Management Discussion and Analysis
For the nine months ended October 31, 2006

The following management discussion and analysis of the financial position of Mont Blanc Resources Inc. ("Mont Blanc" or the "Company") and results of operations of the Company should be read in conjunction with the audited financial statements including the notes thereto for the nine months ended October 31, 2006. The accompanying financial statements and related notes are presented in accordance with Canadian generally accepted accounting principles. These statements, together with the following management's discussion and analysis dated December 29, 2006 ("Report Date"), are intended to provide investors with a reasonable basis for assessing the financial performance of the Company as well as forward-looking statements relating to the potential future performance. The information in the MD&A may contain forward-looking statements. These statements are subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those implied by the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks as set forth below.

Description of Business

The Company was incorporated on November 23, 1983 under the name Southern Star Resources Ltd. After undergoing several earlier name changes, the company changed its name from Alda Industries Corporation to Crux Industries Inc. on July 14, 1999. The Company requested to be deemed inactive by the TSXV (previously CDNX) on March 19, 1996 to complete a restructuring. On August 12, 2003, the Company was moved to NEX, a new and separate board of TSX Venture Exchange for public companies that are designated "inactive". On March 9, 2004, the Company was re-instated for trading on NEX. At the September 13, 2005 AGM the Company received approval from the shareholders to change its name from Crux Industries Inc. to Mont Blanc Resources Inc. After receiving approval from the TSX Exchange the Company's listing was transferred from NEX to the TSX Venture Exchange, effective April 6, 2006.

The Company is currently actively engaged in a Joint Venture arrangement with Magnum Energy Inc., exploring oil and gas opportunities in Southern Alberta. As at the date hereof, the Company has limited interests in oil and gas properties. The Company presently has no full-time employees and utilizes the services of three consultants. Mont Blanc also uses specialized consultants such as geologists and geophysicists on an "as needed" basis.

The goal of the Company is to create sustainable and profitable growth in production and cash flow. To accomplish this, the Company plans to invest in oil and gas exploration and development prospects through its partnership with Magnum Energy Inc. and other joint venture partners. Mont Blanc will initially focus its exploration efforts in Southern Alberta.

To date, Mont Blanc has been successful in securing oil and gas interests in Southern Alberta by entering into a joint venture arrangement with Magnum Energy Inc. In selecting exploration, exploitation and development drilling prospects, management of Mont Blanc will choose those that offer an appropriate combination of risk and economic reward. To achieve sustainable and profitable growth, the Company believes in controlling the timing and costs of its projects whenever possible. To July 31, 2006, Mont Blanc has no oil and gas revenue.

Oil and Gas Property
Taber area, Southern Alberta, Canada

Southern Alberta - capitalized exploration costs	October 31, 2006 $	Jan. 31, 2006 $
Balance, beginning of period	–	–
Additions	1,173,661	–
Balance, end of period	1,173,661	–

Mont Blanc has entered into a joint venture arrangement ("Magnum JV") dated January 11, 2006 with Magnum Energy Inc. with respect to 50% of a Farm-out and Overriding Royalty Agreement ("the FORA") also dated January 11, 2006 to drill a minimum of 6 medium-risk exploration wells in Southern Alberta.

Magnum Energy Inc. entered into the FORA with a private Alberta company. The FORA calls for Magnum to pay 100% of the drilling costs to earn a 50% working interest in drill space units as detailed in the FORA. Before payout, Magnum will receive 100% of the production and shall pay the "Farmor" a 15% gross overriding royalty. Following payout, the "Farmor" will have the option to convert its royalty to a 50% working interest.

Pursuant to the terms of the Magnum JV, Mont Blanc has agreed to pay 55% of Magnum's drilling costs pursuant to the FORA where after Mont Blanc will earn 50% of Magnum's interest in the FORA properties. Following the effect of both, the FORA and Magnum JV, Magnum will pay 45% of the drilling costs to earn a 25%working interest in the properties.

Four of the drilling locations can be considered as medium-risk exploration prospects, one of the locations can be considered as a lower risk exploration prospect, and one of the locations can be considered as a lower risk development prospect. Most of the drilling locations have potential to encounter both oil and gas, and they have been selected using 3D and 2D seismic data in conjunction with detailed geological interpretation. Targeted primary and secondary zones include the Sawtooth, Lower Mannville, Glauconitic, Upper Mannville and Bow Island in all of the prospects, with shallower potential zones including the Barons, Second White Specks, Medicine Hat and Milk River available for earning in some of the prospects. Most of these prospective zones have been proven productive for oil and/or gas in the immediate area. The deeper wells are expected to TD at ~ 1000 metres and the shallower wells will TD at ~ 700m.

On July 19, 2006 the operator confirmed that three of the Company's six recently drilled wells have flowed sweet gas at commercially viable rates following initial completion activities. Inflow results from the deeper zones that were initially completed in the remaining three wells are still being evaluated. In due course, the Company expects to re-complete one of these wells in the same uphole zone that was completed in the previously mentioned successful wells.

Future Developments

The Company and its partners are encouraged by the results to date and are currently assessing tie-in options and gas gathering infrastructure requirements to get the successful wells on production and accommodate production from future development drilling locations. Under the terms of its farm-in deal, Mont Blanc has a 50% interest in the six recently drilled farm-in wells (reverting to 25% after payout) and, following completion activities, will have earned a 25% interest in over eight sections (5,120 gross acres) of land. The completion results to date indicate that most of this acreage is prospective for a low risk, multi-well shallow gas development drilling project.

Summary of Quarterly Results

	Year Ending 2007	Year Ending 2006	Year Ending 2006	Year Ending 2006
	2nd Quarter, July 31, 2006	1st Quarter, April 30, 2006	4th Quarter, January 31, 2006	3rd Quarter, October 31, 2005
Total Revenue	-	-	-	-
Income (Loss) before Extraordinary Items	$ (48,681)	$ (64,199)	$ (261,963)	$ 2,777
Net Income (Loss)	$ (48,681)	$ (64,199)	$ (261,963)	$ 2,777
Basic and Fully Diluted Income (Loss) Per Share	$(0.01)	$(0.01)	$(0.02)	$0.001

	Year Ending 2006	Year Ending 2006	Year Ending 2005	Year Ending 2005
	2nd Quarter, July 31, 2005	1st Quarter, April 30, 2005	4th Quarter, January 31, 2005	3rd Quarter, October 31, 2004
Total Revenue	-	-	-	-
Income (Loss) before Extraordinary Items	$ (38,133)	$ (30,743)	$(2,380)	$ 66,413
Net Income (Loss)	$ (38,133)	$ (30,743)	$ (2,380)	$ 66,413
Basic and Fully Diluted Income (Loss) Per Share	$(0.007)	$(0.006)	$(0.001)	$0.016

* management no longer records interest income as revenue but rather as an “other income/expense” item therefore the tables above may appear different than those found in previous financial MD&A filings.

Discussion of Quarterly Information

Revenues

Summarized revenue and net income information for the eight most recent quarters are reflected in the chart above. To July 31, 2006, Mont Blanc has no oil and gas revenue as the wells are being tested and have not yet began production.

Discussion of Quarterly Information (continued)

Expenses

Cash based general and administrative expenses for the four quarters relate primarily to contract fees paid to suppliers for services relating to general management and for services required for regulatory filings in connection with reactivating the company, obtaining financing and managing the oil and gas property interest as well as the typical expenses incurred in maintaining the public listing. General and admin in the other four quarters relate primarily to contract fees paid to suppliers for services relating to identifying business opportunities and performing due diligence as well as the typical expenses incurred in maintaining the public listing.

In the quarter ended July 31, 2006 general and administrative expenses (excluding stock based compensation) were approximately lower by $4,800 than the quarter ended April 30, 2006 mainly due to lower professional fees (legal) and lower travel expenses of approximately $11,000 offset by an increase in shareholder communication of approximately $7,000. In addition to the cash expenses, stock based compensation of $10,672 was recorded for options granted in the first quarter of 2007. Comparatively, general and administrative expenses for each quarter in the year 2005 were approximately $15,000 each as the Company was not as active at that time. During the first two quarters of 2006 general and administration was higher at $30,000 each quarter due to increased expenses relating to project identification and due diligence services. The last quarter of the 2006 year-end was approximately $45,000, which is consistent with current quarters with the same level of activity. Management continues to make its best efforts to keep general and administration in line with company activity.

Net Income (Loss)

The Company generated no income in the quarters ended July 31, April 30 and January 31, 2006.

The last two quarters consist of operational expenses only. In the quarter ended October 31, 2005 in addition to operational expenses, a $26,500 gain on forgiveness of debt by certain creditors, nearly offsetting the total expenses of $23,700. A $79,098 gain of the same nature was realized in the quarter ended October 31, 2004, resulting in a net income of $66,413 for the period. The lower than average net loss of $4,847 in the last quarter of 2005 was also a result of gains on debt settlement. These gains are recorded as other income.

In the fiscal years 2005 and 2006 the Company earned interest income on loans receivable from PSAC until the quarter ended April 30, 2005, at which time the loans were assumed by Bilarney Corp. The related interest was first recorded as revenue and subsequently re-classed to other income in the annual financial reports of 2005.

Other

During the current quarter the Company engaged the services of Mr. Lindsay Carswell to oversee Corporate Development and Investor Relations. Mr. Carswell was compensated a total of $3,000 in the quarter. The services are provided on an as needed basis for up to $3,000 per month.

The Company purchased computer equipment for $2,353 at the end of October 2005 and more computer equipment for $1,956 at the end of April 2006.

There were no legal proceedings of any kind initiated by or against the Company. There were no contingent liabilities and no default under debt or other contractual obligations, other than the ones reported in the Related Party Transactions section below.

There have been no special resolutions passed by shareholders.

Related Party transactions

	July 31, 2006 $	Jan. 31, 2006 $
Due to Mont Blanc Capital Corp. a company controlled by the CEO, which is non-interest bearing without specific terms of repayment	18,874	427
Due to Q4 Financial Group Inc., a company controlled by the CFO, which is non-interest bearing without specific terms of repayment	8,632	3,641
Total	27,506	4,068

Q4 Financial Group Inc. ("Q4") provides accounting and administrative services to the Company. During the six months, Q4 charged the Company $12,340 (2005 – $9,500) for services, out-of-pocket expenses and consulting.

During the six months Mont Blanc Capital Corp. was paid or accrued $21,961 (2005 – 18,000) in management fees.

Liquidity

As at July 31, 2006, the Company had a working capital deficit of $14,083 and an accumulated deficit of $6,707,784. For the year ended January 31, 2006 the Company's working capital was $230,277 and its accumulated deficit was $6,594,800.

Over the next twelve months, the Company will require substantial working capital to cover additional exploration costs, general and administrative expenses and consultants' fees. The expected sources of the funds are oil and gas revenues and financing by private placement offerings, as well as warrants and option exercises.

The Company has incurred significant operating losses and its continued existence is dependent upon its operations' profitability and the continued support of its shareholders. The financial statements have been prepared on the going concern basis of accounting, which assumes that the Company will continue for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. A failure to continue as a going-concern would require that stated amounts of assets and liabilities be reflected on a liquidation basis, which will differ from the going-concern basis.

Subsequent Event

Additional information about the Company is available on SEDAR at www.sedar.com.