



NEWS RELEASE

Toronto, Canada
November 28, 2005

2005 Third Quarter Results

(All amounts in this news release are expressed in Canadian dollars.)

MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Results

Lexam reported income of \$134 during the three months ended September 30, 2005, compared to a loss of \$13,404 during the corresponding period in 2004. During the nine months ended September 30, 2005, Lexam recorded a loss of \$64,179 compared to a loss of \$84,997 during the same period, 2004. The gain during the third quarter and loss during the first nine months of 2005 can be attributed to adjustments and expenditures relating to administrative costs of \$3,701 and \$67,065 for those periods, respectively, reduced from \$13,526 and \$85,505 during the same periods in 2004.

	Three months ended September 30,		Nine months ended September 30,	
	2005	2004	2005	2004
Income (Loss)	\$ 134	\$ (13,404)	\$ (64,179)	\$ (84,997)
Income (Loss) per share	nil	nil	nil	nil

Oil & Gas Property Status

In 2004, Lexam entered into a joint venture partnership with Petro-Hunt L.L.C. of Dallas, Texas ("Petro-Hunt") to explore Lexam's 100,000+ acre oil and gas property located in south central Colorado. Lexam was later informed by Petro-Hunt that they decided against further exploration and development of the Baca Project. However, significant effort was expended by Petro-Hunt on 2-D seismic data acquisition, processing and modelling during the property evaluation phase. Lexam has requested and received from Petro-Hunt the raw data on the property that was produced during 2004. Lexam has initiated a study to evaluate and process this data.

During the third quarter Lexam engaged the services of Watts, Griffis and McOuat Limited ("WGM") a geological and engineering firm to complete a technical study of the Colorado project. This study was recently initiated to provide an independent evaluation and recommendations for Lexam to potentially advance the project.

Financial Condition

Lexam is currently not able to discharge its liabilities in the normal course of business, and may not be able to ultimately realize the carrying value of its assets, subject to, among other things, being able to raise sufficient additional financing to fund its exploration programs. The Company is pursuing several alternatives to address these issues, including joint venturing certain properties, seeking additional sources of debt or equity financing.

Corporate Developments

On September 1, 2005, it was announced that Robert R. McEwen, the Chairman and CEO of the Company had purchased Goldcorp's 49.8% interest (18,990,641 shares) in Lexam through a company wholly-owned by Mr. McEwen, for an aggregate total consideration of \$400,000. Mr. McEwen now holds an aggregate of 19,101,752 common shares of Lexam, which represents a 50.1% interest in Lexam, on an undiluted basis. As part of the sale, Lexam's debt owed to Goldcorp of \$402,720 was also transferred to Mr. McEwen as part of the purchase agreement. The transaction was completed on September 1, 2005.

Financial Information and Notice to Reader

Attached are the Consolidated Financial Statements of Lexam Explorations Inc. for the three and nine months ended September 30, 2005. These interim financial statements have not been subject to auditor review.

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Stock Symbol: TSX Venture Exchange NEX Board ("LEX.H")

**LEXAM EXPLORATIONS INC.
CONSOLIDATED FINANCIAL STATEMENTS**

Consolidated Balance Sheets

(in Canadian dollars)

	As at September 30, 2005 <i>(unaudited)</i>	As December 31, 2004
Assets		
Current assets		
Cash	\$ 5,807	\$ 11,932
Accounts receivable	-	1,198
Prepaid expenses	-	2,554
	<u>\$ 5,807</u>	<u>\$ 15,684</u>
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable and accrued liabilities	\$ 110,868	\$ 459,286
Due to related party (note 2)	402,720	-
	<u>513,588</u>	<u>459,286</u>
Shareholders' equity		
Capital stock (note 3)	16,402,075	16,402,075
Deficit	<u>(16,909,856)</u>	<u>(16,845,677)</u>
	<u>(507,781)</u>	<u>(443,602)</u>
	<u>\$ 5,807</u>	<u>\$ 15,684</u>

Contingencies (note 1)

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Operations and Deficit (unaudited)*(in Canadian dollars)*

	<u>2005</u>	<u>Three months ended September 30, 2004</u>	<u>2005</u>	<u>Nine months ended September 30, 2004</u>
Revenues				
Interest and other income	\$ (31)	\$ 122	\$ 29	\$ 1,089
Expenses				
Administrative	3,701	13,526	67,065	85,505
Exploration	(3,866)	-	(2,857)	581
	<u>(165)</u>	<u>13,526</u>	<u>64,208</u>	<u>86,086</u>
Income (loss) for the period	<u>134</u>	<u>(13,404)</u>	<u>(64,179)</u>	<u>(84,997)</u>
Deficit at beginning of period	<u>(16,909,990)</u>	<u>(14,298,937)</u>	<u>(16,845,677)</u>	<u>(14,227,344)</u>
Deficit at end of period	<u>(16,909,856)</u>	<u>(14,312,341)</u>	<u>(16,909,856)</u>	<u>(14,312,341)</u>
Income (Loss) per share (basic and diluted)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Weighted average number of shares outstanding (000's)	<u>38,107</u>	<u>38,107</u>	<u>38,107</u>	<u>38,107</u>

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Cash Flows (unaudited)*(in Canadian dollars)*

	2005	Three months ended September 30, 2004	2005	Nine months ended September 30, 2004
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Cash provided by (used in)				
Operating activities				
Income (Loss) for the period	\$ 134	\$ (13,404)	\$ (64,179)	\$ (84,997)
Items not affecting cash				
Change in non-cash operating working capital	<u>(1,293)</u>	<u>(2,572)</u>	<u>58,054</u>	<u>(5,784)</u>
	<u>(1,159)</u>	<u>(15,976)</u>	<u>(6,125)</u>	<u>(90,781)</u>
Decrease in cash	(1,159)	(15,976)	(6,125)	(90,781)
Cash at beginning of period	<u>6,966</u>	<u>49,255</u>	<u>11,932</u>	<u>124,060</u>
Cash at end of period	<u>\$ 5,807</u>	<u>\$ 33,279</u>	<u>\$ 5,807</u>	<u>\$ 33,279</u>

The accompanying notes are an integral part of these consolidated financial statements.

Lexam Explorations Inc.
Notes to Consolidated Financial Statements (unaudited)

1. Basis of Presentation and Going Concern

The consolidated financial statements are prepared in accordance with Canadian generally accepted accounting principles and on the assumption that Lexam Explorations Inc. (the “Company” or “Lexam”) will be able to realize the carrying value of its assets and discharge its liabilities in the normal course of business.

The accompanying unaudited consolidated financial statements should be read in conjunction with the notes to the Company’s audited consolidated financial statements for the year ended December 31, 2004. These interim financial statements have not been subject to auditor review. These unaudited interim consolidated financial statements reflect all normal and recurring adjustments, which are, in the opinion of management, necessary for a fair presentation of the respective interim periods presented.

The Company has a significant working capital deficiency and is not currently able to continue its exploration programs and discharge its liabilities in the normal course of business, and may not be able to ultimately realize the carrying value of its assets, subject to, among other things, being able to raise sufficient additional financing to fund its exploration programs. There can be no assurance that the Company will be able to raise sufficient additional financing to continue its exploration programs.

The Company is evaluating alternatives to address these issues, including joint venturing certain properties and seeking additional sources of debt or equity financing.

The financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern basis was not appropriate for these financial statements, adjustments may be necessary to the carrying value of assets such as accounts receivable and prepaid expenses, the accounts payable and accrued liabilities balance, and the reported expenses.

2. Due to Shareholder

These loans are non-interest bearing, with no fixed terms of repayment.

3. Capital Stock

At September 30, 2005, the Company had 38,107,436 common shares outstanding. A total of 39,757,436 shares would have been outstanding had all options been exercised.

4. Related Party Transactions

On September 1, 2005, it was announced that Robert R. McEwen, the Chairman and CEO of the Company had purchased Goldcorp’s 49.8% interest (18,990,641 shares) in Lexam through a company wholly-owned by Mr. McEwen, for an aggregate total consideration of \$400,000. Mr. McEwen now holds an aggregate of 19,101,752 common shares of Lexam, which represents a 50.1% interest in Lexam, on an undiluted basis. As part of the sale, Lexam’s debt owed to Goldcorp of \$402,720 was also transferred to Mr. McEwen as part of the purchase agreement. The transaction was completed on September 1, 2005.