source. Combining the IP, geological and geochemical data has indicated three high priority coincident anomalies ranging up to 1.4 kilometres in length.

MINERAL PROPERTIES (continued)

2) Brazilian properties (continued)

b) Niquelândia property (continued)

Mapping and sampling by INV in and near these anomalous areas located a number of rock samples containing up to 3% disseminated sulphide minerals, indicating nickel-copper sulphide targets rather than nickel laterite targets. Analytical results of bedrock grab sample assays range from anomalous to 0.5% nickel, with one sample assaying 1.4% nickel.

Drilling of these extensive, coincidental geophysical and soil geochemical anomalies began in early June. The first phase drilling campaign is comprised of 6 holes totaling 1,500 metres to evaluate the anomalies for a possible nickel-copper-precious metal sulphide source, along with 16 shallow holes to evaluate the nickel laterite potential of the property given its close proximity to two producing laterite operations.

c) Damolândia property

INV has carried out an exploration program consisting of an airborne EM survey, line cutting, ground geophysics including magnetic, IP and EM surveys. INV completed a seven-hole, 1,553 metre drill program on the property to test a combination of geological, soil geochemical, and ground and airborne geophysical targets and intersected nickel-copper sulphide mineralization in all 7 holes.

The following table summarizes the mineralized drill intersections utilizing a 0.2% nickel cutoff:

Hole	From (m)	To (m)	Length (m)	Nickel %	Copper %
FSDM 01	6.25	12.90	6.65	0.22	0.06
FSDM 02	98.00	138.60	40.60	0.26	0.10
FSDM 03	75.85	106.5	30.65	0.42	0.19
including	82.80	87.00	4.20	0.70	0.24
including	82.80	83.85	1.05	0.98	0.54
FSDM 04	8.00	18.80	10.80	0.24	0.06
FSDM 05	6.00	24.50	18.50	0.44	0.10
including	14.55	19.70	5.15	0.77	0.14
FSDM 06	107.00	114.00	7.00	0.24	0.08
FSDM 07	114.20	137.45	23.25	0.29	0.11

INV management interprets the mineralization as a shallowly plunging, 20 metre diameter, pipe-like, disseminated magmatic sulphide body with a continuous strike length of 600 metres, open down-plunge. The drill holes are thought to have intercepted the mineralization close to perpendicular to the geometry of the pipe, however, INV management believes true thickness will vary from 70% to 100% of the thickness intercepted in the drill-holes.

Borehole FSDM-07 intersected a possibly magmatic breccia with disseminated sulfides and inclusions of gneissic basement rocks, indicating potential contamination close to a possible feeder zone.

MINERAL PROPERTIES (continued)

2) Brazilian properties (continued)

c) Damolândia property (continued)

Several coincident airborne electromagnetic ("VTEM") conductors with coincident copper-nickel geochemical soil anomalies remain untested that could represent higher-grade massive sulphide mineralization associated with this low-grade disseminated body. Drilling of four additional diamond drill holes to test these targets began in late June.

d) Taquaral West property

At the Taquaral West property, line cutting, a soil geochemical survey, and an IP survey were carried out over a coincidental 600 metre long strong copper-nickel soil anomaly and VTEM anomaly. A 1,400 metre long, strong, well-defined IP anomaly was identified, coincident with the 600 metre long copper soil geochemical anomaly, and parallel to the nickel soil geochemical anomaly, with peak nickel soil values 50 metres to the east of the IP anomaly. Bedrock geology in this area consists of peridotites, pyroxenites, gabbro-norites, and gneissic rocks. The combination of a strong soil geochemical anomaly with both VTEM and IP geophysical anomalies within favourable host rocks is considered highly prospective for a potential bedrock copper-nickel sulphide source. A three-hole diamond drill program, totaling 722 metres, has been completed to test these anomalies. Assay results are pending.

e) Itaporã property

The Itaporã gold project is located in Para State, Brazil and is comprised of 6 granted claims totaling 23,126 hectares. The claims are underlain by rocks of the Archean Andorinhas Greenstone Belt, which host several gold and iron occurrences including two operating mines, Troy Resources NL's ("Troy") gold mines (Mamão and Lagoa Secoa) and Mineração Floresta do Araguaia SA's iron ore (Big Mac) mine. Mamão has non 43-101 compliant (JORC compliant) probable reserves of 747,000 tonnes grading 8.7 g/t Au and indicated resources of 815,600 tonnes grading 9.86 g/t gold. Lagoa Secoa has non 43-101 compliant (JORC compliant) probable reserves of 480,200 tonnes grading 3.1 g/t Au and indicated resources of 699,600 tonnes grading 2.8 g/t gold (www.try.com.au).

At Itaporã, INV's exploration has focused on claims NS-13 and NS-07. At NS-07, located 60 kilometres to the west of the Mamão Deposit, mafic-ultramafic rocks and metasediments appear to be hydrothermally altered, including silicification, sericitization and amphibolitization, along a 2.2 kilometre long northwest-trending structure. Soil grid sampling (200 metres x 50 metres) has indicated two main anomalous zones (400 metres x 200 metres) defined by gold values above 65 ppb with values ranging up to 525 ppb. Limited rock sampling returned values varying from 13 ppb to 191 ppb. Detailed soil sampling on a 100 metres x 50 metres grid, an IP survey, and first pass drilling, if warranted, is planned. At NS-13, located 4.5 kilometres to the southwest of Troy's Mamão gold mine, mafic-ultramafic rocks and metasediments have been mapped along a northeast-southwest trending shear zone that is interpreted to possibly represent the strike extension of the Mamão Deposit. Along this trend two main zones of hydrothermal altered, folded and deformed rocks were identified (2.1 kilometres x 0.6 kilometres and 5 kilometres x 1 kilometres). Hydrothermal alteration observed to date includes silicification, amphibolitization and chloritization, similar to, but less intense than, the alteration that hosts the gold mineralization at Mamão. Grid soil sampling (800 metres x 50 metres and 400 metres x 50 metres) is in progress and results are pending. Detailed soil sampling and an IP survey will follow. Limited rock sampling returned gold values up to 143 ppb.

Regional soil sampling and mapping are also scheduled for the other four targets interpreted to have gold potential based on magnetic structures and geology e.g. at NS-14 regional mapping has identified rock types and structures similar to those at the Mamão Deposit, at the intersection of two regional shear zones.

MINERAL PROPERTIES (continued)

2) Brazilian properties (continued)

f) Votorantim Agreement

Over the past two years INV Mineração Ltda., a wholly owned subsidiary of INV, has engaged in an active program of acquiring a 100% interest in various claims (collectively, the "100% Owned Claims") by staking, for their nickel sulphide and/or nickel laterite potential. Certain of these properties are subject to buy-back rights held by Amazonia under the Corporation's former strategic alliance with Amazonia. These properties have been grouped into several project areas based on geographic proximity, namely Anápolis, Goiás Region, Norte Sul, and São José. The Corporation's strategy on these projects has been to rapidly carry out reconnaissance surveys in order to prioritize and focus its exploration efforts on those claims deemed to have the best potential, and in parallel with that work, consider expressions of interest from third parties that might be interested in farming/into various properties under option agreement, thus leveraging this extensive land position.

On May 27, 2008, the Corporation entered into a binding option/joint venture agreement with Votorantim on 121 of these 100% Owned Claims totaling 215,705 hectares, located in the states of Goiás, Tocantins, and Pará in central Brazil. The INV-Votorantim option/joint venture agreement grants Votorantim an option to acquire up to a 70% interest in the nickel and base metals rights of the properties. Votorantim will be the operator and can earn an initial 51% interest in the properties by funding US$5.0 million in exploration expenditures over the first three years of the agreement, with a committed first year expenditure of US$1.0 million. After Votorantim earns its initial 51% interest, INV and Votorantim may form a joint venture to further advance the properties. However, Votorantim can elect to continue to sole-fund the expenditures and earn an additional 19% by producing a bankable feasibility study within three years of earning its initial 51% interest in the properties. Upon Votorantim providing a positive development decision with respect to the properties and thereby earning a 70% interest, INV and Votorantim will form a joint venture to develop the properties.

Each party will fund its pro-rata share of joint venture expenditures (INV=30% and Votorantim=70%). If either party elects not to fund its pro-rata share of joint venture expenditures, its interest shall be diluted accordingly and if its interest is diluted to less than 10%, that interest shall be converted to a 2% net smelter returns royalty.

As a result of the agreement, INV now has all but two of its nickel laterite properties (Pium and SJ-05) in partnerships with two major mining companies.

3) Ontario properties

INV's large Lansdowne House and Fishtrap properties (14,880 hectares and 12,160 hectares respectively) are located in the James Bay Lowlands area and are underlain by large mafic-ultramafic igneous complexes emplaced along major structures which appear to be related to the same geological terrane boundary that hosts Noront Resources Ltd's ("Noront") McFaulds Lake high-grade, nickel-copper-precious metal deposit. The press release of June 4, 2008, announcing the significant sulphide intersection discovered by the joint venture formed by Arctic Star Diamond Corp., WSR Gold Inc. and Metalex Ventures Ltd., 45 kilometres north of Noront's Eagle One discovery, highlights the geological potential of the "Ring of Fire" area.

a) Lansdowne House

Lansdowne House, located approximately 80 kilometres west of McFaulds Lake, is underlain by a geological environment that has potential to host nickel-copper-platinum-palladium-gold, base metal and gold deposits. Previous diamond drilling on the property was concentrated along a three-kilometre long trend of EM anomalies coincident with magnetic highs.

MINERAL PROPERTIES (continued)

3) Ontario properties (continued)

a) Lansdowne House (continued)

Broad zones of anomalous mineralization were encountered, with results ranging from weakly anomalous to intersections grading 0.74% copper and 0.40% nickel over 17.7 metres in one zone; 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. Diamond drilling for platinum-palladium-gold in the early 2000's intersected anomalous precious metal values, ranging from 0.32 g/t platinum + palladium + gold ("TPM") over 220.6 metres to 1.04 g/t TPM over 25.5 metres, including 3.1 g/t TPM over 1.5 metres.

In addition to the nickel-copper-precious metal targets on the property, widespread anomalous zinc and copper values occur in association with felsic volcanics, sediments and iron formations, in some cases coincident with conductive and magnetic bodies with considerable untested strike length. The southern part of the property is transected by shear zones which host two gold showings. Previous owner, Aurora Platinum, reported gold values from outcrop grab samples ranging up to 23.8 g/t at the Goose showing and 9.3 g/t at the Sandvik showing.

In 2006, FNX carried out an airborne geophysical survey over the property and identified numerous untested conductors, but did not complete any ground surveys or drilling.

On June 12th the Corporation announced the signing of a Letter of Comfort with the Neskantaga First Nation community, in whose traditional territory the Lansdowne House property is located. The Letter of Comfort includes exploration activities involved with drill target identification. INV has committed, where possible, to employ several members of the community to participate in exploration activities.

Pending implementation of the Letter of Comfort, an exploration program comprised of line cutting, prospecting, geochemical sampling, geological surveys and ground geophysical surveys will be initiated.

b) Fishtrap property

Like Lansdowne House, the 49 claim Fishtrap property, located approximately 60 kilometres 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 interpreted basal portions of the complex.

Linecutting and a magnetic survey have been completed over the northern portion of the property where a number of conductive zones were detected by an airborne electromagnetic survey carried out by FNX in 2006. Geological mapping, prospecting, and a ground electromagnetic survey have also been completed in certain areas. In the fall, discussions will be held with Marten Falls First Nation, whose traditional territory the Fishtrap property is located, in order to formalize and expand the access agreement previously signed. Drilling is anticipated to begin in the fall 2008.

c) Montcalm property

The Montcalm property is contiguous with Xstrata Nickel's producing Montcalm nickel-copper mine. The high priority Montcalm property is northwest of Timmins and covers four kilometres of the interpreted strike extension of the Montcalm deposit's host rocks which have only three known boreholes.

INV has completed line cutting, ground electromagnetic ("UTEM") and magnetometer surveys over the four kilometres of interpreted strike extension of Xstrata Nickel's Montcalm nickel mine host rocks. The UTEM survey, completed by Lamontagne Geophysics Ltd., detected numerous conductors. Diamond drilling will begin when ground conditions permit access.

MINERAL PROPERTIES (continued)

4) General

All of the Corporation's properties other than the Santa Fé/Iporá properties are early stage, grassroots projects. 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.

This document and the data set forth herein has been reviewed and verified by Mohan Srivastava, President of FSS Canada Consultants Inc. (Santa Fé/Iporá), Paul Golightly, President of Golightly Geoscience Ltd. (Brazil projects), and by Garry Clark, President of Clark Expl. Consulting Inc. (Ontario projects), all independent consultants to INV and Qualified Persons as defined under NI 43-101 of the Canadian Securities Administrators.

RELATED PARTY TRANSACTIONS

The following are related party transactions for the first six months of 2008:

A total of $1,169 (2007 - $264) was included in general exploration in the interim consolidated statements of operations and comprehensive loss for the quarter ending June 30, 2008 for consulting services provided by a director of the Corporation. For the six month period ended June 30, 2008, a total of $8,124 (2007 - $9,929) was included in general exploration pertaining to consulting services provided to the Corporation from a director.

Effective April 19, 2008, INV entered into a sublease arrangement to lease office space as a subtenant of FNX in relation to office premises previously occupied by FNX. The sublease will remain in effect to December 30, 2009, and INV will assume the rent otherwise payable by FNX in the proportion of the office space occupied by INV. A total of $16,588 was paid by INV to FNX as of June 30, 2008. The total amount of rent remaining under the sublease is $93,785.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

As a result of the Corporation's recent flow-through common share offering for gross proceeds of approximately $3.2 million, INV must incur Canadian Exploration Expenses (within the meaning of the Income Tax Act (Canada)) prior to December 31, 2009, in relation to INV's exploration program to be conducted on its Canadian properties including, but not limited to, the Lansdowne House, Fishtrap and Montcalm properties in Northern Ontario.

The Corporation is required to make the following cash payments under various office lease agreements and is committed to the following exploration expenditures:

	Total	2008	2009-11	2012-13
Office leases	$ 197,745	$ 41,595	$ 127,650	$ 28,500
Exploration expenditure commitment from the issuance of flow through shares	$ 3,162,843	$ -	$ 3,162,843	$ -

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of financial statements in accordance with Canadian GAAP requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. Management evaluates the estimates periodically including those considered to be critical: mineral reserve and resource determinations; impairment; and future income and resource taxes. Actual results may differ from these estimates by material amounts.

1) Mineral properties and deferred exploration

The Corporation considers its exploration and evaluation costs to have the characteristics of property, plant and equipment. As such, the Corporation defers all exploration and evaluation costs, including acquisition costs, field exploration and field supervisory costs relating to specific properties until those properties are brought into production, at which time, they will be amortized on a unit-of-production basis or until the properties are abandoned, sold or considered to be impaired in value, at which time, an appropriate charge will be made.

Long-lived assets including mineral properties and deferred exploration are reviewed for impairment to determine whether a write down of their carrying amount is required. Since the Corporation is in the development stage and has not established mineral reserves and, therefore, does not have a basis to prepare cash flow projections to support the carrying amount of these assets, other factors are considered in determining whether a write down is required.

2) Future income and resource tax liabilities

The Corporation uses the asset and liability method in accounting for income taxes. Under this method of tax allocation, future income tax assets and liabilities are determined based on differences between the financial statement carrying values and their respective income tax basis (temporary differences). Future income tax assets and liabilities are measured using the substantively enacted income tax rates expected to be in effect when the temporary differences are likely to reverse. The effect on future income tax assets and liabilities of a change in income tax rates is included in income in the year in which the change is enacted or substantively enacted. The amount of future income tax assets recognized is limited to the amount that is more likely than not to be realized.

OUTLOOK

On February 7, 2008, the Corporation announced a $5.2 million 2008 budget for its 100%-owned exploration projects in Canada and Brazil. The exploration budget for programs at the Montcalm, Lansdowne and Fishtrap properties in Ontario is $1.5 million, with additional funds to be allocated pending identification of drill targets. INV is currently in the process of reviewing the exploration budget for 2008 to allocate additional funds where warranted. INV must incur approximately $3.2 million in Canadian Exploration Expenses (within the meaning of the Income Tax Act (Canada)) prior to December 31, 2009, as a result of INV's recent flow-through common share offering. The exploration budget for Brazil has been set at $3.7 million. It is anticipated that at least five properties will be subjected to drill programs in 2008, including Damolândia, Niquelândia and Taquaral in Brazil, and Fishtrap and Montcalm, pending access, in Canada.

A program and budget for the Santa Fé/Iporá advanced nickel laterite project has been prepared in conjunction with the Corporation's joint venture partner Teck Cominco. The total budget for 2008 is approximately $1.7 million (INV's 27% interest – approximately $383,000). The activities currently underway as part of the scoping study include preliminary mine planning, capital expenditure estimating, engineering design work and planning for an environmental study that will be necessary as part of the feasibility study.

The Corporation believes that the funds on hand are sufficient to conduct all of its currently planned business activities in 2008.

QUARTERLY FINANCIAL INFORMATION

The following selected financial data has been derived from the Corporation's unaudited financial statements prepared in accordance with Canadian generally accepted accounting.

Fiscal quarter ended	**June 30, 2008**	**March 31, 2008**	**December 31, 2007**	**September 30, 2007**
Interest income	$ 183,390	$ 224,988	$ 351,066	$ 313,972
Net loss	(1,468,861)	(1,018,642)	(854,799)	(1,237,137)
Basic and diluted loss per share*	$ (0.03)	$ (0.02)	$ (0.02)	$ (0.03)
Fiscal quarter ended	June 30, 2007	March 31, 2007	December 31, 2006	September 30, 2006
Interest income	$ 229,882	$ 125,367	$ 158,216	$ 187,493
Net loss	(532,670)	(718,603)	(2,271,960)	(406,803)
Basic and diluted loss per share*	$ (0.01)	$ (0.02)	$ (0.08)	$ (0.01)

**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 corporate activity, partly offset by interest income, since the Corporation invests excess cash in low risk, fully liquid deposits. INV is actively looking for new properties to acquire and the majority of expenses are related to general exploration. The second quarter of 2008 net loss increased compared to the previous quarter, due to the increase in travel, general exploration and stock based compensation. The first quarter of 2008 net loss increased as compared to the previous quarter, mainly due to the increase in general exploration, compensation as well as travel, professional fees and stock based compensation. The fourth quarter of 2007 net loss decreased as compared to the previous quarter, mainly due to a one-time future income tax recovery of $1,010,199. Excluding the future income tax recovery, the fourth quarter net loss increased compared to previous quarters, mainly due to a $1,209,272 write off of resource properties and increased compensation.

OUTSTANDING SHARE DATA

As at August 12, 2008, the Corporation had 54,011,008 common shares outstanding, as well as stock options to purchase 5,267,000 common shares at a weighted average price of $1.24, compensation warrants to purchase 144,000 shares at $1.00 per share, restricted share units of 600,000 shares at a weighted average price of $0.91 per share and share purchase warrants to purchase 6,593,717 and 2,347,886 common shares, at $2.25 per share and $1.40 per share, respectively.

OFF- BALANCE SHEET TRANSACTIONS

During the six months ended June 30, 2008 and 2007, the Company was not involved in any off-balance-sheet transactions.

CHANGES IN ACCOUNTING POLICIES AND RECENT ACCOUNTING PRONOUNCEMENTS

1) Changes in accounting policies

a) 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 became effective on January 1, 2008 for the Corporation. The adoption of Section 1535 did not have a significant effect on the consolidated financial statements.

b) Financial Instruments – Disclosures and Financial Instruments – Presentation

In December 2006, the CICA issued Handbook Section 3862, *Financial Instruments – Disclosures*, and Section 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 became effective on January 1, 2008 for the Corporation. The adoption of Section 3862 and Section 3863 did not have a significant effect on the consolidated financial statements.

2) Future accounting pronouncements

a) Goodwill and Intangible Assets

In February 2008, the CICA issued Section 3064, *Goodwill and Intangible Assets*, replacing Section 3062, *Goodwill and Other Intangible Assets*, and Section 3450, *Research and Development Costs*. Concurrent with the introduction of this standard, the CICA withdrew EIC-27, "Revenues and expenses during the pre-operating period." The new pronouncement establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its recognition and of intangible assets by profit-oriented enterprises. Standards concerning goodwill are unchanged from the standards included in the previous Section 3062. This Section is effective in the first quarter of 2009. Management is currently assessing the impact that the adoption of Section 3064 will have on the consolidated financial statements.

b) Convergence with International Financial Reporting Standards

On February 13, 2008, Canada's Accounting Standards Board ratified a strategic plan that will result in Canadian GAAP, as used by public companies, being evolved and converged with International Financial Reporting Standards (IFRS) over a transitional period to be complete by 2011. The official changeover date from Canadian GAAP to IFRS is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. As the International Accounting Standards Board currently has projects underway that should result in new pronouncements and, since this Canadian convergence initiative is very much in its infancy as of the date of these consolidated financial statements, the Corporation has not yet assessed the impact of the ultimate adoption of IFRS on the Corporation.

RISKS AND UNCERTAINTIES

An investment in the Corporation entails certain risk factors, which should be considered carefully, including but not limited to, those set out below. A discussion of these and other factors that may affect the Corporation's actual results, performance, achievements or financial position is contained in "Risk Factors" and elsewhere in the Corporation's 2007 Annual Information Form.

RISKS AND UNCERTAINTIES (continued)

Risks and uncertainties relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations.

Risks that the results of scoping studies, pre-feasibility and feasibility studies, and the possibility that future exploration, development or mining results will not be consistent with the Corporation's expectations.

Risks relating to possible variations in reserves, grade, and changes in project parameters as plans continue to be refined.

Exploration and potential future development risks, including risks related to the grant of access rights to the properties, accidents, equipment breakdowns, labour disputes (including work stoppages and strikes) or other unanticipated difficulties with or interruptions in exploration and development.

The potential for delays in exploration or potential future development activities or the completion of feasibility studies, including the status and results of the Corporation's joint exploration program on its Santa Fé/Iporá properties with Teck Cominco.

Risks related to commodity price and foreign exchange rate fluctuations.

Risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities.

Risks related to environmental regulation and liability.

Risks related to the loss of the services of key executives, including the directors of the Corporation and a small number of highly skilled and experienced executives and personnel.

Political and regulatory risks associated with conducting mineral exploration in Canada and foreign countries.

Other risks and uncertainties related to the Corporation's prospects, properties and business strategy.

CORPORATE GOVERNANCE

Management and the Board of Directors (the "Board") of INV recognize the value of good corporate governance and the need to adopt best practices. The Corporation is committed to continuing to improve its corporate governance practices in light of its stage of development and evolving best practices and regulatory guidance.

The Board has adopted a Board Mandate outlining its responsibilities and defining its duties. The Board has four committees (the Audit committee, the Compensation committee, the Safety, Health and Environment committee, and the Corporate Governance and Nominating committee). The Audit committee has an approved committee charter, which outlines the committees' mandate, procedures for calling a meeting, and provides access to outside resources. The Corporation's Safety, Health and Environmental committee has adopted a Safety, Health and Environmental Policy concerning the Corporation's treatment of environmental matters.

The Board has also approved a Code of Ethics, which governs the ethical behavior of all employees, management and directors. Separate trading blackout and disclosure policies are also in place. For more details on INV's corporate governance practices, please refer to INV's website at www.nickelventures.com.

CORPORATE GOVERNANCE (continued)

INV's directors have expertise in exploration, mining, accounting, banking, legal, financing and the securities industry. The Board meets at least four times a year and Committees generally meet before full board meetings and as required. While the Corporation is subject to Canadian regulatory provisions, the Board and management incorporate strong corporate governance practices in the belief that such practices provide protection for its investors and add value to the Corporation.

DISCLOSURE CONTROLS AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

Disclosure Controls

Disclosure controls and procedures ("Disclosure Controls") are procedures designed to provide reasonable assurance that all relevant information required to be disclosed in documents filed with securities regulatory authorities is recorded, processed, summarized and reported on a timely basis, and is accumulated and communicated to the Corporation's management, including the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO"), as appropriate, to allow timely decisions regarding required disclosure.

Management, including the CEO and the CFO, does not expect that the Corporation's Disclosure Controls will prevent or detect all error and all fraud. The inherent limitations in all control systems are such that they can provide only reasonable, not absolute, assurance that all control issues and instances of fraud or error, if any, within the Corporation have been detected.

Multilateral Instrument 52-109, "Certification of Disclosure in Issuers' Annual and Interim Filings", issued by the Canadian Securities Administrators ("CSA") requires the CEO and CFO to certify that they are responsible for establishing and maintaining Disclosure Controls for the issuer, that Disclosure Controls have been designed to provide reasonable assurance that material information relating to the issuer is made known to them, that they have evaluated the effectiveness of the issuer's Disclosure Controls, and that their conclusions about the effectiveness of those Disclosure Controls at the end of the period covered by the relevant annual filings have been disclosed by the issuer.

INV's CEO and the CFO have evaluated the effectiveness of the Corporation's Disclosure Controls as at June 30, 2008, and concluded that, subject to the inherent limitations noted above, those disclosure controls were effective for the year then ended.

Internal Controls over Financial Reporting

During Q2/2008, INV management, including its CEO and CFO, evaluated the existence and design of the Corporation's internal controls over financial reporting ("ICFR") and confirm there were no changes to the ICFR that have occurred during the three and six month periods ended June 30, 2008, which materially affected, or are reasonably likely to materially affect, the Corporation's ICFR.

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 2007 AIF (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 2008, 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

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS (continued)

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 interim 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.