



POWERTECH URANIUM CORP.
(An Exploration Stage Company)
MANAGEMENT DISCUSSION AND ANALYSIS
(August 14, 2009)

GENERAL

The following discussion of performance, financial condition and future prospects should be read in conjunction with the consolidated financial statements of Powertech Uranium Corp. (the "Company" or "Powertech") and notes thereto for the three months ended June 30, 2009. Additional information is available on SEDAR at www.sedar.com. All dollar amounts are stated in United States' dollars unless noted. References to "CAD\$" refer to Canadian currency and "\$" to United States currency.

DISCLAIMER FOR FORWARD LOOKING INFORMATION

Certain statements in this Management's Discussion and Analysis ("MD&A") are forward-looking statements. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Often, but not always, forward looking statements can be identified by the use of words such as "plans", "expects", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative and grammatical variations) of such words and phrases or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the Company's actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits we will obtain from them. These forward-looking statements reflect management's current views, are based on certain assumptions, and speak only as of August 14, 2009. These assumptions, which include, management's current expectations, estimates and assumptions about certain projects and the markets the Company operates in, the global economic environment, interest rates, exchange rates and its ability to manage its assets and operating costs, may prove to be incorrect. A number of risks and uncertainties could cause its actual results to differ materially from those expressed or implied by the forward-looking statements, including, but not limited to: (1) the risk that nuclear energy will not be accepted by the public as a safe and viable means of generating electricity; (2) a continued downturn in general economic conditions in the United States, Europe and internationally; (3) a decrease in the demand for uranium and uranium related products; (4) a decrease in the actual price of uranium; (5) discrepancies between actual and estimated mineral resources and mineral reserves; (6) changes to the cost of commencing production and the time when production commences, and actual ongoing costs; (7) the occurrence of risks associated with the development and commencement of mining operations; (8) unforeseen or changed regulatory restrictions, requirements and limitations, including environmental regulatory restrictions and liability and permitting restrictions; (9) the failure to obtain governmental approvals and fulfill contractual commitments, and the need to obtain new or amended licenses and permits; (10) unforeseen changes in the costs of material inputs, including fuel, steel and other construction materials; (11) the loss of key employees; (12) the loss of, or defective title to, exploration and mining claims, rights, leases or licenses; (13) the number of competitors; (14) political and economic conditions in uranium producing and consuming countries; (15) failure to obtain additional capital at all or on commercially reasonable terms; (16) other factors beyond the Company's control; and (17) those factors described in the section entitled "Risk Factors and Uncertainties" in the Company's annual MD&A as filed on June 29, 2009.

Undue reliance should not be placed on forward-looking statements because they involve known and unknown risks, uncertainties and other factors that are in many cases beyond the Company's control. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance and the Company's actual results of operations, financial condition and liquidity, and the development of the industry in which it operates, may differ materially from statements made in or incorporated by reference in this MD&A.

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Although the Company has attempted to identify factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Forward-looking statements are based upon the beliefs, estimates and opinions of the Company's management at the time they are made and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or circumstances should change. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

NATURE OF BUSINESS

The Company is a Toronto Stock Exchange ("TSX") (symbol "PWE") and a Frankfurt Stock Exchange (symbol "P8A") listed mineral exploration/development company which, through its wholly-owned subsidiary Powertech (USA), Inc. ("Powertech USA"), is focused on the exploration and development of uranium properties in the United States. Powertech's principal assets are comprised of mineral properties in Colorado, South Dakota, and Wyoming. The properties have been acquired through purchase agreements, lease agreements or staking claims.

Directors and Officers

The Company's Board of Directors that were all re-elected at the Annual Meeting of the Shareholders held on July 28, 2009 are Wallace M. Mays, Richard F. Clement, Jr., Thomas A. Doyle, Greg Burnett, Douglas E. Eacrett, Malcolm Clay, Robert Leclère, and Gérard Pauluis.

The Company's current officers are as follows:

Wallace M. Mays	Chairman of the Board, Chief Operating Officer
Richard F. Clement, Jr	President, Chief Executive Officer
Thomas A. Doyle	Chief Financial Officer, Vice President – Finance and Treasurer
Greg Burnett	Vice President – Administration and Secretary
James Bonner	Vice President – Exploration
Richard Blubaugh	Vice President – Health, Safety and Environmental Resources
John Mays	Vice President – Engineering

RESOURCE PROPERTY INTERESTS

South Dakota, USA

Dewey-Burdock Project – Custer and Fall River Counties

The Company's Dewey-Burdock Project is located in the well-known Edgemont Uranium District. The Project is comprised of approximately 50 mining leases and approximately 360 mining claims covering approximately 14,770 surface acres and 18,820 net mineral acres.

The Dewey-Burdock Project contains National Instrument 43-101 ("NI 43-101") compliant inferred uranium resources of 10.8 million pounds, contained in 2,992,836 tons, with an average grade of 0.182% U₃O₈. On June 22, 2009, the Company published an updated NI 43-101 Technical Report with respect to the Dewey-Burdock Project, entitled "Updated Technical Report on the Dewey-Burdock Uranium Project, Custer and Fall River Counties, South Dakota", on SEDAR at www.sedar.com, that fully describes the drilling programs and exploration work, including permitting activities that have been undertaken on the Project (the "Dewey-Burdock Report").

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In the year ended March 31, 2009, the Company finished data collection with respect to the Dewey-Burdock Project to allow it to proceed with permitting applications. The following major milestones have been completed at the Dewey-Burdock Project through August 14, 2009:

- The Company requested and received a reduction in its surety bond with the South Dakota Department of Environment and Natural Resources (“SD DENR”). The surety bond was reduced to \$10,000 from \$213,500 as approved by the Board of Minerals and Environment (“BME”).
- The in situ leach recovery license application, the Technical Evaluation Report (“TER”) and the Environmental Report (“ER”) were submitted to the U.S. Nuclear Regulatory Commission (“NRC”) during February 2009.
- The Special, Exceptional, Critical or Unique Lands Designation Permit application was approved by the SD DENR at a hearing before the BME during February 2009. At a follow up hearing held April 20, 2009, the BME denied appeals from two interveners and reaffirmed the company’s petition stating that the project area is not special, exceptional, critical or unique.
- The Underground Injection Control (“UIC”) Class III permit application was submitted to the U.S. Environmental Protection Agency (“EPA”) Region 8 in December 2008, while a similar permit application was submitted to SD DENR during April 2009.
- The In Situ Leach Mine Permit application is expected to be submitted to SD DENR and a Plan of Operation to the Bureau of Land Management during the summer of 2009.
- The Company requested the Approved Jurisdictional Decision from the US Corp of Army Engineers (“USCAE”) for the Project in order to eliminate or minimize issues with typically dry drainages. Final determination from the USCAE was accepted by the Company in January 2009.
- On November 19, 2008, the Company received a new uranium exploration permit for 30 additional drill holes from the SD DENR. The goal of this new drill program is to confirm that the area for the proposed plant site will not be built over potential ore. Drilling pursuant to this permit has not yet begun.

During June 2009, the Company met with the NRC staff in Washington D.C. to review its uranium in situ leach application. While the Company believes the application was prepared in accordance with the regulatory guidelines, after meeting with NRC staff, the Company agreed to provide the NRC some additional information in order to assist the NRC Staff in completing its acceptance review. The NRC staff identified five areas out of hundreds of issues addressed in the approximate 7,800-page application that Powertech needs to clarify. After a very positive meeting, Powertech has an improved understanding of the additional information NRC staff needs in order to clarify the Company's plans and for NRC Staff to more fully understand the site conditions. For this reason, the Company voluntarily withdrew its application from the NRC in order to provide additional information in the five specified areas. During August 2009, the Company resubmitted its application to the NRC.

A significant portion of the information requested has been prepared and is contained in the Company's UIC Permit application that has been "ruled complete" by the EPA and is under review by the SD DENR. The minor delay associated with providing supplemental information to NRC during the review process is not unusual for a project of this magnitude.

The Company has not yet undertaken a preliminary feasibility study or a material preliminary assessment of the Dewey-Burdock Project. Over the next year, the Company intends to continue with the steps required to move forward with applicable permitting processes and, in accordance with the recommendations of the Dewey-Burdock Report, to have an analysis of the property be performed by a qualified person to reclassify appropriate portions of Dewey-Burdock’s inferred resources to measured and indicated resources. Following the reclassification of the resources, the Company may proceed with an independent preliminary feasibility study, to be conducted by an independent qualified person (as such term is defined in NI 43-101). The reclassified resource base will provide the basis for such evaluation.

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Colorado, USA

Through March 31, 2009, the Company had purchased approximately 670 gross surface acres and 5,800 net mineral acres within the Centennial Project. In addition, the Company had entered into 14 mining leases covering approximately 1,700 net surface acres and 1,200 net mineral acres. In the year ended March 31, 2009, the Company controls approximately 7,300 acres of mineral rights and approximately 3,600 acres of surface use agreements over its mineral rights within the project area.

During June 2009, the Company entered into two option agreements for the purchase of an aggregate of 3,585 acres of land, together with the associated water, mineral and lease interests, in Weld County, Colorado. The optioned properties are adjacent to the existing northern portion of the Company's Centennial Project. The properties help to consolidate the Company's land position within the planned project boundary and add additional uranium mineral resources to the project.

The Company entered into an option agreement with M.J. Diehl & Sons, Inc., Howard Diehl and Donna Diehl (collectively, "Diehl") to purchase approximately 2,160 acres of land, together with the associated water, mineral and lease interests, in Weld County, Colorado. Pursuant to the option agreement, the Company has 24 months to exercise the option. During the term of the option with Diehl, the Company is permitted to access the property for the purposes of pumping, testing, monitoring and sampling water. The Company also entered into an option agreement with Thomas Varra and Dianna Varra (collectively, "Varra") to purchase approximately 1,425 acres of land, together with the associated water, mineral and lease interests, in Weld County, Colorado. The option agreement with Varra is for a term of 12 months but can be extended for two 12-month extensions for additional consideration.

As reported in the Company's "Updated Technical Report on the Centennial Uranium Project, Weld County, Colorado" dated June 15, 2009, on SEDAR at www.sedar.com. Powertech increased the total project inferred resources at Centennial, using a 0.2 GT cut-off, to 11,465,500 pounds of U3O8. Historic drilling within the option lands described above, conducted by Mobil Oil in the late 1970's, delineated an additional uranium resource, at a 0.20 GT cut-off, of 1,356,700 pounds of U3O8 contained in 921,760 tons averaging 0.074% U3O8. James Bonner, a Qualified Person as defined by NI 43-101, has reviewed the results of this historic drilling and determined that these resources meet the classification of "inferred resources" as defined in the CIM Standards on Mineral Resources and Reserves.

The additional optioned properties increase Powertech's total inferred resources at Centennial, using a 0.20 GT cut-off, to 12,822,200 pounds of U3O8, contained in 7,036,953 tons averaging 0.091% U3O8. Applying a 0.50 GT to these historic inferred resources yields an additional 728,900 pounds U3O8 in 391,880 tons averaging 0.093% U3O8, increasing Powertech's total inferred resources at a 0.50 GT cutoff, to 8,421,200 pounds of U3O8, contained in 3,761,335 tons averaging 0.112% U3O8.

Powertech's gross mineral rights at the Centennial Project, including the optioned properties, have now increased from approximately 7,300 acres to approximately 9,500 acres, while its surface use acreage has nearly doubled, from approximately 3,600 acres to approximately 7,200 acres, which are included in the above referenced amounts. In addition to increasing the Company's overall resource base for the project, the valuable addition of surface rights provides the Company access to its existing privately owned minerals, and enables it to complete mine planning and associated operational facility design.

The 2008 Notice of Intent ("NOI") for ten additional drill holes was approved by the Colorado Division of Reclamation, Mining and Safety ("CDRMS") in August 2008. Three rotary drill holes were completed in Section 9, T9N, R67W in the area of the proposed Central Processing Plant ("CPP"). These holes were drilled to ensure that no uranium resources existed beneath the proposed plant site. One drill hole encountered mineralization with a grade thickness ("GT") value of 0.50. Two core holes were drilled within resource areas in Section 9 and 35, T9N, R67W. 430 feet of core were recovered. Analytical results of core samples collected from the August coring program have been received. Mineralized core was composited for leach testing studies. The first phase of these studies showed a high percentage of uranium recovery. The second phase will examine the final water

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quality of the leaching solutions. Uranium has been leached from the composite core and analysis of the water quality of the resulting lixiviant is ongoing. These results are expected to be received in the first half of the 2010 fiscal year and will help in well field restoration planning. Porosity, permeability and density values were determined on core from both aquifers and confining units within the project area. These values will be incorporated into a hydrological evaluation associated with the final pump test.

Additionally, a Modification to the 2008 NOI was prepared and submitted to the CDRMS for 15 wells, including 13 pump test wells, and 1 core hole, which was approved by the CDRMS. Drilling began in April 2009, but due to an unusual amount of rain in northeastern Colorado this year, well completion work is still continuing. A pump test plan is being finalized for submittal to the CDRMS. This new technical information will be incorporated, along with previously collected data, in the permit applications.

Through August 14, 2009, approximately 80% of the tasks required to develop the ER are complete. Draft reports and numerous maps and figures have been provided by independent contractors and are under internal review. Several sections of the ER are in draft form:

1. Aquifer pumping tests
2. Baseline Radiation
3. Regional Surface Water Hydrology
4. Air Quality Assurance Report
5. Alternative Mining Methods
6. Geology and Seismology

At the request of the CDRMS, the Company prepared and submitted to CDRMS an updated Site Characterization Plan during April 2009. In addition, the CDRMS and Attorney General's office are in the process of drafting rules for in situ leach mining under the legislation passed in 2008. Stakeholder meetings on the draft rules commenced in June 2009. The Company is working closely with the Colorado Mining Association in preparation of comments for the ongoing rulemaking process.

In order to complete the pumping test portion of the application the company plans to reinject the extracted water into the same aquifer from which it came. All injection of water into an underground aquifer requires an EPA permit and the Company has applied for a Class V UIC permit from the EPA to complete the test. The Company has received a draft permit and a public hearing was held in Greeley, Colorado on July 20, 2009, during which only three citizens made comments. The public comment period ended July 24, 2009 after which the Company expects to receive the UIC permit which will allow us to proceed with the pumping test.

The decision to incorporate additional technical information from a final pump test, discussed above, and the CDRMS rulemaking process, has resulted in a revision in the schedule for filing all permit applications for the Centennial Project. The Company is now scheduled to submit the necessary permit applications for ISR operations to the United States Environmental Protection Agency, the Colorado Department of Public Health and Environment, Colorado Department of Natural Resources and Weld County upon completion of the rulemaking process discussed in the paragraph above.

The Company has not yet undertaken a preliminary feasibility study or a material preliminary assessment of the Centennial Project. Over the next year, the Company intends to continue with the steps required to move forward with applicable permitting processes and, in accordance with the recommendations of the Centennial Report, to have an analysis of the property be performed by a qualified person to reclassify appropriate portions of Centennial's inferred resources at GT cut-offs of 0.2 and 0.5 to measured and indicated resources. Following the reclassification of the resources, the Company may proceed with an independent preliminary feasibility study, to be conducted by an independent qualified person (as such term is defined in NI 43-101). The reclassified resource base will provide the basis for such evaluation.

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Resource Property Interests – Capitalized Costs

Costs reflected in resource property interests for the periods ended June 30, 2009 and March 31, 2009 are detailed below:

	<u>South Dakota</u>	<u>Wyoming</u>	<u>Colorado</u>	<u>New Mexico</u>	<u>Other</u>	<u>Total</u>
Balance, March 31, 2008	17,655,069	3,565,192	10,792,674	254,782	230,398	32,498,115
Acquisition costs	485,039	979,293	–	–	99,832	1,564,164
Transfer	317,902	(83,209)	–	(234,693)	–	–
Land services	20,447	–	89,696	–	–	110,143
Legal fees	161,551	–	331,807	–	–	493,358
Claims maintenance	45,849	130,116	–	–	20,561	196,526
Lease payments	158,817	102,337	162,184	–	2,138	425,476
Drilling/ Engineering	707,862	–	607,861	–	–	1,315,723
Exploration	1,893	7,418	–	–	–	9,311
Geological Services	20,359	–	38,333	–	–	58,692
Permitting	2,484,006	3,648	1,661,978	–	–	4,149,632
Wages/consulting	1,288,947	–	838,478	–	–	2,127,425
Currency translation	<u>(3,986,922)</u>	<u>(1,626,215)</u>	<u>(2,579,944)</u>	<u>(20,089)</u>	<u>(147,580)</u>	<u>(8,360,750)</u>
Balance, March 31, 2009	<u>\$19,360,819</u>	<u>\$3,078,580</u>	<u>\$11,943,067</u>	<u>\$ –</u>	<u>\$ 205,349</u>	<u>\$ 34,587,815</u>
Acquisition costs	–	–	197,000	–	–	197,000
Land services	2,154	–	30,404	–	–	32,558
Legal fees	49,277	–	98,876	–	–	148,153
Claims maintenance	–	–	–	–	–	–
Lease payments	29,485	8,950	58,458	–	–	96,893
Drilling/ Engineering	47,850	–	309,616	–	–	357,466
Permitting	116,199	–	136,547	–	–	252,746
Wages/consulting	251,303	–	158,805	–	–	410,108
Currency translation	<u>1,568,107</u>	<u>249,260</u>	<u>976,036</u>	<u>–</u>	<u>20,914</u>	<u>2,814,317</u>
Balance, June 30, 2009	<u>\$21,425,194</u>	<u>\$3,336,790</u>	<u>\$13,908,809</u>	<u>\$ –</u>	<u>\$ 226,263</u>	<u>\$ 38,897,056</u>

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RESULTS OF OPERATIONS

During the three-month period ended June 30, 2009, the Company continued to focus on expanding and advancing its resource property interests through property acquisitions and exploration/development.

SUMMARY OF QUARTERLY RESULTS

The following tables provide selected financial information for the most recent eight quarters, stated in United States dollars in accordance with Canadian GAAP.

	<u>June</u> <u>30, 2009</u>	<u>March</u> <u>31, 2009</u>	<u>December</u> <u>31, 2008</u>	<u>September</u> <u>30, 2008</u>
Interest Income	\$ 4,739	\$ 6,072	\$ 17,096	\$ 28,968
Interest Expense	134,405	97,029	-	-
Expenses	326,284	849,006	911,674	861,130
Net Loss	455,950	939,963	894,578	832,162

	<u>June</u> <u>30, 2008</u>	<u>March</u> <u>31, 2008</u>	<u>December</u> <u>31, 2007</u>	<u>September</u> <u>30, 2007</u>
Interest Income	\$ 21,454	\$ 47,275	\$ 91,788	\$ 128,517
Interest Expense	-	-	-	-
Expenses	1,691,404	1,008,715	1,228,860	939,001
Net Loss	1,669,950	961,440	1,137,072	810,484

Three Month Period Ended June 30, 2009 Compared to Three Month Period Ended June 30, 2008

During the three months ended June 30, 2009, the Company continued to focus on development of its mineral property interests. Net loss during the three months ended June 30, 2009 was significantly less than the net loss during the three months ended June 30, 2008, at \$455,950 and \$1,669,950, respectively. This change is primarily due to a foreign currency gain and an overall decrease in general and administrative expenses, offset by an increase in interest expense, as discussed below.

General and administrative expenses decreased from \$1,691,404 for the three months ended June 30, 2008 to \$326,284 for the three months ended June 30, 2009. A foreign exchange gain of \$718,146, resulting from currency fluctuations between the U.S. and Canadian dollars in the current period, offset other general and administrative expenses.

Investor relations and promotion activities decreased to \$28,614 in the three months ended June 30, 2009 from \$63,082 in the three months ended June 30, 2008 as a result of the Company's efforts to increase its employee base rather than continuing to engage consultants to perform corporate activities.

General and administrative expenses related to stock based compensation was \$nil during the first quarter of fiscal 2010 as compared to \$768,209 in the first quarter of fiscal 2009 as a result of no new issuances of stock options during the current quarter and partial vesting of prior stock options in accordance with generally accepted accounting policies.

Legal fees were \$55,576 in the current period as compared to \$103,868 in the comparable period in 2008 due to increased costs associated with financing initiatives during the three months ended June 30, 2008.

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Interest and accretion expense in the current period were significantly greater than in the comparative period in 2008 as a result of the convertible debt issuance in February 2009, and the purchase of additional mineral interests as discussed in Note 8 of the Company's annual financial statements, which were filed on SEDAR at www.sedar.com on June 29, 2009.

FINANCING, LIQUIDITY AND CAPITAL RESOURCES

As of June 30, 2009, the Company had cash and cash equivalents of \$3,350,364 and net working capital of \$3,104,826.

Cash used in operations for the three months ended June 30, 2009 was \$263,225 compared to cash used in operations of \$1,989,108 at June 30, 2008, primarily due to a decrease in net loss for the period, after adjustment for noncash items and a decrease in accounts payable.

Cash outflows for investing activities increased for the three months ended June 30, 2009 to \$2,073,765 from \$1,416,690 in the same period in 2008 primarily due to continued efforts associated with permitting and development activities within Mineral properties.

Financing activities such as private placements, debt issuances and accrued interest on said debt, provided cash of \$132,989 and \$9,280,200 for the three months ended June 30, 2009 and 2008, respectively.

The Company is in the permitting stage on two of its projects, Dewey-Burdock and Centennial, and continues to be largely reliant on obtaining debt and equity financing in order to continue its permitting and other exploration and development activities. The Company has an active development program in place which cannot be fully funded with its existing working capital reserves, however, during August 2009, the Company entered into a Bridge Loan Agreement with Société Belge de Combustibles Nucléaires Synatom SA ("Synatom") pursuant to which Synatom provided the Company with a bridge loan in the amount of CAD\$3,450,000 (the "Bridge Loan"). The Company, along with Powertech (USA) Inc., its wholly-owned subsidiary, and Synatom have also entered into a Loan Facility Placement Agreement (the "Loan Facility Placement Agreement") pursuant to which, subject to the receipt of the approval of the TSX and the Company's shareholders, and the repayment of the Bridge Loan, the Company will enter into a loan facility with Synatom (the "Loan Facility") for the aggregate principal amount of CAD\$13.8 million. The Company intends to use the net proceeds of the Bridge Loan and the Loan Facility for working capital and to advance its mineral properties towards production.

For more information regarding the terms of the Bridge Loan and the Loan Facility see the Material Change Report filed by the Company on SEDAR on August 12, 2009, at www.sedar.com.

Notwithstanding previous success in acquiring equity financing on acceptable terms, there is no guarantee of obtaining future equity financings or on what terms any such equity capital may be available to the Company.

In the longer term, the Company's ability to continue as a going concern is dependent upon its ability to generate profitable operations in the future from its new business initiatives and to obtain the financing necessary to meet its obligations and pay its liabilities arising from normal business operations when they come due.

CONTRACTUAL COMMITMENTS

The following table summarizes the contractual maturities of the Company's significant financial liabilities and capital commitments, including contractual obligations:

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	July 2009 - <u>June 2010</u>	July 2010 - <u>June 2013</u>	July 2013 - <u>June 2015</u>	<u>Thereafter</u>	<u>Total</u>
Lease obligations	\$ 435,791	\$ 1,672,421	\$ 566,435	\$ 943,303	\$ 3,617,950
Accounts payable and accrued liabilities	665,507	-	-	-	665,507
Agreements payable	290,000	870,000	580,000	100,000	1,840,000
Purchase options*	1,530,000	9,723,000	-	-	11,253,000
Convertible debt	-	7,857,119	-	-	7,857,119
	<u>\$ 2,921,298</u>	<u>\$ 20,122,540</u>	<u>\$ 1,146,435</u>	<u>\$ 1,043,303</u>	<u>\$ 25,233,576</u>

*See Resource Property Interests, Colorado, USA discussion above and Note 2 of the Company's June 30, 2009 financial statements as filed on August 14, 2009.

The convertible debenture is convertible in cash or shares, and may not result in a cash outflow.

For information regarding the Company's share purchase options to key service providers and employees under the Company's Stock Option Plan, see the Share Capital: Stock Option Plan discussion below.

LEGAL MATTERS

Further to disclosure in previous public filings, the Company was named in a wrongful dismissal claim related to the termination of a former manager of the Company in 2004 prior to its change of business. Since such a claim was considered possible at the time of the sale of the Company's former business, the former controlling shareholder of the Company and purchaser of the former business, Fama Holdings Ltd., agreed to indemnify the Company for any damages or costs incurred in connection with any such claim. Pursuant to the indemnity agreement, Fama Holdings Ltd. has assumed the defense of the claim on behalf of the Company.

OFF BALANCE SHEET ARRANGEMENTS

The Company does not have any off -balance sheet arrangements that have or are reasonably likely to have a current or future effect on its financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

RELATED PARTY TRANSACTIONS

During the three months ended June 30, 2009 and 2008, the Company incurred the following transactions with directors and officers of the Company or with companies with directors and officers in common:

	June 30,	
	<u>2009</u>	<u>2008</u>
Director fees	\$ 7,701	\$ 8,833
Management and consulting fees	90,806	279,463
	<u>\$ 98,507</u>	<u>\$ 288,296</u>

These related party transactions are measured at the exchange value, which represents the amount of consideration established and agreed to by all the parties.

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CRITICAL ACCOUNTING ESTIMATES

The preparation of consolidated financial statements in conformity with Canadian generally accepted accounting principles requires that management make estimates and assumptions that affect the reported amounts of assets and liabilities at year end and the reported amounts of revenues and expenses during the year. Actual results could differ from these estimates.

Significant estimates used in the preparation of the Company's consolidated financial statements include, but are not limited to impairment of mineral properties, building and equipment, determination of fair values of financial instruments, the fair value for stock-based compensation, the provision for income taxes and composition of income tax assets and liabilities, the expected economic lives of and the estimated future operating results and net cash flows from mining properties, the anticipated costs of reclamation and closure cost obligations and the market interest rates used in fair valuing the liability component of the convertible debenture.

Mineral Properties

The Company capitalizes the costs of acquiring, maintaining its interest, exploring and developing mineral properties. The accumulated costs including applicable exploration expenses relative to non-productive mineral properties that the Company abandons interest in are written off. Otherwise, the accumulated costs are depleted over the estimated useful lives of the producing mineral properties on a method relating recoverable reserves to production.

The Company is in the process of exploring and developing its mineral properties and has not yet determined the amount of reserves available. Management reviews the carrying values of mineral properties on a periodic basis and will recognize impairment in value based upon current exploration results, the prospect of further work being carried out by the Company, the assessment of future probability of profitable revenues from the property or from the sale of the property. Write-downs due to impairment in value are charged to operations. Amounts shown for properties represent costs incurred net of write-downs and recoveries, and are not intended to represent present or future values.

Building and Equipment

Equipment is recorded at cost. Amortization is provided using the double declining balance method at 40% per annum over a five year useful life for computer, field and office equipment and vehicles. Buildings are recorded at cost. Depreciation is recording using the straight-line method over a 40 year useful life.

Stock-Based Compensation

The fair value of all stock-based compensation awards granted is expensed with a corresponding increase to contributed surplus. Compensation expense for employees is generally amortized using the straight-line method over the period from the grant date to the date the options vest. Compensation expense for non-employees is recognized immediately for past services and pro-rata for future services over the service provision period. Compensation for non-employees is re-measured at each balance sheet date until the earlier of the vesting date or the date of completion of the service.

Upon exercise of the awards, the related amount of stock based compensation previously expensed is transferred from contributed surplus and together with consideration received, is recorded as share capital.

The Company uses the Black-Scholes option valuation model to calculate the fair value of share purchase options at the date of grant. Option valuation models require the input of highly subjective assumptions, including the expected price volatility. Changes in these assumptions can materially affect the fair value estimate. See Note 5 for discussion of the Company's stock option plan.

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CHANGES IN ACCOUNTING POLICIES, INCLUDING INITIAL ADOPTION

Measurement and Reporting Currency

On April 1, 2008, the Company changed its reporting currency from Canadian dollars (CAD) to United States dollars (USD) as this currency is more appropriate for the Company's investors and other users of the financial statements. In making this change, the Company has followed recommendations of the Emerging Issues Committee ("EIC") of the Canadian Institute of Chartered Accountants ("CICA"), set out in EIC-130, "Translation Method When The Reporting Currency Differs From The Measurement Currency or There is a Change in The Reporting Currency".

Financial statements for all period presented have been translated from Canadian dollars into United States dollars using the current rate method, based on EIC-130 recommendations. Using this method, all consolidated assets and liabilities have been translated using the exchange rate at the balance sheet dates, while shareholders' equity has been translated using the historical rates of exchange in effect on the dates of the corresponding transactions. Consolidated Statements of Operations and Deficit have been translated using the prevailing average exchange rate for the period, except for equity transactions which have been translated using the historical rates of exchange in effect at the dates of the corresponding transactions. Any resulting exchange rate differences due to this translation are included in shareholders' equity as accumulated other comprehensive income. All comparative financial information being presented has been restated to reflect the Company's financial statements as if they have been historically reported in United States dollars and this resulted in an accumulated other comprehensive income adjustment of \$1,044,600.

International Financial Reporting Standards

In 2006, Canada's Accounting Standards Board ratified a strategic plan that will result in Canadian GAAP, as used by publicly accountable enterprises, being fully converged with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board over a transitional period to be completed by 2011. We will be required to report using the converged standards effective for interim and annual financial statements relating to fiscal years beginning no later than on or after January 1, 2011.

Canadian GAAP will be fully converged with IFRS through a combination of two methods: as current joint-convergence projects of the United States' Financial Accounting Standards Board and the International Accounting Standards Board are agreed upon, they will be adopted by Canada's Accounting Standards Board and may be introduced in Canada before the publicly accountable enterprises' transition date to IFRS; and standards not subject to a joint-convergence project will be exposed in an omnibus manner for introduction at the time of the publicly accountable enterprises' transition date to IFRS.

The International Accounting Standards Board currently, and expectedly, has projects underway that are expected to result in new pronouncements that continue to evolve IFRS, and, as a result, IFRS as at the transition date is expected to differ from its current form.

In June 2008, the Canadian Securities Administrators issued a staff notice which states that staff recognize that some issuers might want to prepare their financial statements in accordance with IFRS for periods beginning prior to January 1, 2011, the mandatory date for changeover to IFRS for Canadian publicly accountable enterprises, and staff are prepared to recommend exemptive relief on a case by case basis to permit a domestic issuer to prepare its financial statements in accordance with IFRS for financial periods beginning before January 1, 2011.

The eventual changeover to IFRS represents changes due to new accounting standards. The transition from current Canadian GAAP to IFRS is a significant undertaking that may materially affect our reported financial position and results of operations.

We have not completed development of our IFRS changeover plan, which will include project structure and governance, resourcing and training, analysis of key GAAP differences and a phased plan to assess accounting policies under IFRS as well as potential IFRS 1 exemptions. We expect to complete our project scoping, which will include a timetable for

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assessing the impact on data systems, internal controls over financial reporting, and business activities, such as financing and compensation arrangements, by December 31, 2009.

We are required to qualitatively disclose the implementation impacts in conjunction with our fiscal 2010 financial reporting. As activities progress, disclosure on pre- and post-IFRS implementation accounting policy differences is expected to increase. We are continuing to assess the financial reporting impacts of the adoption of IFRS and, at this time, the impact on our future financial position and results of operations is not reasonably determinable or estimable. Further, we anticipate a significant increase in disclosure resulting from the adoption of IFRS and are continuing to assess the level of this disclosure required and any necessary systems changes to gather and process the information.

SHARE CAPITAL

Authorized Common Shares:

The Company is authorized to issue an unlimited number of common shares without par value and an unlimited number of preferred shares without par value that are issuable in a series.

Common Shares Issued:

	<u>Number</u>	<u>Amount</u>
Balance, June 30, 2009 and March 31, 2009	55,429,020	\$ 50,831,518
Share adjustment	<u>2</u>	<u>-</u>
Balance, August 14, 2009	<u>55,429,022</u>	<u>\$ 50,831,518</u>

Escrow:

At June 30, 2009, 425,000 common shares were held in escrow ("Escrow Shares") subject to an escrow agreement. Subsequent to June 30, 2009, 425,000 Escrow Shares were released in accordance with the escrow agreement.

Share Purchase Warrants:

At June 30, 2009 and August 14, 2009, there were 6,000,000 share purchase warrants outstanding. Share purchase warrants entitled the holders thereof to purchase one common share for each warrant. Changes in share purchase warrants for the three months ended June 30, 2009 were as follows:

<u>Expiration Date</u>	<u>Exercise Price</u>	<u>Outstanding at March 31, 2009</u>	<u>Issued during the period</u>	<u>Expired during the period</u>	<u>Outstanding at June 30, 2009</u>
June 4, 2009	CAD\$2.00	6,000,000	-	6,000,000	-
June 4, 2010	CAD\$2.00	<u>6,000,000</u>	<u>-</u>	<u>-</u>	<u>6,000,000</u>
Totals		<u>12,000,000</u>	<u>-</u>	<u>6,000,000</u>	<u>6,000,000</u>

Stock Option Plan:

The Company has a Stock Option Plan ("the Plan") under which it is authorized to grant share purchase options to directors, officers, consultants or employees of the Company. The Company is permitted to grant options under the Plan to a fixed number of 9,885,804 common shares which is equal to 20% of the issued and outstanding common shares at the date of Plan adoption. The exercise price of options granted under the Plan may not be less than the fair market value of the Company's common shares at the date the options are granted. Options granted under the Plan have a maximum life of five

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years. The Board of Directors specifies a vesting period on a grant-by-grant basis. All options are granted at exercise prices which are at or above the traded share price on grant date.

At June 30, 2009 and August 14, 2009, there are 7,600,000 options outstanding entitling the holders thereof to purchase one common share for each option held as follows:

Expiration Date	Exercise Price (CAD)	Outstanding at March 31, 2009	Granted during period	Exercised during period	Forfeited during period	Outstanding at June 30, 2009
May 11, 2011	\$1.00	3,025,000	-	-	-	3,025,000
July 19, 2011	\$1.30	200,000	-	-	-	200,000
August 1, 2011	\$1.30	100,000	-	-	-	100,000
October 5, 2011	\$1.80	100,000	-	-	-	100,000
February 15, 2012	\$3.00	400,000	-	-	-	400,000
May 14, 2012	\$3.20	125,000	-	-	-	125,000
August 30, 2012	\$1.50	900,000	-	-	-	900,000
September 4, 2012	\$1.60	150,000	-	-	-	150,000
October 31, 2012	\$2.15	75,000	-	-	-	75,000
January 14, 2013	\$1.50	400,000	-	-	-	400,000
February 7, 2013	\$1.00	400,000	-	-	-	400,000
June 18, 2013	\$1.50	1,600,000	-	-	-	1,600,000
August 11, 2013	\$1.50	125,000	-	-	-	125,000
Totals		<u>7,600,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,600,000</u>

As of June 30, 2009 and August 14, 2009, 7,206,875 and 7,297,500 options have vested, respectively. As of June 30, 2009, the weighted average life of the stock options outstanding is 2.98 years. The weighted average exercise price of the stock options outstanding is CAD\$1.39.

FINANCIAL INSTRUMENTS

The carrying values of cash, and accounts payable and accrued liabilities approximate fair value because of the short-term maturity of those instruments. The current bank accounts and accounts payable are non-interest bearing. The majority of cash is held in short-term investments bearing interest of less than 2%. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The Company to date has not used any formal currency hedging contracts to manage currency risk.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION

The Company's financial statements are the responsibility of the Company's management, and have been approved by the Board of Directors. The financial statements were prepared by the Company's management in accordance with GAAP in Canada. The Company's financial statements include certain amounts based on the use of estimates and assumptions. Management has established these amounts in a reasonable manner, in order to ensure that the financial statements are presented fairly in all material respects.

Disclosure Controls and Procedures

The Company maintains a set of disclosure controls and procedures designed to ensure that information required to be disclosed is recorded, processed, summarized and reported within the time periods specified in provincial securities legislation. The Company evaluated its disclosure controls and procedures as defined under National Instrument 52-109. This evaluation was performed by the Company's Chief Executive Officer and Chief Financial Officer with the assistance of other employees to the extent necessary and appropriate. Based on this evaluation, the Chief Executive Officer and Chief

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Financial Officer concluded that the design and operation of the Company's disclosure controls and procedures were effective.

Internal Controls Over Financial Reporting

The Company maintains internal controls over financial reporting which have been designed to provide reasonable assurance of the reliability of external financial reporting in accordance with Canadian GAAP as required by National Instrument 52-109.

There were no changes in internal control over financial reporting that occurred during the three-month period ended June 30, 2009 that have materially affected, or are reasonably likely to materially affect internal control over financial reporting.

OTHER INFORMATION

This discussion and analysis of the financial position and results of operation as of August 14, 2009 should be read in conjunction with the audited consolidated financial statements for the three months ending June 30, 2009. Additional information relating to the Company, including the Company's Annual Information Form, can be accessed at the Company's website www.powertechuranium.com or through the Company's public filings on SEDAR at www.sedar.com.

This Management Discussion and Analysis has been reviewed and approved by Mr. Richard F. Clement, Jr., President and CEO of Powertech, under whose direction the company's operations are being carried out. Mr. Clement, P.G., MSc. is a Qualified Person as defined by National Instrument 43-101.