



BrazMin Corp.

MANAGEMENT DISCUSSION AND ANALYSIS For the three and nine months ended September 30, 2006

Dated: November 10, 2006

TABLE OF CONTENTS

1. Forward-Looking Disclaimer.....	3
2. Overview.....	3
3. Exploration Projects	4
4. Critical Accounting Estimates and Accounting Policies	9
5. Disclosure of Outstanding Share Data	12
6. Capital Expenditure on Exploration Projects	13
7. Results of Operations	13
8. Financial Condition, Cash Flow, Liquidity and Capital Resources	15
9. Contractual Obligations	17
10. Related Party Transactions	17
11. Risks	17
12. Outlook	19
13. Additional information.....	19

Unless otherwise indicated all funds in this document are in Canadian Dollars.

1. Forward- Looking Disclaimer

This Management's Discussion and Analysis ("MD&A") of the consolidated financial position for the three and nine months ended September 30, 2006, should be read in conjunction with the consolidated financial statements of BrazMin Corp. ("**BrazMin**" or the "**Company**") and notes thereto for the three and nine months ended September 30, 2006.

This MD&A contains certain "forward-looking statements". All statements, other than statements of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future (including, without limitation, statements regarding mineral resources, the Company's exploration plans with respect to the São Jorge and Água Branca Projects, exploration results and potential mineralization and resources) are forward-looking statements. These forward-looking statements reflect the current expectations or beliefs of the Company based on information currently available to the Company. Forward-looking statements are subject to significant risks and uncertainties and other factors that could cause the actual results to differ materially from those discussed in the forward-looking statements, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on the Company. Factors that could cause actual results or events to differ materially from current expectations include, but are not limited to: failure to establish estimated mineral resources, the preliminary nature of metallurgical results, changes in gold prices, changes in equity markets, political developments in Brazil, changes to regulations affecting the Company's activities, delays in obtaining or failures to obtain required regulatory approvals, uncertainties relating to the availability and costs of financing needed in the future, the uncertainties involved in interpreting drilling results and other geological data, and the other risks involved in the gold exploration and development industry. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although the Company believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.

All information for the three and nine months ended September 30, 2006 and September 30, 2005, is unaudited.

2. Overview

The focus of BrazMin Corp. is the acquisition, exploration, and development of high-quality gold opportunities, primarily in Brazil. Management believes that the long term fundamentals of the gold industry are attractive and that Brazil, with its

attractive geology, infrastructure, fiscal environment and long history of mining activities, is ideally suited to exploration and mining of gold. The Company has acquired a balanced portfolio of gold exploration properties ranging from advanced to grassroots stages of development. The principal asset, São Jorge Gold Project in Para State, is an advanced-staged exploration project and Phase I and Phase II diamond drilling and work programs were completed in 2005 and 2006 respectively.

The strategy is to focus on evaluating BrazMin's property portfolio in Brazil, as well as evaluate other potential precious metal opportunities within Brazil to enhance the Company's assets. Management continually reviews the Company's asset base and any potential new acquisitions to ensure optimum use of shareholders' funds. BrazMin's strategy of establishing a portfolio of gold projects at different stages of development is aimed at providing benefit from both near-term exploration success and any future rise in the price of gold. The continuation of higher gold prices during the past period tends to support the Company's decision to focus on precious metals.

3. Exploration Projects

São Jorge Gold Project

During 2005, the Company entered into two agreements with independent third parties whereby approximately 40,000 hectares of adjacent mineral rights were acquired, thereby increasing the total project area to 57,420 hectares. Total acquisition-related costs for the year ended December 31, 2005 amounted to US\$320,000. During the nine months under review, a total of \$247,924 was expended on acquisition-related costs. Over the next three months further cash payments of US\$150,000 are anticipated. On April 22, 2005 the Company entered into an agreement with Jaguar Resources B Ltda whereby BrazMin acquired a 100% interest in three adjacent claims in the São Jorge area. On May 13, 2005 an agreement was made with Tapajós Mineração and a Mr. Pacheco whereby BrazMin acquired a 100% interest in certain adjacent claims within the São Jorge area. One of the vendors of the latter claims is entitled to receive a bonus at the time the São Jorge project reaches development stage. The bonus amount corresponds to 1% of the proven mineable reserves as demonstrated by a feasibility study relating to the São Jorge area. This study should be prepared in accordance with internationally accepted practices and be compliant with National Instrument 43-101 ("NI 43-101"). This 1% bonus is purchasable by the Company on or before September 30, 2006 for an amount of US \$2,500,000. The Company has elected not to exercise its right to purchase the bonus. In addition, one of the newly acquired properties has a residual royalty amounting to 2% of gross proceeds from any mining operation, 1.5% of which is purchasable at any time for US \$1,500,000.

On May 5, 2006, the Company issued a press release in respect of certain alleged irregularities affecting Licence #024, being one of the licences that were obtained from Centaurus Resources Ltd. ("Centaurus Resources") in 2004. BrazMin has received a document from the Brazilian Mining Department (the "DNPM"), dated August 7, 2006, indicating that in the event that any such alleged irregularity should result in Licence #024 being nullified by the DNPM, then Licences #058 and #275,

each owned 100% by the Company, will prevail and be granted priority rights over the São Jorge deposit and a large area surrounding such deposit.

In 2005, the Company completed a Phase I diamond drilling program on the São Jorge Gold Project ("São Jorge"). A total of 10,104 metres were drilled in 48 holes. The main target, the Wilton Zone, had 42 drill holes totalling 9,228 metres completed, covering the 650 metre x 100 metre zone on sections of approximately 40 metre spacing and at 40 metre intervals down dip to approximately 150 metres below surface. Assay results for all the holes were received and published in BrazMin news releases. Referee samples amounting to approximately 8% of the total number were submitted to a separate laboratory, independent of BrazMin, for check analyses. The results indicate acceptable levels of correlation.

During the three month period ended March 31, 2006, the Company completed the geological interpretation of the Wilton Zone at São Jorge on the basis of the Phase I drilling results and field programs. The entire data set was provided to SRK Consulting (Canada) Inc. ("SRK"), an independent engineering firm, who were contracted to perform a NI 43-101-compliant mineral resource estimate of the Wilton Zone, based on all diamond drilling information from both BrazMin's Phase I Program, as well as data from the previous drilling performed by Rio Tinto.

In a news release dated September 1, 2006, the Company announced the results of SRK's mineral resource estimate for the Wilton Zone. The zone of mineralized material has been constrained to a depth of about 236 metres below surface by an envelope delimited by hanging wall and footwall boundaries of a structural-alteration zone associated with gold mineralization. This zone has been delineated for 700 metres along a strike direction of 290°, with a sub-vertical dip. The average estimated true thickness of this zone is 60 metres. Within this broader zone of mineralization, four main high-grade gold zones, as well as mineralized sub-zones are present. These main zones are sub-parallel to the strike of the deposit and have estimated average true thicknesses ranging from 1 to 7 metres.

Using a 0.5 g/t gold cut-off, SRK classified only that material in the Wilton Zone occurring within 100 metres of surface as a mineral resource. SRK's estimate of indicated mineral resources is presented in Table 1.

Table 1: Wilton Zone Indicated Mineral Resource* (approximately 0 to 100 metres depth)

Category	Rock Type	Tonnage (million tonnes)	Gold**		
			(g/t)	(kg)	(ounces)
Indicated	Saprolite	0.50	1.30	650	21,000
Indicated	Unweathered Bedrock	4.50	1.18	5,310	170,000
Indicated	Saprolite + Unweathered Bedrock	5.00	1.19	5,950	191,000

BRAZMIN CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the three and nine months ended September 30, 2006.

*effective date: August 30, 2006

**gold cut-off grade of 0.5 grams per tonne (“g/t”) gold, all individual composite assays capped at 20 g/t gold

Note: numbers in columns above may not total due to rounding

Mineral resources have been classified according to “*CIM Standards on Mineral Resources and Reserves: Definition and Guidelines*” (December, 2005) and prepared by G. David Keller, P. Geo. Mr. Keller is a Professional Geoscientist with the Association of Professional Geoscientists of Ontario and an employee of SRK. Mr. Keller is a Qualified Person within the meaning of NI 43-101 (“NI 43-101”).

On October 13, 2006, the Company filed a NI 43-101 technical report entitled “Resource Estimate and Technical Report for the São Jorge Project, Brazil”, dated October 12, 2006, and prepared by Mr. Keller.

During the first quarter of 2006, three 50 kilogram representative composite core samples were sent to SGS Lakefield Metallurgical Laboratory (“Lakefield”) in Ontario, Canada, an accredited laboratory independent of BrazMin, for preliminary metallurgical testing. Samples were analyzed and tested by Lakefield under the direction of Mr. John R. Goode, P.Eng. A summary of the results of this work was reported in a BrazMin news release dated September 1, 2006. The work demonstrated that on the three representative samples, gold mineralization from São Jorge is very responsive to the standard gold recovery technique of carbon-in-leach on gravity tailings. Mr. Goode was contracted by BrazMin to coordinate and interpret the metallurgical test work performed by Lakefield. Mr. Goode is independent of BrazMin and a qualified person within the meaning of NI 43-101.

A Phase II Exploration Program commenced in May 2006 and as of the date of this report is nearing completion. The drilling portion of this program has been completed, and comprised 7,952 metres in 34 holes. 2,302 metres of the drilling in eight holes consisted of in-fill diamond drilling on the Wilton Zone and the balance of the drilling was directed towards the testing of new target areas and step-out drilling from the Wilton Zone to identify additional mineralization. Two new gold-mineralized zones, the “Kite Zone” and “Wilton East Zone”, were discovered some 350 metres northwest and 430 metres southeast, respectively, of the Wilton Zone, as reported in news releases of July 24, 2006 and November 3, 2006.

Results for all 34 holes in the Phase II Program are contained in news releases dated July 24, 2006, August 17, 2006, October 6, 2006 and November 3, 2006.

The Phase II program also includes 33.26 line-kilometres of ground geophysics consisting of Induced Polarization and magnetometer surveys covering an area some two kilometres in radius surrounding the Wilton Zone. A regional airborne geophysical program consisting of 2,284 line-kilometres of magnetometer and radiometric surveys has been completed. Several geophysical targets were drill tested in the Phase II Program, and additional targets have been identified for soil and channel sampling.

A total of \$2,004,775 has been expended on the São Jorge Phase II Exploration Program during the nine month period under review, excluding acquisition-related costs. A total of \$4,000,000 is budgeted for this program during 2006. Sufficient funds are available for this program of work

Tartarugalzinho (“Little Turtle”) Project

During 2005, BrazMin acquired from an independent third party the rights to the 9,602 Ha Tartarugalzinho Project, located in Amapá State, Brazil. Cash payments totalling US\$60,000 were paid during the year. Annual payments of \$100,000 USD will be made until the commencement of mine production. There is an underlying royalty of 1.2%, purchasable for US\$1 million. In the 1980's, a major mining company did extensive work in the area, including some 88 diamond drill holes. During 2005, BrazMin has performed surface work on the property and completed a 1,504m diamond drilling program consisting of 13 holes. The cost of the drilling program and related expenses to date, amounts to \$512,138. Gold assay results from all the holes have been received and published. They generally confirm the results obtained during the 1980's by a previous operator. During the nine month period under review, BrazMin made the first annual payment to the vendor amounting to US\$100,000, with total other expenses during this period amounting to \$42,829. The Company is attempting to farm-out Tartarugalzinho to a third party.

Água Branca Gold Project

On July 16, 2004 the Company acquired through BRM, a 100% interest in the underlying mineral rights of the 13,100 hectare Água Branca Gold Project (“Água Branca”), located in Pará State, Brazil within the Tapajós Gold District, from an independent vendor & Centaurus Brazil . An application to transfer these rights from the vendor to BRM, and to convert them into exploration licenses, was submitted to the DNPM. BrazMin has received notification from the DNPM that the conversion process has been completed and the transfer of the licences into the name of BRM was published in the official Government Gazette. The purchase price includes US\$5,000 upon registration of the project; US\$20,000 within 6 months of the initial payment; US\$40,000 within 18 months of the initial payment; US\$80,000 within 30 months of the initial payment; and US\$150,000 within 42 months of the initial payment. The property is subject to a 2 % net smelter return royalty, with a buyout of US\$2 million.

Água Branca is situated approximately 70 kilometres west-northwest of the Company's São Jorge Gold Project and 30 kilometres northwest of the Transgarimperia Highway. A recently completed road from the highway to the nearby community of Água Branca facilitates access for personnel and equipment.

Mineralization at Água Branca is associated with linear zones of hydrothermal alteration within a northwest-trending crustal-scale deformation zone characteristic of the Tapajós Gold District. The Project is the site of widespread historic “*garimpo*” (artisanal) workings, in the form of hand dug pits and trenches up to 35 to 40 metres

deep from which “*garimpeiros*” (artisanal miners) extracted gold from saprolite, the in-situ weathered rock overlying the bedrock. In 1996, TVX Gold Inc. conducted limited exploration activities at Água Branca, including channel and auger sampling of saprolite in five zones, as well as bedrock testing of one of these zones via two diamond drill holes. These two holes returned results of 1.1 g/t Au over 40 metres and 0.9 g/t Au over 32 metres.

Initial fieldwork by BrazMin at Água Branca commenced in July 2006, when a field crew was mobilized to the property to conduct a program of geological mapping and systematic channel sampling. A total of 585 channel samples have been collected from saprolite and mottled-zone exposures, shafts and adits. Results from these samples have been received and were reported in BrazMin news releases dated September 19, 2006, October 17, 2006 and November 9, 2006. Mapping and channel sampling continue at Água Branca.

A 474.51 line kilometre airborne Magnetometer geophysical survey was flown over Água Branca in July 2006 by Fugro-Geomag, an ISO9001:2000 accredited company, independent of BrazMin. Line spacing for the survey ranged from 200 to 400 metres. Interpretation of results is ongoing.

Based on the results of the geological mapping, sampling and interpretation of the results of the geophysical survey, drill targets have been identified for a proposed 2,000 metre (12 to 15 hole) Phase I Drill Program. This program commenced in October 2006, as reported in a BrazMin news release of October 17, 2006. The first five holes of the program have been completed. Four of these holes have been sent to an independent laboratory for assay, and the fifth is in the process of being logged and sampled.

A total of \$500,000 is budgeted for exploration at Água Branca in 2006.

Tocantinzinho Gold Project

On September 13, 2006 BrazMin announced that an agreement had been reached whereby Brazauro Resources Corporation (“Brazauro”) would acquire all of BrazMin’s interests in the Tocantinzinho gold project area (“Toc”) in exchange for 13,150,000 treasury shares of Brazauro. Toc is located in the Tapajos Gold District of Brazil, approximately 90 kilometres northwest of the Company’s Sao Jorge Gold Project.

The acquisition is subject to confirmation of title from the Departamento Nacional de Produção Mineral (“DNPM”) in Brazil, regulatory approval and certain other conditions. The agreement will result in BrazMin owning approximately 19.9% of the issued shares of Brazauro. BrazMin does not currently own beneficially, directly or indirectly, any shares of Brazauro. For a limited period of time, Brazauro will have the right to direct the voting of the shares to be issued to BrazMin except in certain conditions. The acquisition will be accomplished by the purchase of a wholly-owned subsidiary of BrazMin which indirectly holds BrazMin’s Toc interests.

The agreement will consolidate BrazMin's mineral interests with Brazauro's and extend the mineral land holdings of Brazauro in the area.

Other Properties

The Company owns or has interests in several other mineral properties in Brazil. No exploration programs have been performed on these properties during 2006. During the nine months ended September 30, 2006 an amount of \$73,498 was expended on these properties, primarily related to property maintenance and acquisition costs. Similar levels of expenditure are expected to be incurred on an ongoing basis until such time as the Company elects to perform physical exploration work on the properties. It is anticipated that some work will be performed in the last quarter of 2006 on at least two properties. The scope, magnitude and estimated expenditures of such programs will be dependent on the results of preliminary ground investigations.

Qualified Persons

BrazMin's exploration programs are being managed by BrazMin's President & CEO, Mr. Tony Ransom, and on-site, by BrazMin's VP Exploration, Mr. Paulo Ildio de Brito, both of whom are qualified persons within the meaning of NI 43-101.

4. Critical Accounting Estimates and Accounting Policies:

(a) General-

The preparation of consolidated financial statements in accordance with generally accepted accounting principles requires management to select accounting policies and make estimates. Such estimates may have a significant impact on the financial statements and the valuation of stock-based compensation expense.

Actual amounts could differ from the estimates used and, accordingly, affect the results of the operation.

From time to time, the Company may grant share purchase options to employees, directors and service providers. The Company uses the Black-Scholes option pricing model to estimate a value for these options. This model which is used to value options and warrants, require inputs such as expected volatility, expected life to exercise and interest rates. Changes in any of these inputs could cause a significant change in the stock-based compensation expense, or other expenses, charged in a period.

(b) Cash and cash equivalents -

Cash and cash equivalents include cash and term deposits with original maturities less than three months from the date of acquisition.

(c) Equipment -

Equipment is stated at cost and amortized at 20% per annum on a declining balance. One-half of the above rate is applied in the year of acquisition.

(d) Mineral properties and deferred exploration costs –

Interest in mineral exploration properties are recorded at cost. Exploration expenditures, other than those of a general nature, relating to mineral properties in which an interest is retained are deferred and carried as an asset until the results of the projects are known. If a project is unsuccessful or if exploration has ceased because continuation is not economically feasible, the cost of the property and the related exploration expenditures are written off.

The cost of mineral properties includes the cash consideration and the negotiated value of shares issued on the acquisition of properties. Properties acquired under option agreements, whereby option payments are made at the discretion of the company, are recorded in the financial statements at the time payments are made. Certain option payments that management have determined are likely to be made, have been accrued in the financial statements. The proceeds from options granted on properties are credited to the cost of the related property.

Once the feasibility of a project has been established, deferred exploration expenses and other costs are segregated as deferred development expenditures. These costs are amortized over the estimated useful life of the related mineral property as commercial production commences. If the net carrying amount of the deferred development expenditures are not recoverable, these costs are written down to net recoverable amount of the deferred development expenditures.

Although the Company believes it has taken reasonable measures to ensure proper title to its mineral properties in which it has an interest, there is no guarantee that title to any of its mineral properties will be challenged or impaired. Third parties may have valid claims underlying portions of the Company's interests, including prior unregistered liens, agreements, transfers or claims, including native land claims, and title may be affected by, among other things, undetected defects. In addition, the Company may be unable to operate its properties as permitted or to enforce its rights with respect to its properties.

(e) Values –

Mineral properties and deferred exploration costs represents cost to date, and do not necessarily represent present or future values as they are entirely dependent upon the economic recovery of future reserves.

(f) Cost of maintaining mineral properties -

The Company does not accrue the estimated future costs of maintaining its mineral properties in good standing.

(g) Risks -

The exploration and development of mineral deposits involves significant financial risks. The success of the Company will be impacted by a number of factors including financing, currency, exploration and extraction risks, political uncertainty, regulatory issues and environmental and other regulations. The Company's mining obligations are denominated in U.S. dollars.

(h) Stock-based compensation -

The Company uses the accounting standard for stock-based compensation which requires the use of the fair value method for valuing stock option grants. Under this method, compensation cost attributable to all share options granted is measured at fair value at the grant date and expensed over the vesting period with a corresponding increase to contributed surplus. Upon the exercise of the stock options, consideration received together with the amount previously recognized in contributed surplus is recorded as an increase to share capital.

(i) Asset retirement obligation -

The Company recognizes the fair value of a liability for an asset retirement obligation in the year in which it is incurred, when a reasonable estimate of the fair value can be made. The carrying amount of the related long-lived asset is increased by the same amount as the liability. The Company does not have any significant asset retirement obligations for the years presented.

(j) Income taxes –

Income taxes are accounted for using the liability method under which future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using the substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be reversed. The effect on future tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the date of substantive enactment. In assessing future tax assets, the Company considers whether it is more likely than not some portion or all of the future income tax asset will be realized and whether a valuation allowance is required.

(k) Foreign currency translation -

The functional currency of the company is Canadian dollars. A portion of the Company's transactions are denominated in United States dollars and Brazilian Reals. The Company's foreign subsidiaries are integrated operations and financial

statements stated in foreign currencies are translated using the temporal method. Monetary assets and liabilities denominated in United States dollars or Brazilian Reals are translated to Canadian dollars at the rate in effect at the balance sheet date. Non-monetary items are translated at historical rates. Revenue and expenses are translated at average rates prevailing in effect during the period. The resulting gain or loss is included in the statement of operations.

(l) Financial instruments -

The Company's financial instruments include cash and cash equivalents, accounts receivable and other assets, accounts payable and accrued liabilities, mining obligations and loan payable. The fair value of these financial instruments approximates carrying value.

(m) Basic and diluted loss per share –

The Company uses the treasury stock method to determine the dilutive effect of the share purchase warrants and the stock options. Per share amounts have been computed based on the weighted average number of common shares outstanding for the period presented. Diluted loss per share is calculated by adjusting outstanding shares to take into account the dilutive effect of stock options and share purchase warrants.

(n) Share issue costs -

Share issue costs are charged directly to deficit.

(o) Revenue recognition –

Revenue comprises interest income and is recognized when received.

5. Disclosure of Outstanding Share Data:

The following details the share capital structure as at November 10, 2006.

	<u>Expiry Date</u>	<u>Exercise Price</u>	<u>Total</u>
Common Shares			27,054,222
Share purchase options	Apr. 18, 2010	\$1.25	1,815,000
Warrants	Dec 15, 2006	\$1.70	1,296,296
Warrants	Feb 10, 2007	\$2.13	300,000
Warrants	Feb 10, 2008	\$2.75	2,500,000
Share purchase options	May 31, 2011	\$2.00	437,500
<hr/>			
Total fully diluted number of shares			33, 403, 018
<hr/>			

6. Capital Expenditure on Exploration Projects:

The properties on which the Company's subsidiaries carry out exploration and development activities are located in Brazil. The mineral properties and deferred expenditures are comprised as follows:

<u>Name of Project</u>	<u>Current Percentage of interest in project</u>	<u>September 30 2006 (unaudited)</u>	<u>December 31 2005 (audited)</u>
<u>BRM</u>			
São Jorge	100%	\$5,190,628	\$2,937,929
Água Branca	100%	230,289	58,141
<u>BRAZ LTDA</u>			
Tartarugalzinho	100%	512,138	469,309
Campo Grande	100%	337,950	337,950
Serrita and Serrita Norte	65%	344,548	333,536
Other	100%	124,413	50,915
<u>EIMB</u>			
Tocantinzinho	100%	661,469	523,723
		\$7,401,435	\$4,711,503

7. Results of Operations

(in thousands of \$)

Review of Certain Operating Expenses

	3 months ended September 30, 2006	9 months ended September 30, 2006	3 months ended Sept. 30, 2005	9 months ended Sept. 30, 2005
Stock based compensation expense	\$6	\$304	\$0	\$932
Administration	362	1,250	256	1,060
Foreign exchange gain (loss)	42	69	120	85
Exploration expenses written off	0	0	387	387

BRAZMIN CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the three and nine months ended September 30, 2006.

- Stock based compensation expenses varies depending upon when the stock options were granted and when they vest.
- Foreign exchange gain (loss) due to the appreciation/depreciation of the Brazilian Real versus the US dollar.
- Exploration costs written off related mainly to the São Juliao property. As a result of the continual evaluation and prioritization of the Company's assets, management has decided not to expend further funds on the São Juliao property. An attempt to farm-out the property to a third party had not been successful and it was therefore decided to write down the value of the property to \$0. This will result in cost savings related to future payments of approximately US\$25,000 annually.

The loss for the three and nine month periods ended September 30, 2006 was \$214,142 and \$1,182,705 respectively. The Company recorded a loss of \$0.01 and \$0.05 per share (basic and diluted), respectively, for the three and nine month periods ended September 30, 2006.

Capitalized exploration for the nine month and three month periods ended September 30, 2006, amounted to \$2,689,932 and \$1,704,294 respectively and mainly reflects work performed on the São Jorge Gold Project in Pará State, Brazil and for ongoing land acquisition costs previously committed to.

**Summary of Quarterly Results (as required by National Instrument 51-102):
(in Canadian Dollars and in accordance with Canadian Generally Accepted Accounting Practice)**

	<u>Sept</u> <u>30,2006</u>	<u>June</u> <u>30,2006</u>	<u>March</u> <u>31, 2006</u>	<u>December</u> <u>31, 2005</u>	<u>September</u> <u>30, 2005</u>	<u>June 30,</u> <u>2005</u>	<u>March</u> <u>31, 2005</u>
Total revenues	\$111,512	\$121,317	\$70,208	\$16,654	\$69,635	\$13,792	\$4,239
Net Loss	\$214,142	\$858,970	\$109,593	\$621,547	\$453,034	\$1,408,695	\$374,871
Net Loss (basic and diluted per-share basis)	\$0.01	\$0.03	\$0.01	\$0.04	\$0.02	\$0.08	\$0.03

The June 30, 2006 quarterly Net Loss number included the expense for Stock based compensation of \$297,743, as required by Canadian generally accepted accounting principles.

This amount derived using the Black Scholes option pricing model, represents the expected future cost to the Company relating to the exercising of the outstanding share warrants and options.

During the quarter, the Company continued with it's exploration program with most of the capitalized expenditure relating to the São Jorge and "Little Turtle" projects.

Other than the financing in February and the issue of options on May 31, 2006 described in section 8 (below), there were no other major items in this quarter that require specific mention.

8. Financial Condition, Cash Flow, Liquidity and Capital Resources:

(in thousands of \$)

Cash Flow Highlights

	3 month period ended September 30, 2006	9 month period ended September 30, 2006	3 month period ended September 30, 2005	9 month period ended September 30, 2005
Operating activities	\$ (124)	\$ (1,217)	\$(599)	\$(1,329)
Financing activities	14	10,852	371	6,153
Investing activities	(1,723)	(2,740)	(1,155)	(1,563)
Beginning cash balance	14,588	5,887	5,637	958
Foreign exchange	(42)	(68)	(120)	(85)
Net cash for the period	(1,875)	6,827	(1,504)	3,176
Ending cash balance	12,714	12,714	4,133	4,133

BRAZMIN CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the three and nine months ended September 30, 2006.

- Operating activities consumed \$1,217,000 and \$124,000 of cash for the nine and three month periods ended September 30, 2006 respectively.
- Financing activities generated \$10,852,000 and \$14,000 of cash for the nine and three month periods ended September 30, 2006 respectively, through the issuance of common shares.
- Investing activities consumed \$2,740,000 and \$1,723,000 of cash for the nine and three month periods ended September 30, 2006 respectively, due to expenditure on mineral properties and deferred exploration expense and acquisition of equipment.

In March 2005, the Company completed a private placement of 5,600,000 units at a price of \$1.25 per unit for total gross proceeds of \$7,000,000. Each unit consisting of one common share of the Company and one half of one common share purchase warrant. Each whole warrant entitled the holder thereof to purchase one common share of BrazMin at an exercise price of \$1.25 and the unexercised balance of these warrants expired on September 4, 2006. An amount of \$498,467 was taken to contributed surplus in respect of these warrants. In consideration for assistance with the private placement the Company paid to the agents a cash commission of \$560,000 out of the total gross proceeds and granted broker warrants which entitled the agents to acquire 588,000 shares of the Company at \$1.35 per share on or before September 4, 2006. An amount of \$69,472 was taken to contributed surplus in respect of the unexercised balance of these warrants. The value of both sets of unexercised warrants referred to above, was calculated at \$0.23 per option using a Black-Scholes calculation. The assumptions used for this was a volatility of 41%, dividends of 0%, a risk-free interest rate of 3.1% and an expected life of 1.5 years.

On December 15, 2005, the Company raised an additional \$3,500,000 through a private placement of 2,592,591 units of BrazMin, each unit consisting of one common share and one half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share at an exercise price of \$1.70, and expire on December 15, 2006.

On February 10, 2006, the Company issued 5,000,000 units at \$2 per unit in terms of a private placement. Each unit consists of one common share of BrazMin and one half of one common share purchase warrant. Each warrant entitles the holder to purchase one common share of BrazMin at a price of \$2.75 until Feb 10, 2008. This is provided that in the event that the closing price of the common shares of BrazMin exceeds \$3.50 for any period of ten consecutive trading days, BrazMin may accelerate the expiry date of the warrants by giving notice to the holders thereof, and in such case the warrants will expire on the 30th calendar day after the date of such notice. Warrants were also issued to the private placement brokers at a rate of 6% of the units issued. These warrants are exercisable within 12 months at a price of \$2.13 or another price set by the Exchange.

During the second quarter of Fiscal 2006, the Company issued a total of 437,500 stock options to its directors, consultants and employees. The options expire on May 31, 2011 and are exercisable at any time, except for 50,000 options which vest over

an eighteen month period. The exercise price is \$2 per share. All these options are outstanding at September 30, 2006.

The Company estimates total 2006 expenditures to be less than Cdn \$7 million. Current cash is Cdn \$12.7 million. The Company therefore has sufficient liquidity to sustain operations for a minimum of 18 months from the date hereof. After that, it could be necessary to raise additional funds by means of public equity issue. The Company may also raise cash in the future, through the sale of some of the Brazauro shares which it will receive upon the closing of the sale of the Tocantinzinho project.

9. Contractual Obligations

Mining obligations:

The mining obligations bear no interest and are the costs of acquisition for the São Jorge project. Future obligations are \$167,130 in 2006.

10. Related Party Transactions

On August 1, 2004, the Company entered into an administrative service agreement (the "Agreement") with Tau Capital Corp. ("Tau"). The controlling shareholder of Tau is a 6% shareholder of the Company. The Agreement has an initial term of three years, terminating on July 31, 2007, subject to further renewal by the parties to the agreement. The terms of the Agreement require the Company to pay Tau a monthly service fee of \$10,000 until the listing of the Company's shares on a Canadian stock exchange. As the shares are now listed, the agreement calls for Tau to be paid a monthly service fee of \$22,500. For the three month period ended September 30, 2006, fees paid to Tau for these services were \$67,500 compared to \$67,500 which was paid for the same period last year. For the nine month period ended September 30, 2006, fees paid were \$202,500 compared to \$195,000 paid for the same period last year.

Accounts receivable and other assets, at September 30, 2006, include \$22,500 paid to Tau for management fees for October 2006. Consulting fees paid to officers of the Company for the nine and three months ended September 30, 2006 were \$197,024 and \$63,898 respectively. These fees for the same periods in the previous year were \$166,960 and \$25,949 respectively.

These transactions were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

11. Risks

The Company is subject to a number of risk factors due to the nature of the mineral business in which they are engaged, the limited extent of their assets and their stage of development. The following factors should be considered, among others:

The exploration for mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties that are explored are ultimately developed into producing mines. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration or development programs planned by BrazMin or any of its joint venture partners will result in a profitable commercial mining operation.

BrazMin's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of gold including unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although adequate precautions to minimize risk will be taken, milling operations are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas which may result in environmental pollution and consequent liability.

Although BrazMin maintains insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with the Company's operations.

All phases of the Company's operations are subject to environmental regulation which is evolving in a manner that will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies.

Government approvals and permits are required in connection with the Company's operations. To the extent such approvals are required and not obtained, the Company may be curtailed or prohibited from proceeding with planned exploration or development of mineral properties.

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial condition and results of operations.

The acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral concessions may be disputed. Although the Company believes it has taken reasonable measures to ensure valid title to its material properties, there is no guarantee that title to any of its material properties will not be challenged or impaired. Third parties may have valid claims underlying portions of the Company's interests, including prior unregistered liens, agreements, transfers or

claims, including native land claims, and title may be affected by, among other things, undetected defects. In addition, the Company may be unable to operate its properties as permitted or to enforce its rights with respect to its properties.

The construction of mining facilities and commencement of mining operations, will require substantial additional financing. Failure to obtain sufficient financing will result in a delay or indefinite postponement of exploration, development or production on any or all of the Company's properties or even a loss of a property interest. Additional financing may not be available when needed or if available, the terms of such financing might not be favourable to the Company.

Gold prices fluctuate and are affected by numerous factors beyond the control of the Company. The price of gold has fluctuated widely in recent years, and future price declines could cause commercial production to be impracticable, thereby having a material adverse effect on the Company's business.

The Company's operations are currently conducted in Brazil and, as such, the Company's operations are exposed to various levels of political, economic and other risks and uncertainties. These risks and uncertainties vary from country to country and include, but are not limited to, terrorism; hostage taking; military repression; extreme fluctuations in currency exchange rates; high rates of inflation; labour unrest; the risks of war or civil unrest; expropriation and nationalization; renegotiation or nullification of existing concessions, licences, permits and contracts; illegal mining; changes in taxation policies; restrictions on foreign exchange and repatriation; and changing political conditions, currency controls and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction.

Exchange rate fluctuations may affect the costs that the Company incurs in its operations. Gold or other minerals are generally sold in US Dollars and the Company's costs are incurred principally in Canadian Dollars and Brazilian Reals. The appreciation of non-US Dollar currencies against the US Dollar can increase the cost of gold and other mineral exploration and production in US Dollar terms.

12. Outlook

BrazMin will continue to pursue gold exploration in the coming quarter. Any new, quality gold opportunities will be carefully reviewed and acquired, if warranted. BrazMin's other projects will be critically reviewed, evaluated and prioritized.

13. Additional Information

Additional information relating to the Company, including the Company's annual information form dated March 31, 2006, is available on SEDAR at www.sedar.com.

Directors

Sandra Cowan, Chairman
Warren E. Newfield
Greg Kinross
Luis M.F. Azevedo
Don W.T. Lewis
Francis Crothers

Management

Anthony H. Ransom*	President and CEO
Luis M.F. Azevedo	COO
Nelson Pfaltzgraff	CFO
Paulo Ilidio de Brito*	VP Exploration

* Qualified Person as defined under NI 43-101

Registered Head Office

Geneva Place, 2nd Floor
333 Waterfront Drive
Wickham's Cay,
Tortola,
British Virgin Islands,
Email: info@brazmin.com

Brazil Office

Av. das Americas, 700 – Bloco 8
Sala 215-E
Shopping Citta America
Barra de Tijuca
Rio de Janeiro – RJ
Brazil. CEP 22.640-100.
Tel: 55 21 2132-7440
Fax: 55 21 2132-7406
Email: info@brazmin.com

Investor Relations Enquiries

c/o Tau Capital Corp
110 Sheppard Avenue East,
Suite 610
Toronto, Ontario M2N 6Y8
Canada
Attention: Fiona Childe
Telephone: (416) 361-9636
Facsimile: (416) 361-3153
Email: fhilde@taucapital.com

Website: www.brazmin.com

CUSIP: G1319U 10 0