

**INTERNATIONAL NICKEL VENTURES CORPORATION MANAGEMENT'S DISCUSSION AND
ANALYSIS YEAR ENDED DECEMBER 31, 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 year ended December 31, 2008 in comparison to the corresponding prior year periods. This MD&A is prepared as at March 11, 2009, and is intended to supplement and complement the consolidated financial statements of INV for the years ended December 31, 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 Annual Information Form ("AIF") in respect of the 2008 year, 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

As at December 31, 2008 the Corporation had cash resources of \$17.8 million. The Corporation continues to conserve cash while evaluating and prioritizing its projects and opportunities. The Corporation has recently completed the drill program at the Montcalm property in Northern Ontario. Management also plans to initiate an exploration program at the Itaporã Brazilian gold target upon the receipt of the necessary permits. However, in light of the current uncertain economic environment, INV has reevaluated the timing of previously contemplated winter exploration programs in Northern Ontario and will continue to be prudent with all expenditures in order to be well positioned to withstand the market uncertainty. Management continues to evaluate a number of Canadian exploration opportunities to satisfy its total flow-through expenditure requirements.

The Corporation recorded a net loss of \$23,160,385 or \$0.43 per share for the year ended December 31, 2008 ("2008"), compared with a net loss of \$3,343,209 or \$0.08 per share for the corresponding period ended December 31, 2007 ("2007"). General and administration expenses for 2008 were \$2,166,884, compared to \$1,982,280 for 2007. Interest income during the year totaled \$661,562 which decreased by \$358,725 from 2007.

The Corporation's exploration and operating budget for 2009 is estimated at \$4 million, including INV's planned exploration programs at the Montcalm and Itaporã properties, business development expenditures to seek out, identify, evaluate, and if warranted, acquire an interest in advanced mineral exploration projects and the Corporation's general and administrative costs. The Brazilian and Vancouver offices have been closed in an effort to reduce the Corporation's expenses.

The Corporation provided notice to Teck Cominco Limited ("Teck"), its partner in the Santa Fé/Iporá project, that it has elected not to fund its pro-rata share of expenditures with respect to the project. Although management believes that its investment in the Santa Fé/Iporá project continues to be a valuable asset of the Corporation, given the market uncertainty, management and the Board of Directors are focused on preserving the Corporation's treasury. As a result of not funding INV's share of the remainder of the Santa Fé/Iporá 2008 budget, the Corporation's interest in International Nickel Ventures Inc. ("INVI") decreased from 27% to 26.6% as at December 31, 2008. Teck performed a review of the value of its investment in INVI during the fourth quarter and determined that the value of its investment declined. As a result, the Corporation has recognized a corresponding \$13,569,306 impairment charge against the value of the Investment in INVI at December 31, 2008.

INTERNATIONAL NICKEL VENTURES CORPORATION MANAGEMENT'S DISCUSSION AND ANALYSIS

HIGHLIGHTS (continued)

The 2009 winter drill program at the Montcalm property, located near Timmins, Ontario commenced in late January and was completed in early March. The drilling tested a number of ground electromagnetic conductors that occur on the property within the four kilometres of the interpreted strike extension of Xstrata Nickel's Montcalm nickel mine host rocks. The planned program anticipated drilling nine holes totaling 2,000 metres. Due to issues with the availability of water, the program was reevaluated and six holes totaling 1,530 metres were completed. The results of the program will be released when the drill assays have been received and interpreted by INV. During 2008, exploration work consisted of gridding, UTEM ground electromagnetic, and ground magnetic surveys.

At the Itaporã gold project, located in Brazil, the Corporation is still awaiting the receipt of the required permits to commence drilling. Upon receipt of the permits, INV will begin the planned drill program of six holes totaling 1,200 metres at an estimated cost of \$300,000. During 2008, exploration work consisted of gridding, soil geochemical, geological and induced polarization ("IP") geophysical surveys resulting in the identification of several gold in soil geochemical anomalies with associated IP anomalies.

Mr. James Clucas resigned as Executive Chairman of the Corporation's Board of Directors as of March 4, 2009. Mr. Clucas will remain on the Board of Directors of INV. The Board of Directors and management of INV wish to thank Mr. Clucas for his leadership throughout his management role with the Corporation.

On November 18, 2008 the Corporation adopted a shareholder rights plan (the "Rights Plan"). The Rights Plan is designed to ensure the fair treatment of INV's shareholders in any transaction involving a change of control of the Corporation and will provide INV's Board of Directors and INV's shareholders with adequate time to evaluate any unsolicited take-over bid and, if appropriate, to seek out alternatives to maximize shareholder value. The Rights Plan will be effective immediately and will continue in effect until November 18, 2011, subject to being ratified by the shareholders of the Corporation at the next annual meeting of shareholders.

On May 27, 2008 the Corporation entered into a binding option/joint venture agreement with Votorantim Metais Niquel S.A. ("Votorantim") on 124 INV claims totaling 228,544 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.

Ms. Candace J. MacGibbon, CA, CPA (Illinois) was appointed Vice President and Chief Financial Officer of the Corporation effective March 31, 2008.

On February 21, 2008 the Corporation closed its previously announced offering of 2,400,000 common shares on a flow-through basis by way of guaranteed private placement led by Primary Capital Inc., at a price of \$1.25 per share, for aggregate gross proceeds of \$3,000,000. In addition, pursuant to INV's existing agreement with Teck, Teck exercised its right to purchase 130,274 flow-through shares to maintain its pro-rata interest in INV prior to the offering resulting in the issuance of a total of 2,530,274 flow-through shares for aggregate gross proceeds of \$3,162,843.

On January 17, 2008 the Corporation announced a significant increase in total mineral resources. The updated mineral resource estimates, using a cutoff grade of 0.8% nickel, increased to 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, using all data available to October 15, 2007. Previously, INV reported no indicated mineral resources and 109.0 million tonnes of inferred mineral resources.

**INTERNATIONAL NICKEL VENTURES CORPORATION
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RESULTS OF OPERATIONS

The following table presents the changes between INV's Consolidated Statements of Operations for the years ended December 31, 2008 and 2007.

<i>For the years ended December 31,</i>	2008	2007	Change
Expenses			
General and administration			
Shareholder information and regulatory compliance	\$ 203,045	\$ 366,893	\$ (163,848)
Compensation	1,056,847	916,021	140,826
Administrative services	-	187,770	(187,770)
Travel	227,361	137,353	90,008
Professional	323,228	135,018	188,210
Office	270,059	146,955	123,104
Telecommunications	49,085	32,688	16,397
Other	37,259	59,582	(22,323)
Total general and administration	2,166,884	1,982,280	184,604
General exploration	1,692,060	800,382	891,678
Mineral properties and deferred exploration written off	5,136,136	1,783,266	3,352,870
Write down of Investment in INVI	13,569,306	-	13,569,306
Stock-based compensation	1,282,668	765,825	516,843
Equity loss from investment	120	1,515	(1,395)
Foreign currency exchange (gain) loss	(25,227)	40,427	(65,654)
Interest income	(661,562)	(1,020,287)	358,725
Loss before income taxes	\$ 23,160,385	\$ 4,353,408	\$ 18,806,977
Future income tax recovery	-	(1,010,199)	1,010,199
Net loss and comprehensive loss	\$ 23,160,385	\$ 3,343,209	\$ 19,817,176
Basic and diluted loss per share	\$ 0.43	\$ 0.08	\$ 0.35

The Corporation recorded a net loss of \$23,160,385 or \$0.43 per share for 2008 compared with a net loss of \$3,343,209 or \$0.08 per share for 2007. The increase in the net loss was due mainly to the write down of the Investment in INVI, the write off of the mineral properties, increased general exploration, increased compensation and travel expenses related to additional employees, and increased professional fees and office expenses.

General and administrative expenses increased by \$184,604 from 2007 to \$2,166,884 in 2008. The increase was mainly a result of higher travel, professional and office, and compensation costs due to the building of a dedicated management team and establishing an office in Toronto and Brazil.

Compensation costs increased by \$140,826 from \$916,021 in 2007 to \$1,056,847 in 2008 mainly due to new executives and full-time employees appointed within the past year. In 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 2008 compared to \$187,770 in 2007 due to the termination of the services agreement with FNX on December 31, 2007.

INTERNATIONAL NICKEL VENTURES CORPORATION MANAGEMENT'S DISCUSSION AND ANALYSIS

RESULTS OF OPERATIONS (continued)

Shareholder information and regulatory compliance expense decreased from \$366,893 in 2007, to \$203,045 in 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 during 2007.

General exploration costs increased to \$1,692,060 in 2008 from \$800,382 in 2007. The increase in general exploration costs is a result of an office established in Brazil during 2008 to perform regional exploration which resulted in increased salaries and related exploration expenditures, additional regional taxes, as well as severance paid to certain employees as a result of their contracts being terminated in light of the current market conditions. The office was closed in February 2009.

During 2008, stock options and restricted share units granted to directors, senior management and employees resulted in stock-based compensation expense of \$1,282,668, which was \$516,843 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 INV has built solid management and support teams in Brazil and Canada.

Interest income decreased by \$358,725 from \$1,020,287 in 2007 to \$661,562 in 2008 due to the decreased cash position of the Corporation in the year. The Corporation's cash and cash equivalents are invested in low risk, fully liquid deposits at a major Canadian chartered bank.

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 increased relative to the Brazilian real during 2008 as the average rate was \$0.5866/R\$ compared to \$0.5514/R\$ in 2007. The Brazilian real was \$0.5480/R\$ as at March 11, 2009.

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 December 31, 2008 the Corporation had cash of \$17,814,351 (2007 - \$24,471,515) and working capital of \$17,497,913 (2007 - \$23,823,367). Cash and working capital have decreased from December 31, 2007 as a result of increased funds being spent on exploration and increased operating activities.

Operating activities

Cash used in operating activities for 2008 totaled \$3,271,134 compared to \$1,495,373 in 2007. Stock-based compensation expense, write down of the Investment in INVI, mineral properties and deferred exploration written off, change in working capital, depreciation and equity loss from investment comprise the principal amounts that reconcile 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 purchased 130,274 flow-through shares to maintain its pro-rata interest in INV prior to the offering resulting in the issue of a total of 2,530,274 flow-through shares for aggregate gross proceeds of \$3,162,843.

INTERNATIONAL NICKEL VENTURES CORPORATION MANAGEMENT'S DISCUSSION AND ANALYSIS

FINANCIAL CONDITION AND LIQUIDITY (continued)

Financing activities (continued)

Proceeds from the employee stock-based compensation option plan were \$nil during 2008 as no options were exercised compared with proceeds of \$185,000 in 2007 due to the exercise of 212,500 options. During 2008 proceeds of \$nil were received from the exercise of warrants, as no warrants were exercised, compared to proceeds of \$706,200 received in 2007 due to the exercise of 588,500 warrants.

Investing activities

Cash used in investing activities for 2008 totaled \$6,274,441 compared to \$10,419,405 in 2007. Investing activities in 2008 decreased mainly due to decreased expenditures on the Santa Fé/Iporá properties partially offset by fixed asset additions and increased expenditures on mineral properties and deferred exploration as the Corporation continues to perform exploration at its properties. The Corporation's investment in the Santa Fé/Iporá properties ("Investment in INVI" per the consolidated financial statements) at the end of 2008 totaled \$3,816,693, as compared to \$16,691,820 as at December 31, 2007.

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.

OUTLOOK

The Corporation's exploration and operating budget for 2009 is estimated at \$4 million, including INV's planned exploration programs at the Montcalm and Itaporã properties, business development expenditures to seek out, identify, evaluate, and if warranted, acquire an interest in advanced mineral exploration projects and the Corporation's general and administrative costs. The Corporation provided notice to Teck, its partner in the Santa Fé/Iporá project, that it has elected not to fund its pro-rata share of expenditures with respect to the project.

The 2009 winter drill program at the Montcalm property, located near Timmins, Ontario has been completed. Further funds will be allocated if positive results warrant additional exploration work on the property.

At the Itaporã gold project, located in Brazil, the Corporation is still awaiting the receipt of the required permits to commence drilling. Upon receipt of the permits, INV will begin the planned drill program of six holes totaling 1,200 metres at an estimated cost of \$300,000.

As a result of INV's February 2008 flow-through common share offering, INV is required to incur approximately \$3.2 million in Canadian Exploration Expenses ("CEE") prior to December 31, 2009. As at December 31, 2008 INV had incurred approximately \$1.7 million in CEE expenditures, therefore, the Corporation is required to spend an additional approximate \$1.5 million in CEE expenditures prior to December 31, 2009. In addition to the planned CEE expenditures on the Montcalm property, the Corporation is evaluating a number of Canadian exploration opportunities to satisfy its total CEE expenditure requirements.

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

INTERNATIONAL NICKEL VENTURES CORPORATION MANAGEMENT'S DISCUSSION AND ANALYSIS

MINERAL PROPERTIES

Expenditures on mineral property and deferred exploration in 2008 totaled \$5,209,438, compared to \$7,062,366 in 2007. Exploration activities in 2008 were carried out on the Niquelândia, Damolândia Taquaral and Itaporã properties in Brazil and the Fishtrap and Montcalm properties in Ontario.

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

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 in INVI on the consolidated financial statements.

The Santa Fé/Iporá property is comprised of eight mining concessions and nine applications for mining concessions. During the third quarter of 2008, the Departamento Nacional de Produção Mineral ("DNPM") granted a one year extension for the deferral of commencement of mining on the eight mining concessions. For the nine mining concession applications, the DNPM requested completion of certain environmental baseline studies in order to convert the applications to mining concessions. Title to the property was transferred in late 2008 from Mineradora Montita Ltda. to Companhia Niquel Santa Fe, the project company, which is owned 75% by INVI and 25% by the Atalla Group.

The Corporation provided notice to Teck that it has elected not to fund its pro-rata share of expenditures with respect to the project. Although management believes that its investment in the Santa Fé/Iporá project continues to be a valuable asset of the Corporation, given the market uncertainty, management and the Board of Directors are focused on preserving the Corporation's treasury. The effect of not funding INV's share of the remainder of the Santa Fé/Iporá 2008 budget decreased the Corporation's interest in INVI from 27% to 26.6% and increased Teck's interest in INVI from 73% to 73.4% as of December 31, 2008. The effect of not funding the proposed 2009 budget will result in dilution of the Corporation's 26.6% interest in INVI, but is not expected to have a material effect on its indirect ownership percentage of the project.

Teck performed a review of the value of its investment in INVI during the fourth quarter and determined that the value of its investment declined. As a result, the Corporation has recognized a corresponding \$13,569,306 impairment charge against the value of the Investment in INVI at December 31, 2008.

Subsequent to INV's dilution to a 26.6% interest in INVI as of December 31, 2008, INV now holds a 20% interest in the Santa Fé/Iporá project, Teck holds a 55% interest in the project, while the Atalla Group holds the remaining 25% interest.

In January 2008, the Corporation updated its mineral resource estimates. The Corporation's resource estimates, using a cutoff 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 NI 43-101 mineral resource estimates and models were completed by R. Mohan Srivastava, P. Geo., FSS Canada Consultants Inc. ("FSS") using drill hole data provided by Teck's Brazilian subsidiary, Teck Cominco Brasil S.A. Scott Wilson Roscoe Postle Associates Inc. conducted a high-level NI 43-101 level audit of the mineral resource estimates and in their opinion, "the FSS mineral resource estimate is quite acceptable and effectively incorporates the use of trend models to interpolate grades and bulk density."

The updated mineral resource estimates used the same block modeling method that was used for the previous mineral resource estimates announced on November 23, 2006: simple kriging with vertical trend models used to capture the gradational nature of the chemical changes across the laterite profile. Grade estimation has been restricted in map view to regions where nickel mineralization is supported by both bedrock geology and surface topography. Classification of the block model estimates into the Indicated and Inferred Mineral Resource categories is based on drill hole spacing, variogram analysis and lithology, with limonite resource blocks being classified as Indicated if supported by drilling at less than 70 metre spacing. All other resource blocks, including all saprolite resources, were classified as Inferred if

INTERNATIONAL NICKEL VENTURES CORPORATION MANAGEMENT'S DISCUSSION AND ANALYSIS

MINERAL PROPERTIES (continued)

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

supported by drill hole data within the range of the nickel grade variogram. A NI 43-101 technical report entitled "43-101F1 Technical Report On The Santa Fé And Iporá Nickel Laterite Properties In Brazil for International Nickel Ventures Corp.", dated March 10, 2008, was filed on SEDAR.

The 2008 program consisted of on-site upgrading test work on bulk samples, resource evaluation for mine planning, process modeling and landowner agreements and compensation. An updated scoping study anticipated to be completed in 2008 was deferred in light of market conditions. Collection of baseline environmental data commenced in November 2008 as a result of the DNPM's request for environmental baseline studies. A lead environmental contractor, SETE, was selected to carry out this work.

In 2008, INV funded \$694,299, compared to \$6,803,099 in 2007, for its share of expenditures on the Santa Fé/Iporá properties.

2) Brazilian properties

a) Niquelândia property

On November 27, 2007 INV acquired the three claim, 2,043 hectare Niquelândia nickel property situated in Goiás State, Brazil, by agreement with a private Brazilian group, BCV – Consultoria e Projetos ("BCV"). In addition, INV staked four claims totaling 5,608 hectares. The BCV claims are contiguous with Anglo American's and Votorantim's nickel laterite producing properties to the north and south. The Niquelândia property is located approximately 300 kilometres northeast of the city of Goiânia in Goiás State, Brazil. Historic data from work on the BCV property in 1980 by Metago, the former Goiás geological survey, outlined a nickel soil anomaly 3.2 kilometres long by 150 metres to 450 metres wide, with soil sample values ranging from 0.15% to 1.36% nickel.

The soil geochemical survey carried out by INV in late 2007 and early 2008, 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 parts per million ("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 parts per billion ("ppb") to a high of 476 ppb, and palladium in soil values range from 109 ppb to a high of 655 ppb. The IP survey outlined 14 anomalous trends, suggesting a potential copper-nickel sulphide bedrock source. Combining the IP, geological and geochemical data indicated three high priority coincident anomalies ranging up to 1.4 kilometres in length.

Mapping and sampling by INV in and near the 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 ranged from anomalous to 0.5% nickel, with one sample assaying 1.4% nickel.

The Niquelândia property was drilled between June and August 2008 to test for both its nickel laterite and precious metal and nickel sulphide potential. Five diamond drill holes totaling 1,166 metres were completed to test the polymetallic copper-nickel-precious metal soil geochemical and IP chargeability anomalies (see INV's MD&A, Q2/2008). The following table summarizes the intersections utilizing a 0.5 gram per tonne (g/t) cutoff grade for platinum + palladium + gold:

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MINERAL PROPERTIES (continued)

2) Brazilian properties (continued)

a) Niquelândia property (continued)

Hole	Depth		Length (m)	Pt g/t	Pd g/t	Au g/t	Ni %
	From (m)	To (m)					
<i>FSNQ-05</i>	86.70	89.30	2.60	0.089	0.648	0.265	0.35
<i>Including</i>	88.20	89.38	1.18	0.152	1.135	0.112	0.32
<i>FSNQ-05</i>	93.20	94.46	1.26	0.174	0.324	0.082	0.26
<i>FSNQ-05</i>	147.60	149.01	1.41	0.172	0.607	0.303	0.34
<i>FSNQ-05</i>	162.00	162.51	0.51	0.136	0.307	0.094	0.35
<i>FSNQ-05</i>	163.20	165.23	2.03	0.132	0.511	0.024	0.18
<i>FSNQ-02</i>	73.50	75.50	2.00	0.184	0.492	0.019	0.28
<i>FSNQ-02</i>	99.50	100.50	1.00	0.114	0.466	0.129	0.29
<i>FSNQ-02</i>	103.50	104.50	1.00	0.154	0.312	0.055	0.24
<i>FSNQ-02</i>	107.50	108.50	1.00	0.074	0.273	0.168	0.21
<i>FSNQ-02</i>	132.70	135.00	2.30	0.130	0.375	0.074	0.34
<i>FSNQ-02</i>	146.00	147.00	1.00	0.135	0.522	0.059	0.20
<i>FSNQ-02</i>	150.00	155.00	5.00	0.175	0.654	0.075	0.21
<i>Including</i>	152.00	155.00	3.00	0.225	0.726	0.060	0.23
<i>FSNQ-02</i>	157.00	159.00	2.00	0.094	0.559	0.043	0.17
<i>FSNQ-02</i>	163.00	167.00	4.00	0.090	0.386	0.094	0.28
<i>FSNQ-02</i>	168.00	170.00	2.00	0.435	0.360	0.012	0.24

Note: Pt =Platinum, Pd =Palladium, Au = Gold and Ni = Nickel.

The core lengths in the table above are the apparent thickness; true thickness is estimated to be approximately 88% to 98% of the reported core length. Note that the nickel values may be largely attributable to silicate minerals such as olivine and serpentine, rather than to nickel sulphides. The precious metal rich horizons occur mainly within peridotite and websterite with disseminated chromite and sulphides. The multiple horizons may, in part, be due to structural repetitions as well as to igneous cyclic units.

Based on these results, although there are clearly zones that are precious metal enriched, it appears that the soil geochemical anomalies are partly due to lateritic enrichment and the wide IP chargeability anomalies are partly due to the serpentinization process.

Given the close proximity of the property to two producing nickel laterite operations, 15 vertical diamond drill holes totaling 139 metres were completed to evaluate the laterite potential of the northern portion of the property.

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MINERAL PROPERTIES (continued)

2) Brazilian properties (continued)

a) Niquelândia property (continued)

The following table summarizes the intersections utilizing a range of nickel cutoff grades as indicated:

		Depth			Ni%	Fe ₂ O ₃ %	Co%	MgO%	SiO ₂ %
Ni >0.8	Hole	From (m)	To (m)	Length (m)					
	<i>FSNQ-13</i>	0.00	0.93	0.93	1.06	26.07	0.04	25.80	27.97
	<i>FSNQ-14</i>	2.63	5.02	2.39	0.92	37.51	0.05	17.06	23.56
	<i>FSNQ-15</i>	0.00	1,76	1.76	1.02	27.65	0.03	25.44	30.97
	<i>FSNQ-16</i>	0.00	3.69	3.69	1.31	37.20	0.05	16.95	25.46
	<i>FSNQ-17</i>	0.00	4.06	4.06	1.02	33.26	0.05	20.13	26.15
	<i>FSNQ-18</i>	0.00	3.02	3.02	1.16	41.12	0.06	15.29	19.43
	<i>FSNQ-19</i>	0.00	1.20	1.20	0.99	32.33	0.05	22.00	27.67
	<i>FSNQ-20</i>	0.00	2.24	2.24	0.87	35.03	0.05	17.73	24.97
		Depth			Ni%	Fe ₂ O ₃ %	Co%	MgO%	SiO ₂ %
Ni >0.9	Hole	From (m)	To (m)	Length (m)					
	<i>FSNQ-13</i>	0.50	1.00	0.50	1.28	36.00	0.06	18.40	23.00
	<i>FSNQ-14</i>	1.15	3.70	2.55	1.08	49.41	0.07	9.56	15.98
	<i>FSNQ-15</i>	0.00	1.00	1.00	1.16	29.59	0.04	25.91	27.28
	<i>FSNQ-16</i>	0.00	3.69	3.69	1.31	37.20	0.05	16.95	25.46
	<i>FSNQ-17</i>	0.00	4.06	4.06	1.02	33.26	0.05	20.13	26.15
	<i>FSNQ-18</i>	0.64	3.02	2.38	1.23	37.12	0.05	17.94	21.43
	<i>FSNQ-19</i>	0.00	1.20	1.20	0.99	32.33	0.05	22.00	27.67
		Depth			Ni%	FE ₂ O ₃ %	Co%	MgO%	SiO ₂ %
Ni >1	Hole	From (m)	To (m)	Length (m)					
	<i>FSNQ-13</i>	0.50	1.00	0.50	1.28	36.00	0.06	18.40	23.00
	<i>FSNQ-14</i>	2.75	3.70	0.95	1.36	40.00	0.05	15.40	21.00
	<i>FSNQ-15</i>	0.00	0.50	0.50	1.36	42.00	0.05	16.60	19.00
	<i>FSNQ-16</i>	0.00	3.69	3.69	1.31	37.20	0.05	16.95	25.46
	<i>FSNQ-17</i>	0.00	2.56	2.56	1.06	38.68	0.06	16.10	22.13
	<i>FSNQ-18</i>	0.64	3.02	2.38	1.23	37.12	0.05	17.94	21.43

Note: Ni= Nickel, Fe₂O₃ = Iron Oxide, Co = Cobalt, MgO = Magnesium Oxide, and SiO₂ = Silica.

Utilizing a 0.8% nickel cutoff grade, the drilling has outlined a saprolite zone approximately 300 metres wide by 900 m long with a minimum thickness of 2 metres.

In order to complete the property acquisition from BCV, INV was required to make payments totaling US\$400,000 over four years, and a US\$500,000 payment upon decision to mine. INV paid a total of US\$20,000 to BCV for the first option payment and has decided not to make further option payments on the property due to the inconclusive exploration results and current market conditions. Therefore, INV has written-off \$1.38 million in exploration expenditures relating to the property and will not pursue any further work on the property.

**INTERNATIONAL NICKEL VENTURES CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS**

MINERAL PROPERTIES (continued)

2) Brazilian properties (continued)

b) Damolândia property

On July 17, 2007 INV entered into an agreement to acquire a 100% interest in the Damolândia nickel sulphide property, located in the Anápolis Belt, approximately 60 kilometres north of the city of Goiânia, Goiás State, Brazil. The property lies 60 kilometres east of the Americano do Brasil nickel-copper mine and 90 kilometres east of the Mangabal nickel-copper deposit, currently being explored by Castillian Resources Corp. The property consists of four claims (7,916 hectares), 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). The claims cover a mafic-ultramafic complex that INV considered highly prospective for both disseminated and massive nickel sulphide deposits.

INV drilled a total of 11 holes in two phases. The first phase drill program, completed between October 2007 and February 2008, outlined a shallowly plunging, pipe-like body of disseminated copper-nickel sulphides, interpreted to be a possible halo surrounding a massive sulphide body. Borehole FSDM-07 intersected a possibly magmatic breccia with disseminated sulphides and inclusions of gneissic basement rocks, indicating potential contamination close to a possible feeder zone. Several coincident airborne electromagnetic ("VTEM") conductors with coincident copper-nickel geochemical gossan and soil anomalies were interpreted to potentially represent higher-grade massive sulphide mineralization associated with this low-grade disseminated body. A second phase, four hole program completed between June and August 2008, was carried out to test these additional targets. Broad zones of disseminated copper-nickel sulphides were intersected, with grades ranging from weakly anomalous to 0.39% nickel over a core length of 23 metres and 0.33% nickel over a 14.2 metre core length, using a 0.20% nickel cutoff grade. A borehole electromagnetic survey ("BHEM") was carried out in 6 holes and identified one weak off-hole and several in-hole anomalies; none were considered for further follow-up.

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

Hole	From (m)	To (m)	Length (m)	Nickel %	Copper %
<i>FSDM 01</i>	6.25	12.90	6.65	0.22	0.06
<i>FSDM 02</i>	98.00	138.60	40.60	0.26	0.10
<i>FSDM 03</i>	75.85	106.5	30.65	0.42	0.19
<i>Including</i>	82.80	87.00	4.20	0.70	0.24
<i>Including</i>	82.80	83.85	1.05	0.98	0.54
<i>FSDM 04</i>	8.00	18.80	10.80	0.24	0.06
<i>FSDM 05</i>	6.00	24.50	18.50	0.44	0.10
<i>Including</i>	14.55	19.70	5.15	0.77	0.14
<i>FSDM 06</i>	107.00	114.00	7.00	0.24	0.08
<i>FSDM 07</i>	114.20	137.45	23.25	0.29	0.11
<i>FSDM 10</i>	54.83	59.34	4.51	0.22	0.08
<i>FSDM 10</i>	67.34	90.35	23.01	0.39	0.16
<i>FSDM 10</i>	101.07	106.08	5.01	0.22	0.09
<i>FSDM 10</i>	134.67	144.47	9.80	0.24	0.12
<i>FSDM 10</i>	149.70	163.90	14.20	0.33	0.11
<i>FSDM 11</i>	2.00	8.00	6.00	0.24	0.01

Note: Holes FSDM 08 and 09 returned no significant values.

INTERNATIONAL NICKEL VENTURES CORPORATION MANAGEMENT'S DISCUSSION AND ANALYSIS

MINERAL PROPERTIES (continued)

2) Brazilian properties (continued)

b) Damolândia property (continued)

INV management interpreted 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 were thought to have intercepted the mineralization close to perpendicular to the geometry of the pipe; however, INV management believed the true thickness varied from 70% to 100% of the thickness intercepted in the drill holes.

The Damolândia property was subject to an option agreement with BCV to acquire its 100% interest in the property. To earn its 100% interest INV was required to make a series of payments to BCV, totaling US\$400,000 over four years, and a US\$500,000 payment upon the application for a mining license. INV paid a total of US\$50,000 to BCV for the first two option payments and has decided not to make further option payments on the property due to the lack of higher-grade massive sulphides, which downgraded the economic potential of the property. Therefore, INV has written-off \$1.59 million in exploration expenditures relating to the property and will not pursue any further work on the property.

c) Taquaral property

The Corporation acquired by staking nine granted claims totaling 11,757 hectares at the Taquaral property located in southwest Goiás State, Brazil. Based on conductors identified by a VTEM survey, geochemical soil anomalies and geological mapping, the Taquaral target was divided into two blocks, Taquaral West and Taquaral Southeast.

At Taquaral West, 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 favorable host rocks was considered highly prospective for a potential bedrock copper-nickel sulphide source. A three-hole, 722 metre diamond drill program was completed between April and May 2008, to test these anomalies. The anomalies were explained by narrow bands of disseminated sulphide mineralization, with grades ranging from weakly anomalous to a best intersection of 0.79% nickel over 0.5 metres. The core length is considered to be approximately true width. A BHEM survey was completed covering these three holes and the results were not encouraging.

At Taquaral Southeast, soil sampling yielded a 1,300 metre long by 150 metre wide nickel-copper geochemical anomaly coincident with a VTEM conductor. The anomaly is associated with an outcropping sequence of serpentinized peridotites and gabbro-norites. An IP survey identified chargeability anomalies which were tested by auger drilling, however, no significant values were obtained.

INV will not complete any further work on the property and has written-off \$0.53 million with respect to the property.

d) Itaporã property

The Itaporã gold project is located in Pára State, Brazil and is comprised of 6 granted claims (NS-07, 09, 12, 13, 14 and 15) 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 Seca) 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.

INTERNATIONAL NICKEL VENTURES CORPORATION MANAGEMENT'S DISCUSSION AND ANALYSIS

MINERAL PROPERTIES (continued)

2) Brazilian properties (continued)

d) Itaporã property (continued)

Lagoa Seca 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-07 and NS-13. 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. A soil geochemical survey sampled on a 50 metre x 200 metre (locally 50 metre x 100 metre) grid has outlined a 3.0 kilometre long anomaly with gold values greater than 10 ppb. The anomalous trend ranges from 200 metres to 800 metres wide. Within this extensive anomaly, there are two discrete, significant, gold geochemical anomalies in soil. The northern anomaly, as defined by values equal to or greater than 80 ppb gold, is approximately 450 metres long, and ranges from approximately 25 metres wide to 200 metres wide. Within this area, gold values in soil range up to 525 ppb, with a single sample of 24,624 ppb (24.6 g/t) at the centre of the zone. A check analysis of the extremely high grade sample returned a nearly identical value. This anomaly is roughly coincidental with moderate IP chargeability and resistivity anomalies. The southern geochemical soil anomaly is located approximately one kilometre southeast of the northern anomaly. Based on gold values equal to or greater than 80 ppb gold, it is approximately 450 metres long by 50 metres to 200 metres wide, with values ranging up to 522 ppb gold. This anomaly is roughly coincidental with a moderate IP chargeability anomaly.

At NS-13, located 4.5 kilometres to the southwest of Troy's Mamão gold mine, mafic-ultramafic rocks and metasedimentary rocks have been mapped along a northeast-southwest trending shear zone that is interpreted to possibly represent the strike extension of the same structure present at the Mamão Deposit. Along this trend, two main zones of hydrothermally altered, folded and deformed rocks were identified (2.1 kilometres x 0.6 kilometres and 5 kilometres x 1 kilometres). Locally, hydrothermal alteration observed to date includes silicification, amphibolitization, saussuritization and chloritization, similar to, but less intense than, the alteration that hosts the gold mineralization at Mamão. An east-west trending gold in soil geochemical anomaly with values between 50 ppb and 200 ppb has been outlined over a 1,000 metre length and 300 metre width.

INV is awaiting the environmental permit required to carry out its planned six-hole, 1200 metre drill program at NS-07 and NS-13. Landowner authorization has been obtained to access the drill sites.

At NS-09 reconnaissance mapping over an aeromagnetic anomaly established the predominance of granitic rocks with the minor presence of mafic volcanic and metasedimentary rocks. Regional soil sampling returned gold values ranging from 11 ppb to 46 ppb.

The NS-12 claim covers a large aeromagnetic anomaly. The regional geology indicates the eastern half of the area is underlain by Arco Verde tonalite and the western half underlain by the Musa anorogenic granite. Strongly magnetic tonalite was also observed which could explain the aeromagnetic high.

At NS-14 soil samples returned interesting gold values (ranging from 82 ppb to 200 ppb) in an area underlain by a sequence of highly altered, pyritic rocks which could be felsic volcanics, strongly silicified basic volcanics or possibly siliceous metasediments. The regional magnetic analytical signal suggests a northwest-southeast oriented structural trend extending from the abandoned Pedra Preta gold workings in the northwest to the zone of gold geochemical anomalies gold at NS-14.

At NS-15 a strong zone of shearing within a mafic sequence of the Lagoa Seca group was identified. On a regional scale the Lagoa Seca group is the principle host for gold mineralization, Chlorite talc schist with quartz, sericite and magnetite were identified in the shear zone which strikes at 310 degrees. Wide spaced soil sampling indicates an approximately 1000 metre wide zone of weak gold geochemical values ranging from 11 to 37 ppb with one exceptional value of 200 ppb.

INTERNATIONAL NICKEL VENTURES CORPORATION MANAGEMENT'S DISCUSSION AND ANALYSIS

MINERAL PROPERTIES (continued)

2) Brazilian properties (continued)

e) Votorantim Agreement

INV Mineração Ltda., a wholly owned subsidiary of INV, acquired 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 Mineração Ltda. ("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 was 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 Metais Níquel S.A. ("Votorantim") on 124 of these 100% Owned Claims totaling 228,544 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 is 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.

Project areas under the agreement were divided by Votorantim into three main groups based on the regional geology and metalogenic potential; ophiolites, greenstone belts and granulitic belts. Compilation based on regional data was prepared for the three groups followed by field mapping and sampling of the selected areas. The main focus of the exploration activities was concentrated within the greenstone belts where a VTEM survey was carried out as well as soil geochemistry and detailed mapping. Nickel values in soil sampling ranged from non-anomalous to a high of 0.47% and copper from non-anomalous to several values above 100 ppm. Targets have been selected by Votorantim for diamond drilling in 2009 based on these results.

Votorantim has fulfilled its first year exploration expenditure commitment of US\$1 million and has indicated to INV that it will not perform further exploration work on 106 claims, totaling 198,436 hectares. INV has also decided not to pursue further work on the claims and has written-off \$1.63 million related to these properties.

3) Ontario properties

On December 27, 2007 the Corporation entered into an agreement with FNX under which INV purchased 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.

INV's large Lansdowne House and Fishtrap properties are located in the James Bay Lowlands area and are underlain by large mafic-ultramafic igneous complexes emplaced along major structures which

INTERNATIONAL NICKEL VENTURES CORPORATION MANAGEMENT'S DISCUSSION AND ANALYSIS

MINERAL PROPERTIES (continued)

3) Ontario properties (continued)

a) *Lansdowne House and Fishtrap*

appear to be related to the same geological terrane boundary that hosts Noront Resources Ltd's McFaulds Lake high-grade, nickel-copper-precious metal deposit.

The Lansdowne House property (14,880 hectares), located approximately 80 kilometres west of the 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 Vale Inco, when it conducted extensive exploration on the property in the mid-1970's. Drilling was concentrated on a three kilometre long trend of EM 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, no ground surveys or drilling has been completed to-date.

Like Lansdowne House, the 49 claim (760 units totaling 12,160 hectares) 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. In 2008 INV completed linecutting, ground geophysical surveys including magnetic and electromagnetic surveys, geological mapping and prospecting 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.

INV has suspended exploration programs on these projects due to current market conditions.

b) *Montcalm property*

The 11 claim (145 unit, 2,320 hectares) Montcalm property, located 65 kilometres northwest of Timmins, 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. This high-priority target has only been tested by three known boreholes. INV completed linecutting, ground electromagnetic ("UTEM") and magnetometer surveys in the winter of 2008.

A drill program commenced in late January 2009 and was completed in early March to test a number of UTEM anomalies. Although the original contemplated drill program consisted of testing nine UTEM anomalies, the program was terminated after drilling six anomalies totaling 1,530 metres, as several of the planned drill holes had no readily available water source for drilling purposes due to harsh winter conditions. The untested targets remain of interest and may be drilled at a later date, pending a review and interpretation of the results of the winter program.

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.

INTERNATIONAL NICKEL VENTURES CORPORATION MANAGEMENT'S DISCUSSION AND ANALYSIS

MINERAL PROPERTIES (continued)

4) General (continued)

a) INV Quality Assurance and Quality Control ("QA QC") Program

i) Drilling

All diamond drill core samples from INV's Brazilian drill programs are split/cut into approximately equal halves with one half sent for analysis and the remaining half labeled and retained in core boxes for future reference. Two internationally recognized laboratories, SGS Geosol (SGS) and ALS Chemex (ALS) are used for core assaying. SGS prepares and analyzes the samples in Belo Horizonte, Brazil. ALS performs sample preparation in Belo Horizonte, Brazil, ICP and fire assay analyses in Lima, Peru and XRF analyses in Vancouver, Canada.

Sample preparation at SGS consists of sample drying at 60°C, crushing at 2 millimetre (mm), homogenization and separation of a 250 gram (g) split for pulverization to 95% passing 150 mesh. The prepared sample is subjected to a strong multi-acid (hydrochloric, nitric, fluoric, and perchloric) digestion with inductively coupled plasma (ICP - AES) finish; or lithium metaborate fusion with X-ray fluorescence (XRF) finish. Gold, platinum and palladium analyses are done via fire assay with 30 g aliquots and an ICP-AES finish.

Sample preparation at ALS consists of sample drying at 60°C, crushing to better than 70% passing 2 mm, homogenization and separation of a 250 g split for pulverization to better than 85% passing 75 microns (200 mesh). The prepared sample is subjected to a strong multi-acid (hydrochloric, nitric, fluoric, and perchloric) digestion with ICP-AES finish; and ii) lithium metaborate fusion with XRF finish. Gold, platinum and palladium analyses are done via fire assay with 30 g aliquots and an ICP-AES finish.

An internal quality assurance and control program is carried out with the insertion of certified reference standards (a minimum of 1 per 20 core samples), and blank samples (a minimum of 1 per 40 core samples) in the sample stream. In addition check samples are selected and submitted to a second laboratory to provide a check on the quality of assay data from the primary laboratory.

ii) Soil Sampling

The following procedures apply to all soil samples collected at INV's exploration projects in Brazil.

Soil samples are collected from the B horizon, in general around 30 centimetres below the surface. The process involves removal of surface vegetation and organic detritus, then excavation utilizing a posthole tool down to the B horizon. A sample of the B horizon material weighing approximately 750 g to 1000 g is then removed, any roots are removed and the sample is bagged using transparent plastic sample bag into which a pre-printed sample ticket is placed, and the bag is sealed. The sample number is written on the bag.

SGS's internal quality control requirements mandate the inclusion of certified reference material (CRM) standards, blanks, duplicates and replicate samples in each batch. If significant deviation is noted for any of the reference samples the affected batch(s) will be reanalyzed.

Duplicate soil samples are collected every 20th or 40th sample site depending on whether or not CRM standards are employed. At duplicate sample sites approximately 2000 g of B horizon material is collected from the excavation. The material is then homogenized and quartered in order to produce two samples which are bagged and numbered separately. For every forty soil samples one duplicate sample and one standard sample or two duplicates are inserted in the sample stream. The samples are transported to SGS Geosol's sample preparation laboratory in Goiania. Sample preparation consists of sample drying at 60°C, screening at 80 mesh, weighing of the undersize portion, and homogenization.

INTERNATIONAL NICKEL VENTURES CORPORATION MANAGEMENT'S DISCUSSION AND ANALYSIS

MINERAL PROPERTIES (continued)

4) General (continued)

a) INV Quality Assurance and Quality Control ("QA QC") Program (continued)

ii) Soil Sampling (continued)

SGS then ships the pulp samples to their principal laboratory in Belo Horizonte, Brazil for analysis. SGS is ISO 14001 and ISO 9002 certified. The sample analysis method used for all but gold, platinum and palladium assays is a strong multi-acid (hydrochloric, nitric, fluoric, and perchloric) digestion with ICP-AES finish. Gold, platinum and palladium analyses are done via fire assay with 30 g aliquots and an ICP inductively coupled plasma – atomic emission spectrometry (ICP-OES) finish.

In addition to the inclusion of CRM and blanks to monitor primary laboratory results, check pulp samples are sent to a secondary lab for analysis. SGS and ALS are used in the capacity of primary and secondary laboratories, respectively. The check pulp samples, representing approximately 5% of the analyses, are analyzed utilizing similar procedures. Each shipment of check pulp samples includes a full complement of the standards that were used in the original analysis at the primary lab. The check pulp samples serve as a verification on the quality and accuracy of assay data and may also detect sample sequence errors.

iii) Data Evaluation

All data is rigorously evaluated by INV's geologists and contractors, and also by its Qualified Persons to ensure that the data is reliable and accurate, based on the analysis of the blanks, standards and duplicate samples.

This document and the data set forth herein has been reviewed and verified by Paul Golightly, President of Golightly Geoscience Ltd. (Brazil projects), and by Garry Clark, President of Clark Expl. Consulting Inc. (Ontario projects), both 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 2008:

A total of \$8,042 (2007 - \$23,263) was included in general exploration in the consolidated statements of operations and comprehensive loss for the year ended December 31, 2008 for consulting services provided by a director of the Corporation.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

As a result of the Corporation's February 2008 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. As at December 31, 2008 the Corporation had spent approximately \$1.7 million of the proceeds.

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 \$98,007 was paid by INV to FNX as of December 31, 2008. The total amount of rent remaining under the sublease is \$59,250.

INTERNATIONAL NICKEL VENTURES CORPORATION MANAGEMENT'S DISCUSSION AND ANALYSIS

CONTRACTUAL OBLIGATIONS AND COMMITMENTS (continued)

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

	Total	2009	2010-11	2012-13
Office leases	\$ 83,950	\$ 83,950	\$ -	\$ -
Exploration expenditure commitment from the issuance of flow through shares	\$ 1,469,265	\$ 1,469,265	\$ -	\$ -

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.

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.

When impairment indicators are identified, 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 exploration 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. Such factors include future planned exploration work, past exploration work and general market conditions.

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.

Stock-based compensation

The Corporation has a stock-based compensation plan. The Corporation recognizes as an expense the cost of stock-based compensation based on the estimated fair value of new stock options and restricted share units granted to employees, consultants, officers and directors. The fair value of each stock option granted is estimated on the date of the grant using the Black-Scholes and other option-pricing models and is expensed over the vesting period. The fair value of each restricted share unit granted is calculated

**INTERNATIONAL NICKEL VENTURES CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS**

CRITICAL ACCOUNTING POLICIES AND ESTIMATES (continued)

Stock-based compensation (continued)

on the date of the grant using the closing stock price on the date prior to the grant and is expensed over the vesting period. Forfeitures of stock options and restricted share units are recognized as incurred.

SELECTED ANNUAL FINANCIAL INFORMATION

The following selected data has been prepared in accordance with Canadian generally accounting principles and should be read in conjunction with the Corporation's audited consolidated financial statements:

<i>For the years ended December 31,</i>	2008	2007	2006
Financial Results:			
Interest income	\$ 661,562	\$ 1,020,287	\$ 592,246
Net Loss	(23,160,385)	(3,343,209)	(3,762,001)
Loss per share* - basic and diluted	(0.43)	(0.08)	(0.13)
Financial Position:			
Working Capital	\$ 17,497,913	\$ 23,823,367	\$ 13,451,525
Investment in INVI	3,816,693	16,691,820	9,890,236
Mineral properties and deferred exploration	6,423,322	6,350,020	1,070,920
Total Assets	28,309,260	47,910,492	24,947,639
Common Shares	53,478,870	50,552,527	28,105,400
Warrants	745,005	3,880,839	1,228,327
Contributed Surplus	5,635,363	1,254,794	542,465
Deficit	\$ (31,967,105)	\$ (8,806,720)	\$ (5,463,511)
Number of shares issued and outstanding	54,011,008	51,380,734	34,492,300

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.

<i>Period ended</i>	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008
Interest income	\$ 103,859	\$ 149,325	\$ 183,390	\$ 224,988
Net loss	(19,358,754)	(1,314,128)	(1,468,861)	(1,018,642)
Basic and diluted loss per share*	\$ (0.36)	\$ (0.02)	\$ (0.03)	\$ (0.02)

INTERNATIONAL NICKEL VENTURES CORPORATION MANAGEMENT'S DISCUSSION AND ANALYSIS

QUARTERLY FINANCIAL INFORMATION (continued)

<i>Period ended</i>	December 31, 2007	September 30, 2007	June 30, 2007	March 31, 2007
Interest income	\$ 351,066	\$ 313,972	\$ 229,882	\$ 125,367
Net loss	(854,799)	(1,237,137)	(532,670)	(718,603)
Basic and diluted loss per share*	\$ (0.02)	\$ (0.03)	\$ (0.01)	\$ (0.02)

**Basic and diluted loss per share is calculated based on the weighted-average number of shares outstanding. The conversion of stock options, restricted share units 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 increased corporate activity, partly offset by interest income, since the Corporation invests excess cash in low risk, fully liquid deposits. The majority of expenses are related to the write down of the Investment in INVI, compensation, write off of mineral properties and general exploration as INV continues to perform exploration on its projects in Brazil and Canada. The fourth quarter of 2008 net loss increased compared to the previous quarter, due to the write off of \$5,136,136 of expenses relating to mineral properties, the write down in the Investment in INVI of \$13,569,306 as well as an increase in compensation, general exploration, travel, and stock based compensation. The third quarter of 2008 net loss decreased compared to the previous quarter, due to the decrease in exploration activities in Brazil, certain cost saving programs initiated during the quarter and decreased stock-based compensation. The second 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 first quarter of 2008 net loss increased compared to the previous quarter, mainly due to the increase in compensation, general exploration and travel expense as well as 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 costs.

OUTSTANDING SHARE DATA

As at March 11, 2009, the Corporation had 54,111,008 common shares outstanding, as well as stock options to purchase 4,162,000 common shares at a weighted average price of \$1.23, compensation warrants to purchase 144,000 shares at \$1.00 per share, restricted share units of 400,000 shares at a weighted average price of \$0.91 per share and share purchase warrants to purchase 2,347,886 common shares at \$1.40 per share.

OFF- BALANCE SHEET TRANSACTIONS

During the years ended December 31, 2008 and 2007, the Corporation was not involved in any off-balance-sheet transactions.

INTERNATIONAL NICKEL VENTURES CORPORATION MANAGEMENT'S DISCUSSION AND ANALYSIS

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. The adoption of Section 1535 resulted in the addition of Note 4 to 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. The adoption of Section 3862 and Section 3863 resulted in the addition of Note 5 to 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. The Corporation is currently assessing 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 Annual Information Form in respect of the 2008 year.

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

INTERNATIONAL NICKEL VENTURES CORPORATION MANAGEMENT'S DISCUSSION AND ANALYSIS

RISKS AND UNCERTAINTIES (continued)

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.

Risks related to market sentiment, 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.

INTERNATIONAL NICKEL VENTURES CORPORATION MANAGEMENT'S DISCUSSION AND ANALYSIS

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 meet 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.

National 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 December 31, 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

National Instrument 52-109 also requires CEO's and CFO's to certify that they are responsible for conducting an evaluation of the effectiveness of internal controls over financial reporting ("ICFR"), as defined by the CSA, for the Corporation, that the ICFR have been designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with Canadian GAAP, and that the Corporation has disclosed any changes in its ICFR during its' most recent interim period that has materially affected, or is reasonably likely to materially affect, its' financial reporting.

As discussed above, 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. Therefore, no matter how well designed, ICFR has inherent limitations and can provide only reasonable assurance with respect to financial statement preparation and may not prevent and detect all misstatements.

Management conducted an assessment of the effectiveness of ICFR in place as of December 31, 2008 and concluded that such procedures are adequate and effective to ensure accurate and complete disclosures in annual filings. The board of directors assesses the integrity of the public financial disclosures through the oversight of the Audit Committee.

INTERNATIONAL NICKEL VENTURES CORPORATION MANAGEMENT'S DISCUSSION AND ANALYSIS

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 (the "AIF") in respect of the 2008 year 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 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.