

Management Discussion & Analysis

Date

This MD&A refers to material information regarding the **November 16, 2005 to February 15, 2006** first quarter of Chapleau Resources Ltd. and was prepared April 12, 2006.

Overall Performance

During the quarter ended February 15, 2006 the Company spent \$653,311 on its exploration activities.

During the quarter \$322,557 was spent on the Madryn Rift property in Argentina which included 2,000 m of drilling. No significant mineralization was encountered.

\$179,739 was spent drilling on the San Javier property in Bolivia. No significant results were obtained.

\$132,577 was spent to acquire a 10% interest in the Courageous Lake diamond project situated in the NWT.

Office expenses increased by \$24,006 due to the opening of a new branch office in Vancouver, B.C.

At the end of the quarter the Company held shares of Far West Mining (FWM: TSX - Venture) with a market value of \$17,331,405.

Results of Operations

Chapleau Resources Ltd. has no sales and earns no revenues. Raising capital through sales of shares and warrants funds Chapleau's mining exploration operations.

Summary of Quarterly Results to February 15, 2006

Description	May 15/04 \$	Aug 15/04 \$	Nov15/04 \$	Feb 15/05 \$	May 15/05 \$	Aug 15/05 \$	Nov15/05 \$	Feb 15/06 \$
Sales/Revenue	0	0	0	0	0	0	0	0
Income/(Loss)	(170,666)	(253,235)	(2,899,751)	141,589	(1,630,590)	150,638	(1,256,800)	(297,045)
Net loss per share Basic & diluted	0.007	0.00	0.050	0.002	0.023	0.023	0.040	0.00

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The net loss for the quarter was \$297,045 or a \$0.00 loss per share, basic and diluted.

Total assets to February 15, 2006 were \$8,650,569.

Chapleau Resources Ltd. has no long term financial liabilities and no cash dividends per share.

Management fees of \$52,500 were paid for the quarter to two directors, Jim Stypula and Eric Wiltzen, pursuant to management contracts. The Company recognizes the expertise of these two individuals and wishes to retain their services on a continuing basis.

50,000 warrants were granted during the quarter.

No warrants were exercised during the quarter.

During the quarter no stock options were granted or exercised.

Chapleau Resources Ltd. issued 50,000 common shares during the quarter regarding a property option.

As of February 15, 2006, there were 75,583,900 shares issued and outstanding with a value of \$30,531,840.

Subsequent to the quarter ending, Chapleau announced:

The Company announced on March 27, 2006 it signed a Letter of Intent with 0735650 BC Ltd., a private British Columbia registered company, regarding an option to acquire a 70% interest in the Cajueiro and Nova Canaa gold concessions in the Alta Floresta-Tapajõs gold district of the northern Mato Grosso State in Brazil.

The Cajueiro project of 10,986 hectares and Nova Canaa of 9,996 hectares are located 80km northwest and 48km southeast respectively of the town of Alta Floresta and are accessible all year round. The projects are both significant former artisanal mines (garimpos) which produced an estimated total of 400,000 ounces of gold between 1978 and 1994. Neither property has previously been drilled.

The Alta Floresta-Tapajõs district was the site of a major gold rush by artisanal miners from the late 1970's until the late 1990's and had a historical production of at least 7 to 10 million ounces. Today this district is the focus of both medium scale mining operations and advanced gold projects such as the Palito mine of Serabi Mining plc and the Tocantinzinho gold project of Brazauro Resources Corporation. The Palito mine has a reported resource of 4,636,000 tons @ 4.93g/t Au and 0.22% Cu (825 900oz Au equivalent) and the advanced Tocantinzinho gold project hosts a potential large tonnage operation with mineralization extending for a reported lateral extent in excess of 650m and several high grade gold zones from 26.82 to 374.40g/t.

Five grab sample results from an internal report by 0735650 BC Ltd. on the Cajueiro concession included values of 7.0g/t, 3.7g/t, 47.1g/t, 24.6g/t and 10.8g/t Au. Six grab

samples taken by 0735650 BC Ltd. from Nova Canaa reported the following; 0.4g/t Au, 17.6g/t Au, 4.7g/t Au, 3.2g/t Au, 5.0g/t Au, 1.6g/t Au. The gold mineralization is associated with sheeted quartz veins, stockwork veins and narrow quartz veins within granite and micaceous schists of paleo-Proterozoic age at both projects.

Surface workings at Cajueiro extend over two zones separated by 2.6km in a southeast-northwest direction. The vein workings in the northwest extend over 1km² and the workings in the southeast extend along parallel vein structures for over 300m.

At Nova Canaa there are two principal stockwork and sheeted vein zones separated by 9km along a north-south trend. The alluvial and surface workings at the Jap-Madeira zone in the north extend over approximately 1.5km² while the Galapeira zone in the south, with surface workings and underground adits, extends over approximately 1km².

Under the terms of the agreement, Chapleau must make an initial payment of US\$40,000 on signing and further payments totalling US\$1,610,000 to 0735650 BC Ltd. and spend a minimum of US\$500,000 in exploration expenditures over a period of 3 years in order to earn a 70% interest in the two properties. Chapleau will have a 30 day period following the signing of the LOI to complete a due diligence on the title and all initial payments will be subject to completion of this due diligence. During the initial 12 months of the agreement, Chapleau is committed to spending US\$150,000 in exploration funding to include 1,000m of drilling.

The Company announced on April 10, 2006 it signed a letter of intent with Tamin Mineracao Ltda. to acquire a 100% interest in the Mato Velho mining claim of 10,000 hectares located in the Tapajos District in the state of Para in north-central Brazil, some 1,000 km north of the city of Cuiaba. The project area can be accessed by both road and air.

This acquisition has now increased the Company's total property holding to approximately 31,000 hectares in one of Brazil's expanding and historically very prospective gold districts which was reported to have produced between 7 and 10 million ounces of gold. This represents approximately 35% of the total gold production of Brazil in the 1970's to early 1990's.

The Tapajos District occupies the north central portion of the PreCambrian Amazon craton, where metavolcanic and sedimentary rocks are seen intruded by granites and granodiorites of 1.8 billion years age.

Seven northwest-southeast striking quartz shear zones with strike lengths of up to 1.7 km, dissecting the granitic pluton at Mato Velho, were previously mined by artisanal miners in the 1980's and 1990's. Chapleau visited the property in March 2006 and a total of eighteen grab samples were taken from the seven vein systems over a surface area of 2.0 square km (2% of the mining claim area). The quartz veins are variably associated with pyrite, chalcopyrite and galena and vary in width from 30 cm to several metres. The

majority of the veins have not been explored or mined beneath the zone of oxidation and no drilling of the veins has taken place to date.

Under the terms of the agreement Chapleau will pay US\$60,000 and issue 200,000 shares in its capital stock upon completion of its due diligence. Further payments of US\$1,140,000 and an issuance of 1,450,000 shares are required over a 3 year period.

In addition to the 10,000 hectares acquired, the Company has the first right of refusal to acquire an additional 180,000 hectares from Tamin Mineracao Ltda. Chapleau is now well positioned as one of the most important gold exploration companies currently in the Tapajos District.

The company has agreed to pay a finder's fee as permitted under the TSX Venture Exchange regulations.

Liquidity

Management of Chapleau Resources Ltd. has demonstrated consistent ability to raise equity capital through various market conditions. At the end of the quarter, Chapleau Resources Ltd. had \$92,521 cash on hand.

Management anticipates that they can continue to raise funds required for further exploration of their properties, however, the junior resource market is very volatile and it is always possible that funds cannot be raised. The Company had accounts payable of \$95,334 as at February 15, 2006.

The Company had liquid assets in the form of Far West Mining Ltd. shares in the amount of \$17,331,405.

Capital Resources

The only resources available to Chapleau Resources Ltd. to raise exploration funds are the equity markets.

Chapleau Resources Ltd. has no unfulfilled obligations on its properties at this time.

Off-Balance Sheet Arrangements

None

Transactions with Related Parties

See Note 9 to the Financial Statements.

Proposed transactions

None

Share Data: 75,583,900 issued at February 15, 2006. Additional information relating to the Company is available on SEDAR @ www.sedar.com.

CHAPLEAU RESOURCES LTD.
For the period ended February 15, 2006
Unaudited – Prepared by Management

SCHEDULE B – SUPPLEMENTARY INFORMATION

1. Analysis of expenses and deferred costs:

See Consolidated Statements of Operations and Deficit to the Interim Financials ended February 15, 2006.

2. Related party transactions:

During the three months ended February 15, 2006 management fees of \$52,500 were paid to two directors.

3. Summary of Securities issued and options granted during the period:

(a) Summary of securities issued during the period.

# of Common Shares	Type	Date	Price
50,000	Option Payment	Dec.12, 2005	\$0.31

(b) Summary of Options granted during period.

Optionee	Number of Options	Exercise Price	Expiry Date
N/A	0	N/A	N/A

(c) Summary of warrants granted during period.

# of Warrants	Type	Expiry Date	Price
50,000	Option Payment	Dec.31,2006	N/A

4. Summary of securities as at the end of the reporting period:

(a) *Description of Shares Issued*

See Note 5 to Interim Financials ended February 15, 2006.

(b) *Common shares issued and outstanding*

At February 15, 2006 there were 75,583,900 common shares of Chapleau Resources Ltd. issued and outstanding with a value of \$30,531,840.

(c) *Description of warrants*

See Note 7 to Interim Financials ended February 15, 2006.

(d) *Description of options*

See Note 6 to Interim Financials ended February 15, 2006.

(e) *Shares subject to escrow and pooling*

Nil

5. Names of Directors and officers:

Jim Stypula/CEO&Director
Eric Wiltzen/President&CFO&Director
Allan Rella/Chairman&Director
Dr. Ted Urquhart/Director
Robert Hunziker/Director
Paul Reinhart/Vice President