



PLATINEX INC.
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Letter To Shareholders:

In the year 2006, Platinex was a pawn in a longstanding struggle between a First Nation, Kitchenuhmaykoosib Inninuwug, (or KI) and the Ontario government.

In February, 2006 KI physically prevented Platinex from drilling its property and declined discussion to resolve the issue. The Ministry of Northern Development and Mines had written Platinex that it must carry out exploration or lose its claims and First Nations concerns would not provide reason for delay. In 2006 however the Ontario government refused to acknowledge or uphold Platinex rights in face of threatened hostility by KI. The Ontario Provincial Police stated that they could not differentiate between the KI rights and Platinex's rights. In face of this turmoil the Ministry of Northern Development and Mines declined to keep Platinex's claims in good standing.

Thus Platinex was left with the choice of abandoning its only property on which millions of dollars have been invested or trying to achieve access through the courts. Platinex chose the latter. By doing so it was able to preserve its claims.

Prior to the confrontation, Platinex purchased the adjacent 81 mining leases from an INCO joint venture. A substantial deposit of chromium was evident, and this acquisition became pivotal to the company later in the year.

On July 28, 2006, the Court granted an interim interim injunction to KI conditional on KI immediately establishing "a consultation committee charged with the responsibility of meeting with representatives of Platinex and the Provincial Crown with the objective of developing an agreement to allow Platinex to conduct its two phase drilling project at Big Trout Lake".

In December, Platinex released a study revealing a potential for an extremely large chromium deposit locally containing significant concentrations of platinum group elements underlying its leases and claims. Platinex stock rallied enabling completion of a modest financing to keep the company alive. Ontario, which initially declined involvement, in the court action then obtained intervenor status to inform the Court of its view of the Treaty, KI's and Platinex's rights.

Having failed to reach an agreement, early in April 2007 KI sought an interlocutory injunction preventing Platinex from conducting its exploratory drill program pending an expedited trial.

On May 1, 2007, the Court dismissed KI's motion. Among other things, Mr. Justice Smith's order requires the parties to implement a consultation protocol, timetable and memorandum of understanding addressing specified items by May 15, 2007. Platinex will be permitted to commence phase one (24 holes) of its drill program on June 1, 2007 subject to the Court being satisfied that a proper protocol is in place. The order contemplates an on-going supervisory role for the Court.

The parties failed to achieve Mr. Justice Smith's order and are to reappear on May 18, 2007 with their positions to be settled by order of the Court.

Over this lengthy period Platinex has tried to bring the parties together to resolve the diverse identifiable issues. Platinex has stressed with KI and the provincial government where its efforts will not only help the local community but society in general. Management believes that the goodwill shown by Platinex initiatives will take effect and enable the Company to resume drilling of its much enhanced Big Trout Lake property.

In the letter to shareholders last year I wrote, "It was the best of times and the worst of times...." It still is, but Platinex is no longer a pawn in this struggle. The company is emerging.

On Behalf of the Board,

"James R. Trusler"

James R. Trusler,
President &CEO