

**Interim Management Discussion and Analysis
For
Indicator Minerals Inc. (“Indicator” or “IME” or “the Company”)**

Containing information up to and including April 26, 2006

Note to Reader

Readers of the following management discussion and analysis should refer to the Company's audited financial statements for the year ended November 30, 2005 and the related Annual Management Discussion and Analysis (“Annual MD&A”) dated March 29, 2006. The following discussion (the “Interim MD&A”) is an update to the Company's Annual MD&A.

This interim MD&A should be read in conjunction with the Company's unaudited financial statements for the three months ended February 28, 2006 together with the notes thereto. The interim financial statements for the three months ended February 28, 2006 have been prepared by management in accordance with Canadian generally accepted accounting principles and expressed in Canadian Dollars. The management, discussion and analysis have not been reviewed by the Company's auditors.

Forward-Looking Information

When used in this document, words like “anticipate”, “believe”, “estimate”, “expect” and similar expressions are intended to identify forward-looking statements. Such statements are used to describe management's future plans, objects and goals for the Company and therefore, involve inherent risks and uncertainties. The reader is cautioned that actual results, performance, or achievements may be materially different from those implied or expressed in such statements.

Overall Performance

Indicator is a diamond exploration (development stage) company involved in the acquisition and exploration of resource properties in Nunavut, Canada and western Botswana, Africa. The Company is exploring for diamonds on more than 6 million acres of ground in the Eastern Arctic of Canada and 750,000 prospective acres in western Botswana. The Company does not have any producing resource properties at this time. The Company is a reporting issuer in British Columbia and Alberta. The Company trades on the TSX Venture Exchange under the symbol IME. In May 2005, the Company continued as a British Columbia company and became a reporting issuer in BC upon the completion of its BC corporate continuance registration on June 13, 2005.

Highlights of the Company's activities during the three months ended February 28, 2006:

- Exercise of all of the 3,842,500 warrants expiring February 3, 2006 for total proceeds of \$576,375.
- Expiry of 342,500 Agents Warrants on February 18, 2006 without exercise.
- Grant of 150,000 stock options to consultants, exercisable at \$.28 per option, expiring December 19, 2010. The associated stock-based compensation for these options is \$32,572.
- Completion of airborne geophysical surveying on the Lokgwabe project in central Botswana and election of the Company to enter into Phase Three of the project, which will include drill testing. Per the Lokgwabe agreement, the Company issued 100,000 shares upon electing to proceed to Phase Three.

Highlights of the Company's activities subsequent to the three months ended February 28, 2006:

- 43,478 warrants exercised for \$15,217 gross proceeds to April 26, 2006. 3,705,860 warrants expired without exercise to April 26, 2006 (598,000 at \$0.65 per share and 3,107,860 at \$0.75 per share).
- Grant of 400,000 stock options to consultants, exercisable at \$.58 per option, expiring April 11, 2011. The associated stock-based compensation for these options is \$185,094.
- Compelling mineral chemistry results from heavy mineral samples collected in 2005 on the Darby Project. The results of 211 heavy mineral samples on Darby include numerous G10 pyrope garnets with diamond inclusion chemistry.
- 25.5kg of kimberlite float discovered on its 80% owned Barrow Project which has yielded 176 diamonds.
- Drilling commenced on the Lokgwabe Project in Botswana on April 18, 2006. An estimated 1,000m of reverse circulation drilling will test up to ten high confidence magnetic targets identified on this project.

The Company will continue to carry out exploration of its resource properties, and to evaluate new prospects and opportunities. The Company expects to obtain financing in the future primarily through further equity and/or debt financing, as well as through joint venturing of the Company's properties to qualified mineral exploration companies.

The financial statements of the Company have been prepared on the basis of accounting principles applicable to a going concern which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. The Company's continued existence is dependent upon its ability to raise additional financing and to generate profitable operations in the future. The financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate because management believes that the actions already taken or planned, such as future equity financings, search for optionees for resource properties, will mitigate the adverse conditions and events which raise doubts about the validity of the going concern assumption used in preparing these financial statements. If the going concern

assumption were not appropriate for these financial statements, then adjustments would be necessary in the carrying values of assets and liabilities, the reported revenue and expenses and the balance sheet classifications used.

During the audit of the November 30, 2005 fiscal year, it was determined that an error had been made in the recording of the renunciation of flow-through expenditures. In fiscal 2004, the Company recognized the renunciation of \$1,757,487 Qualifying Canadian Exploration Expenditures, which had been incurred by November 30, 2004 and a corresponding \$591,978 was recognized as a recovery of future income taxes. The flow-through issuances had been completed on April 16, 2004 for \$1,100,000 and on August 18, 2004 for \$1,470,000. Emerging Issues Committee abstract for discussion 146 ("EIC-146") had an effective date of March 19, 2004. EIC-146 requires the recognition of the renouncement of Qualifying Canadian Exploration Expenditures from the proceeds of flow-through shares on the date of filing of the renouncement documents with the tax authorities. The renouncement documents were filed with the tax authorities for the 2004 fiscal flow-through issuances in February 2005, hence the recognition of the renouncement should have been recognized in fiscal 2005. The November 30, 2004 net loss, shareholders' equity, and deficit had been restated to comply with the correct accounting treatment. See Note 17 to the unaudited financial statements for the three months ended February 28, 2006 for detail breakdown of these restatements.

As a result of this prior period adjustment, the statements of loss and deficit for the quarters within the fiscal year November 30, 2005 were restated to account for the adjustments for future income tax liability flowing from 2004. The operating results for the quarter ended February 28, 2005, used for comparison, were restated to reflect a provision for future income tax recovery. Whenever figures for February 28, 2005 are mentioned in this Management Discussion and Analysis, the restated figures are used, unless otherwise indicated.

The Company's net loss for the three months ended February 28, 2006, totalled \$1,537. The net loss is after provision for future income tax recovery of \$390,845 (2005 – loss \$108,921 after provision for future income tax recovery of \$56,412, or \$0.005 loss per share). The future income tax recovery of \$390,845 resulted from the utilization of the Company's future income tax assets to offset future tax liabilities (Note 12c to the financial statements contains the summary of these future income tax assets). Assets decreased from \$6,590,125 as at November 30, 2005 to \$6,495,248 as at February 28, 2006. Capitalized resource property costs increased from \$4,801,385 as at November 30, 2005 to \$5,238,328 as at February 28, 2006. The Company's cash and cash equivalents decreased from \$988,302 as at November 30, 2005 to \$628,585 as at February 28, 2006, due primarily to increased investment in resource property costs of \$843,519, net of decrease in permits and bonds of \$56,324, net of cash provided by financing activities of \$576,375 from issuance of share capital and utilization of cash resources in operations of \$142,438 including changes in non-cash working capital.

The Company is a development stage company and engages principally in the acquisition, exploration and development of resource properties. The Company capitalizes all acquisition and exploration costs until the property to which those costs are related is placed into production, sold, or abandoned. The decision to abandon a property is largely determined from exploration results, and the amount and timing of the Company's write-offs of capitalized resource property costs will vary in a fiscal period from one year to the next and typically cannot be predicted in advance. During the three months ended February 28, 2006, a total of \$623,937 of resource property costs were capitalized before netting \$186,994 of resource property costs on outside property examinations and abandoned properties which were written-off. Details of the cost break-down are contained in the Schedule of Resource Property Costs in the financial statements.

Results of Operations

Net loss for the three months ended February 28, 2006 was \$1,537 after provision for future tax recovery of \$390,845 against loss from operations of \$206,436 before write-off of resource property costs of \$186,994, write-off of leasehold improvements of \$2,684 and interest income of \$3,732 (February 28, 2005 Net Loss - \$108,921 after future income tax recovery of \$56,412 or \$0.005 per share).

Operating expenses for the three months ended February 28, 2006 totalled \$206,436 (2005 - \$168,727), an increase of 23% over 2005. The overall increase in operating expenses, after excluding stock-based compensation expenses of \$32,573 (February 28, 2005: \$nil) is 3% of the 2005 expenses, a reasonable over-all increase, and resulted primarily from the increased support activities for the resource property management during the current period. Significant operating expenditures are as follows:

- Wages and consulting fees of \$48,136 for the three months (February 28, 2005 - \$26,857). Consulting fees paid to companies controlled by directors and officers aggregated \$37,605 (2005 - \$26,406) for the 2006 period are included in the wages and consulting fees total. The general manager was not engaged by the Company until May 2005; the costs for this consulting service amounted to \$22,000 in 2006.
- Conference and meetings expenses of \$44,997 (February 28, 2005 - \$37,846). The current period included costs for a technical conference held in South Africa for several geological consultants.
- Advertising and promotions of \$25,881 doubled that of 2005 of \$12,368. Aside from the costs for the maintenance of the Company's website, 2006's advertising (placement of company information) in periodicals, including its design and artwork, totalled \$15,846 (2005 - nil).
- Office and administration of \$14,572 (February 28, 2005 - \$4,509). Aside from office supplies, courier and postage expenses, included are this category is: Telephone expenses \$4,360, insurance of \$3,381 (in 2005 - insurance expenses had not been incurred in the first quarter, while telephone expenses totalled \$1,804); in 2006, the Company provided all technical staff and management with mobile phones.

The following expenses experienced significant decrease from the comparative February 28, 2005 period:

- Professional fees for legal and accounting of \$13,123 (February 28, 2005 - \$39,904). In 2005, legal fees totalling \$17,204 were expended for the finalization and documentation of the various property agreements of the Company; in 2006, legal fees amounted only to \$1,361. In 2005, accounting fees included payment for consulting fees rendered in connection with year-end working paper preparations and audits, totalling \$22,699 (audit - \$12,323; accounting - \$10,376). In 2006, accounting fees totalled \$11,762; the 2005 year-end audit fees accrued of \$15,000 was recorded at November 30, 2005 but the audit bill for year end 2005 had not been rendered as at February 28, 2006.
- Investor relations expenses of \$9,907 and (February 28, 2005 - \$37,915). In the comparative 2005 period, this category of expenses included the costs of disseminations of press releases, maintenance and refinement of investor data base, other investor-related activities, totalling \$26,335 and IR consulting fees of \$11,580. In 2006, IR consulting fees were minimal, \$720 (the consultant left the Company); the costs of disseminations, investor data base and other investor-related activities only amounted to \$9,157.

- All other costs, excluding stock-based compensation and amortization during the three months ended February 28, 2006, which were comparable to the 2005 period, totalled \$13,938 (2005 - \$7,343) representing 6.8% of total operating expenses which includes corporate listing and filing fees, transfer agent fees and rent.

Selected Annual Financial Information

Selected audited financial data for annual operations of Indicator during the years ended November 30, 2005 and 2004 and of the former Capital Pool Corporation during the year ended November 30, 2003:

Year ended	Nov 2005	Nov 2004	Nov 2003
Current assets and GIC	1,182,849	1,392,420	191,409
Resource properties and deposit	5,362,080	5,007,016	0
Property and equipment	45,196	19,116	0
Current liabilities	447,697	612,967	9,508
Total revenue	0	0	0
Net loss	(2,500,772)	(1,673,471)	(32,038)
Basic loss per share	(0.09)	(0.11)	(0.0092)
Weighted Avg. shares	28,555,625	14,614,217	3,500,000

Note: The November 2004 Net loss has been restated to reflect the correct accounting for future income taxes (see Note 17 to the annual audited financial statements)

Summary of Quarterly Results

The following table summarizes selected financial data reported by the Issuer for the quarter ended February 28, 2006 and the previous seven quarters.

	Feb 28 06	Nov 30 05	Aug 31 05	May 31 05	Feb 28 05	Nov 30 04	Aug 31 04	May 31 04
Current assets	598,344	1,182,849	2,156,185 ¹	543,437	1,417,803	1,367,420	2,110,286	2,819,546
Resource properties and permits and bond	5,742,699	5,362,080	6,694,168	6,159,962	5,782,373	5,007,016	4,326,569	3,744,558
Current liabilities	108,543	447,697	219,526	397,384	824,933	612,967	626,197	1,836,532
Loss from operations	(206,436)	(467,460)	(108,035)	(190,495)	(168,727)	(111,903)	(105,475)	(866,115)
Write-off of mineral interest	186,994	2,453,167	1,420	4,930	0	0	(3,672)	(281,976)
Net income (loss) – before error correction	(1,537)	(2,235,230)	14,088*	(114,297)	(165,333)	183,065	(109,147)	(1,148,091)
Basic income (loss) per share – before error correction	(0.00)	(0.079)	0.00	(0.004)	(0.007)	0.027	(0.005)	(0.0798)
Revised Net income (loss)	(1,537)	(2,196,814)	(69,904)	(125,133)	(108,921)	(335,822)	(109,147)	(1,148,091)
Revised Basic income (loss) per share	(0.00)	(0.077)	(0.003)	(0.005)	(0.005)	(0.003)	(0.005)	(0.0798)
Weighted Avg. Shares	38,751,526	28,555,625	28,019,744	25,951,046	23,067,664	23,047,942	19,784,998	15,509,988

Note:

*Net loss (before error correction) for quarter May 31, 2005 is after recovery of future income taxes of \$73,091. Net income (before error correction) for the quarter August 31, 2005 is after recovery of future income taxes of \$119,461. Net loss for the quarter November 30, 2005 is after recovery of future income taxes of \$684,332.

¹Current Assets as at August 31, 2005 include \$1,187,395 of subscription receivable.

*May 31, 2004 – quarterly results were restated to reflect the retroactive application of stock-based compensation calculation.

The November 2004 quarter net loss has been restated to correct for the accounting for future income taxes.

Revised Net Income (loss) and Revised Loss Per Share – as a result of a prior period adjustment (disclosed in Note 17 to the annual financial statements) which related to the timing of the recording of future income taxes liability and recoveries, the quarterly figures for the quarters November 2004, February 2005, August 2005, and November 2005 have been restated to reflect the correct treatment.

Liquidity and Capital Resources

The Company is in the development stage and therefore has no regular cash flow. At February 28, 2006, the Company had working capital of \$598,344 (November 30, 2005- \$735,152).

Cash and cash equivalents decreased by \$359,717 during the three months ended February 28, 2006 from \$988,302 as at November 30, 2005 to \$628,585 as at February 28, 2006.

Cash utilized in operating activities during the three months ended February 28, 2006 was \$166,822 (2005 – \$163,348) before any changes in non-cash working capital. After adjusting for cash flows applied to non-cash working capital, cash used in operating activities was \$142,438 for 2006 (2005 - \$586,832, explained primarily by a decrease in accounts payable and accrued liabilities of \$387,400).

Cash used for investing activities during the three months ended February 28, 2006 was \$793,654 (2005 - \$133,473). The investing activities were as follows: acquisition and exploration of resource properties of \$843,519 (2005 - \$122,122), \$6,459 for the purchase of equipment (2005 - \$11,361), net of decrease (refunds in excess of expenditure) from prospecting permits and bonds of 56,324 (2005 – nil).

During the three months ended February 28, 2006, the Company's cash flows from financing activities, being proceeds from share issuance were \$576,375 (2005 – 734,604).

At February 28, 2006, the Company's investment in resource properties aggregated \$5,238,328 (November 30, 2005 - \$4,801,385), prospecting permit deposits and bond totalled \$506,371 (November 30, 2005 - \$560,695) and property plant and equipment, net of amortization, was \$45,662 (November 30, 2005 - \$45,196). The Company continues to file the appropriate reports with the Territorial authorities, which reports may result in a refund of amounts paid by the Company for prospecting permits. Any such proceeds will be used to reduce the amount on the Company's books with any non-refunded amounts being transferred to resource property costs. At February 28, 2006, a total of \$244,892 of refunds had been received since November 30, 2005.

At February 28, 2006, share capital of \$9,094,062 comprised of 41,358,415 issued and outstanding common shares (November 30, 2005 - \$8,880,532, comprising of 37,415,915 outstanding). Contributed Surplus which arises from the recognition of the estimated fair value of stock options and agents warrants was \$1,612,937 (November 30, 2005 - \$1,580,364).

As a result of the net loss for the three month period of \$1,537, deficit at February 28, 2006 increased to \$4,323,093 from \$4,321,556 at November 30, 2005. Accordingly, shareholders equity was \$6,383,906 as compared to \$6,139,340 at the year end November 30, 2005.

At present, the Company's operations do not generate cash flow and its financial success is dependant on management's ability to discover economically viable diamond deposits. The mineral exploration process can take many years and is subject to factors that are beyond the Company's control.

In order to finance the Company's exploration programs and to cover administrative and overhead expenses, the Company raises money through equity sales, from the exercise of convertible securities and from optioning out its resource properties. Many factors influence the Company's ability to raise funds, including the health of the resource market, the climate for mineral exploration investment, the Company's track record, and the experience and calibre of its management. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration activities. Management believes it will be able to raise equity capital as required in the long term, but recognizes there will be risks involved that may be beyond their control.

Exploration

Overall Performance

There has been little change in the status of activities since the fiscal 2005 year end report dated March 29, 2006. For clarity, the highlights of Indicator's diamond exploration activities at the end of the first quarter ended February 28, 2006 are as follows:

- Exploration on the Darby Project was successful in bringing the project to the drill-ready stage. Results from the 2005 efforts include the identification of three distinct kimberlite float trains, kimberlite indicator minerals with diamond inclusion chemistry and large high confidence airborne geophysical targets.
- The Lokgwabe Project was brought to the drill-ready stage over the course of 2005. Heavy minerals samples collected early in the year confirmed the presence of high interest kimberlite indicator mineral chemistry on the project. In late 2005 an airborne magnetic survey was conducted over the property and 22 targets were identified in the data.
- Results from exploration conducted on the Barrow Project indicate that there is a high potential for diamond bearing kimberlite to be located on the property. Evidence includes kimberlite indicator minerals with diamond inclusion chemistry, high confidence airborne geophysical anomalies and diamond bearing kimberlite float.
- Kimberlite indicator minerals with diamond inclusion chemistry were confirmed present on open ground to the east of the Sanagak Project. More than 100,000 acres of mineral claims were staked to capture the source(s) of these indicator minerals.
- Indicator Minerals Inc. and Stornoway Diamond Corporation entered into an option agreement whereby Stornoway can earn a 41% interest in the 3 million acre Baumann Project on Ellesmere Island.

Exploration Update

Exploration in 2005 built on the strategy implemented the previous year. The majority of the exploration effort and dollars were aimed advancing the most prospective projects, Darby, Barrow and Lokgwabe. The remaining effort continued the evaluation of grass-roots projects in Indicator's portfolio. Over the course of the year, Darby and Lokgwabe were brought to the drill-ready stage, while several other projects returned results that warrant further exploration.

During the first quarter of 2006, preparations were made for field programs in Nunavut and Botswana. This primarily involved planning and securing the availability of service providers required to conduct the operations planned.

Darby Project

The Darby Project is comprised of approximately 200,000 acres of mineral claims and is located approximately 200 kilometres south of the hamlet of Taloyoak in the Nunavut Territory. Micro-probe analysis performed thus far on kimberlite indicator minerals recovered from samples collected in 2004 and 2005 has confirmed the presence of diamond inclusion (DI) chemistry.

The 2005 field program was designed to develop distinct kimberlite indicator mineral trains by increasing the density of heavy mineral samples where favourable mineral chemistry had been recovered. In addition, the program was aimed at identifying possible kimberlite targets for drilling by flying a portion of the property with a detailed airborne geophysical survey.

Over the course of the field program, 211 heavy mineral samples were collected and 2,400 line-km of airborne geophysical data were acquired. Results from heavy minerals samples collected in 2005 have dramatically increased the number of kimberlite indicator minerals with diamond inclusion chemistry, further supporting the Company's belief that there may be economic diamond sources located on Darby. Several high-priority geophysical anomalies were identified in the preliminary data and during the follow-up investigation of these targets a kimberlite float train was discovered that included a 3kg peridotitic mantle nodule. Two other distinct trains of kimberlite float were discovered elsewhere on the property while prospecting.

An aggressive follow-up program is planned for this year. Additional airborne geophysical surveys, heavy mineral sampling, prospecting and drilling are scheduled for the second quarter of 2006.

Lokgwabe Project

In January 2005, Indicator entered into an option agreement with Helio Resources in which it can earn an 80% interest in the 750,000 acre Lokgwabe Project in western Botswana. Previous sampling campaigns have identified five areas with anomalous concentrations of indicator minerals that include G10 pyrope garnets.

Over the course of 2005, Indicator collected repeat heavy mineral samples on the Lokgwabe project in order to confirm the mineral chemistry, species and abundances identified in the original exploration campaign. The sample results were successfully repeated and the decision was made to proceed to the collection of detailed aeromagnetic data over the entire property. Interpretation of the geophysical data yielded 22 kimberlite targets. Ground geophysics conducted on 15 of these targets identified 7 that warrant drilling.

Ground geophysical surveys over the remaining 7 airborne targets began on 18th April, 2006 and will immediately be followed by a reverse circulation drilling program. A 1,000 metre drilling program testing up to 10 targets is planned.

Barrow Project

The Barrow Project is a 100,000 acre drill-ready project located approximately 15km south of the hamlet of Kugaaruk. Results from heavy mineral sampling in 2004 have confirmed the presence of kimberlite indicator minerals with diamond inclusion chemistry on the property. In March 2005, the company completed a detailed airborne geophysical survey over the property. Several high

priority targets located up-ice from the kimberlite indicator minerals were identified in a review of the airborne data.

The 2005 field program on the Barrow Project was designed to increase the level of confidence in the geophysical anomalies with target specific heavy mineral samples. Results from the samples will also be used to create an order of priority for the drilling of targets. In the course of investigating a geophysical anomaly, an occurrence of kimberlite float was discovered.

A 6.8kg sample of kimberlite float was submitted to an independent laboratory for rock type classification and indicator mineral analysis. During the extraction of the indicator minerals a macro diamond was recovered. This is considered important since the extraction process is not designed specifically for the recovery of mineral grains less than 0.33mm or more significantly the detection of diamonds.

Subsequently, a 25.5kg sample of kimberlite float from the same occurrence was submitted for micro diamond analysis using caustic fusion. A total of 171 micro diamonds and five macro diamonds were recovered. Indicator is confident that the kimberlite float originated on its property; however, this cannot be definitively established without drilling.

An aggressive follow-up program is planned for this year. Additional heavy mineral sampling, prospecting and possible drilling are scheduled for 2006.

Sanagak Project

The Sanagak Project is located on the Boothia Peninsula and includes approximately 1.1 million acres of Prospecting Permits. In 2004, heavy mineral samples were collected on the project on a 3km by 3 km grid. Kimberlite indicator minerals have been recovered in five spatially separate locations.

One of the five areas, where high chrome, low calcium G10 pyrope garnet was recovered, was adjacent to the eastern boundary of the Prospecting Permits. Heavy mineral samples were collected on the open ground to the east of the project early in the 2005 exploration season. These samples were expedited to laboratory where processing began immediately. Results were received in time to initiate a staking campaign that captured over 100,000 acres where indicator minerals with diamond inclusion chemistry were recovered.

Regional Projects

Regional heavy mineral sampling continued on grassroots projects located throughout the Nunavut Territory. A total of 827 heavy mineral samples were collected during the 2005 field program. Results from these samples indicate that the Borden Project, located on Baffin Island as well as the Kellett and Tim properties warrant further investigation.

Risks and Uncertainties

The Company is in the business of acquiring, exploring and developing diamond properties, and is exposed to a number of risks and uncertainties that are common to other mineral exploration companies in the same business. The industry is capital intensive at all stages and is subjected to variations in commodity prices, market sentiment, exchange rates for currency, inflations and other risks. The Company currently has no other source of revenue other than interest on cash balances. The Company will rely mainly on equity financing to fund exploration activities on its resource properties.

The risks and uncertainties affecting the Company remain unchanged from those disclosed in its Annual MD&A.

Proposed Transactions

At the present time, there are no proposed transactions that should be disclosed.

Additional Disclosure for Venture Issuers Without Significant Revenue

Additional disclosure concerning Indicator's general and administrative expenses and resource property costs is provided in the Company's Statement of Loss and Deficit and Schedule of Resource Property Costs contained in its Financial Statements for February 28, 2006 that is available on Indicator's website at www.indicatorminerals.com or on its SEDAR Page Site accessed through www.sedar.com.

Outstanding Share Data

Indicator's authorized capital is unlimited common shares without par value. As at April 26, 2006, the following common shares, options and share purchase warrants were outstanding:

	# of Shares	Exercise Price	Expiry Date
Issued and Outstanding Common Shares at April 26, 2006	41,401,893		
Warrants			
Share purchase warrants	359,193	\$0.45	Jan. 26, 2007
	1,250,000	\$0.45	Mar. 15, 2007
	75,000	\$0.45	April 1, 2007
	1965,000	\$0.35	August 12, 2007
Agents Warrants	3,802,217	\$0.35	August 22, 2007
	152,500	\$0.40	Mar. 3, 2006
	15,000	\$0.45	April 1, 2007
Employee Stock Options			
	1,149,500	\$0.58	April 19, 2009
	265,000	\$0.355	April 19, 2009
	695,000	\$0.355	Nov. 16, 2009
	225,000	\$0.23	April 25, 2010
	1,200,000	\$0.32	October 23, 2010
	150,000	\$0.275	December 19, 2010
	400,000	\$0.58	April 11, 2011
Fully Diluted at April 26, 2006	53,105,303		

Transactions with Related Parties

During the period ended February 28, 2006, the Company incurred capitalized mineral interest - geological consulting fees of \$48,020 (2005 - \$48,594) and consulting fees of \$37,605 (2005 - \$26,406) for management services provided by companies controlled by directors and officers in common with the Company. Of this amount, \$31,484 (November 30, 2005 - \$1,337) was unpaid at February 28, 2006. These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

110,000 shares issued during the March 2005 private placement (Note 9(b)) were to related parties: 80,000 to the CEO/director, and 30,000 to a company controlled by a director. 118,500 non-flow-through shares issued during the August 2005 private placement (Note 9(b)) were to directors and officers.

700,000 of the 1,200,000 options granted in October 2005 were to directors and officers of the Company.

Commitment:

a) Lease Commitment:

On May 25, 2005, the Company entered into an operating lease for office premises to be effective July 1, 2005, for 36 months. As inducement for entering into the lease, the Company was given a two month rent-free period (July 1 to August 31, 2005) and contribution (maximum \$7,435) towards leasehold improvements. The monthly lease

payments include rent, operating costs and property taxes. Minimum payments are as follows:

2006	33,906
2007	40,687
2008	20,294
	\$ 94,887

The two month rent-free period is recorded as deferred rent inducement, (a liability) to be amortized on a straight-line basis over the term of the lease.

b) Service Contracts:

The Company has the following consulting and management service contract commitments:

2006	\$ 220,625
2007	122,250
2008	8,500
Totals	\$ 351,375

**One of the consulting contracts also contain a potential payment of up to \$51,000 for termination.

Accounting Policies:

No new significant accounting policies were adopted in the first quarter ended February 28, 2006.

Recent Developments and Outlook

The Company expects to obtain financing in the future primarily through further equity financing, as well as through joint venturing and/or optioning out the Company's properties to qualified mineral exploration companies. There can be no assurance that the Company will succeed in obtaining additional financing, now or in the future. Failure to raise additional financing on a timely basis could cause the Company to suspend its operation and eventually to forfeit or sell its interest in its resource properties.

Financial Instruments and Other Instruments

The Company's financial instruments consist of cash and cash equivalents, advance receivable, GST receivable, accounts payable and accrued liabilities, and amounts due to related parties. Unless otherwise noted, it is management's opinion that Indicator is not exposed to significant interest, currency or credit risks arising from financial instruments. The fair value of these financial instruments approximates their carrying value due to their short-term maturity or capacity for prompt liquidation.

Foreign exchange risk is the risk arising from changes in foreign currency fluctuations. The Company does not use any derivative instruments to reduce its exposure to fluctuations in foreign currency rates. It is the opinion of management, however, that the foreign exchange risk to which the Company is exposed is minimal.

Approval

The Board of Directors of Indicator has approved the disclosure contained in this interim MD&A. A copy of this interim MD&A will be provided to anyone who requests it.

Additional Information

Additional Information relating to Indicator is on SEDAR at www.sedar.com.