

MICREX DEVELOPMENT CORP.
Management Discussion and Analysis
Report for Period Ending February 28, 2007

The following discussion, prepared April 26, 2007, of the financial condition, changes in financial condition and results of operations of the Corporation for the period ended February 28, 2007 should be read in conjunction with the financial statements of the Corporation and related notes included therein.

Forward-Looking Information

This management discussion and analysis ("MD&A") contains certain forward-looking statements and information relating to Micrex Development Corp. ("Micrex" or the "Corporation") that are based on the beliefs of its management as well as assumptions made by and information currently available to the Corporation. When used in this document, the words "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to the Corporation or its management, are intended to identify forward-looking statements. Such forward-looking statements relate to, among other things, regulatory compliance, the sufficiency of current working capital, the estimated cost and availability of funding for the continued exploration of the Corporation's exploration properties. Such statements reflect the current views of the Corporation with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievement of the Corporation to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

Overall Performance

Over the past seven years, the Corporation has continued its focus as a natural resource corporation with interest in precious metal, industrial minerals and gemstone properties located in Alberta, British Columbia and New Mexico. The Corporation focuses the majority of its attention on the "proving up" of prospective properties as exploration dollars can be focused in a direct manner. Active exploration for undiscovered resources is, at present, not a priority. The Corporation is interested in properties which have a demonstrated resource, usually through historical production or testing by credible authorities such as Government Geological Survey personnel. The Corporation gives high priority to those properties which can be brought to production with relatively low cost and in a timely manner.

Two gold exploration properties are located in British Columbia and have excellent potential for future development. Three properties are located in Alberta. The Burmis Magnetite property is in the development stage and the Clear Hills and Buffalo Hills properties, which have diamond and poly metallic mining potential and the Quebec magnetite property are in the first stages of examination. The Corporation also has three gold properties in New Mexico, one of which is being actively explored. The Corporation's Quebec Magnetite property has been leased to a third party who has commenced early stage operations.

The Corporation is in the middle of the permitting process for its Alberta magnetite property, with a view of putting it in production no later than 2008. A recent exploration program on the Corporation's Big Horn gold property yielded encouraging results, resulting in the staking of additional ground around existing claims. The Corporation has entered into an agreement with a third party that will develop its Deadwood gold property in New Mexico.

Six Months Ended February 28, 2007

Results of Operation

During the six month period ended February 28, 2007, the Corporation incurred a loss of \$197,947. The Corporation had no revenue. General and administrative expenses amounted to approximately \$166,639, including wages in the form of consulting fees. Amortization was \$2,908 and stock based compensation was recorded at \$28,400.

For the three months ending February 28, 2007, the Corporation has incurred a loss of \$111,699. No revenue has been earned and total general and administrative costs have been \$94,845, with amortization of \$1,454 and stock based compensation expense of \$15,400.

Liquidity and Capital Resources

As at February 28, 2007 the Corporation had 31,441,964 common shares outstanding. During the quarter 207,542 shares were issued on the exercise of warrants for total consideration of \$70,526 and 40,087 shares were issued on the exercise of options for \$10,423.

Six Months Ended February 28, 2006

Results of Operation

During the six months ended February 28, 2006, the Corporation incurred a loss of \$155,273. The Corporation had no revenue. General and administrative expenses amounted to approximately \$153,273, including wages in the form of consulting fees. Amortization was \$2,076.

Liquidity and Capital Resources

As at February 28, 2006 the Corporation had 29,737,748 common shares outstanding. During the period a total of 1,343,416 shares were issued for cash for proceeds of \$403,025. In addition, 1,462,833 shares were listed on a flow through basis for total gross proceeds of \$247,855.

The Corporation's ability to continue to fund its operations depends upon its ability to sell shares to raise equity both on a flow-through and non flow-through basis as it has no source of revenue. The Corporation plans to put both the Burmis Magnetite and Quebec Magnetite property into production in 2006, so the Corporation anticipates being able to generate some cash flow in 2007.

The Corporation has no long term debt or leases. It plans to raise the funds necessary to put the Burmis property into production with a combination of debt and equity. The total funds required to be raised in this respect is approximately \$2,000,000. This project requires the necessary permits from the Alberta government. The permitting process is currently underway.

The Quebec permitting process has been undertaken. Under the terms of an exclusive supply agreement, all capital and operating costs to put the Quebec deposit into production will be borne by the customer. The Corporation remains liable for the balance of permitting and associated costs, estimated to be \$100,000.

Additional capital will need to be raised for additional exploration programs on the Corporation's other properties. The amount and timing of such will depend upon the results of current exploration programs and market conditions at the time.

Quarter Ended February 28, 2005

Outlook

For 2007, the Corporation plans to continue to focus its efforts on its Burmis and Quebec Magnetite properties. Progress has been made towards getting these deposits into production, and the Corporation anticipates receiving production revenue during the 2007 calendar year from Quebec and in 2008 from Burmis.

With the strong gold price and renewed investor interest in gold exploration, the Corporation plans to conduct an exploration program on its Big Horn gold property.

Summary of Quarterly Results

Two Year Quarterly Financial Data

2006	May 31/06	Aug 31/06	Nov 30/06	Feb 28/07
Total Revenue (\$)	nil	nil	nil	nil
Total Income (loss) (\$)	(228,014)	(367,586)	(86,248)	(111,699)
Income (loss) per share (\$)	(0.008)	(0.012)	(0.003)	(0.004)
2005	May 31/05	Aug 31/05	Nov 30/05	Feb 28/06
Total Revenue (\$)	nil	nil	nil	nil
Total Income (loss) (\$)	(36,800)	(115,253)	(76,609)	(155,273)
Income (loss) per share (\$)	(0.001)	(0.005)	(0.003)	(0.005)

Transactions with Related Parties

During the period, the Corporation paid \$30,000; (February 28, 2006 - \$82,500) to a director for consulting and management services provided.

Of the amount owing to shareholders, the balance owing to directors as at February 28, 2007 was \$3,677; (August 31, 2006 - \$28,140).

During the period, the Corporation paid \$36,000 (February 28, 2006 - \$43,360) to certain shareholders for subcontract services.

Outstanding Share Data

As at February 28, 2007 the following shares, warrants and options are outstanding:

31,441,964 common voting shares

Management and Directors' Options Outstanding at February 28, 2007:

Number	Exercise Price	Expiry Date
307,200	0.32	May 28, 2007
75,000	0.36	June 17, 2007
218,416	0.30	February 19, 2008
230,000	0.35	December 9, 2008
238,000	0.32	January 4, 2009
225,000	0.31	February 5, 2009
200,000	0.23	June 9, 2009
85,000	0.22	November 26, 2009
394,000	0.16	April 27, 2010
150,000	0.23	September 29, 2010
375,521	0.30	December 28, 2010
140,000	0.29	February 13, 2012

The following warrants were outstanding as at February 28, 2007:

- i. 958,649 warrants with an exercise price of \$0.30 per share are attached to shares that have been deposited in performance escrow. These warrants expire 6 months after the release of the performance shares from escrow.
- ii. 665,000 warrants expiring October 26, 2007 entitling the subscribers to purchase one common share per warrant at a price of \$0.45 per share. These shares were issued as part of a private placement share issue on October 25, 2005.
- iii. 114,000 warrants expiring November 15, 2006 entitling the subscribers to purchase one common share per warrant at a price of \$0.45 per share. These shares were issued as part of a private placement share issued on November 15, 2005.
- iv. 1,003,032 warrants expiring October 27, 2007 entitling the subscribers to purchase one common share per warrant at a price of \$0.45 per share. These shares were issued as part of the October 27, 2006 flow-through share issue.

Additional Disclosure

	February 28, 2007	February 28, 2006
Consulting fees	\$82,500	\$120,000
Subcontracting fees	\$43,360	\$62,660
Professional fees	\$17,776	\$26,196
Total general and administrative costs	\$166,639	\$227,730

Deferred Exploration costs, by property:	February 28, 2007	August 31, 2006
Big Horn Mine	\$422,110	\$285,844
Deadwood and Sunburst Mines	\$20,107	\$14,016
Burmis Magnetite Deposit	\$741,931	\$606,320
Quebec Deposit	\$80,268	\$80,033
Accumulated deferred exploration total	\$1,264,416	\$986,213

Further information with respect to the Corporation can be found on the SEDAR website or at its own website at www.mixcorp.com.