



POWERTECH URANIUM CORP.

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2007 and 2006

(Stated in Canadian Dollars)

AUDITORS' REPORT

To the Shareholders,
Powertech Uranium Corp.

We have audited the consolidated balance sheets of Powertech Uranium Corp. as at March 31, 2007 and 2006 and the consolidated statements of operations, deficit and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2007 and 2006 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Vancouver, Canada
June 15, 2007, except as to Note 11(g) which is
as of June 25, 2007

“AMISANO HANSON”
Chartered Accountants

POWERTECH URANIUM CORP.
CONSOLIDATED BALANCE SHEETS
 March 31, 2007 and 2006
 (Stated in Canadian Dollars)

	<u>ASSETS</u>	<u>2007</u>	<u>2006</u>
Current			
Cash and short-term investments – Note 6		\$ 11,725,285	\$ 390,366
Restricted cash – Note 3		291,759	-
GST receivable		9,041	9,351
Other receivables		10,357	-
Prepaid expenses		<u>78,974</u>	<u>-</u>
		12,115,416	399,717
Deposits		94,321	-
Resource property interests – Notes 3, 6, 9 and 11		20,757,144	397,429
Equipment – Note 4		<u>98,666</u>	<u>-</u>
		<u>\$ 33,065,547</u>	<u>\$ 797,146</u>

	<u>LIABILITIES</u>	
Current		
Accounts payable and accrued liabilities – Note 6	\$ 648,738	\$ 164,148
Current portion of agreements payable – Notes 3 and 8	<u>300,534</u>	<u>11,680</u>
	949,272	175,828
Agreements payable – Notes 3 and 8	<u>2,115,297</u>	<u>105,120</u>
	<u>3,064,569</u>	<u>280,948</u>

	<u>SHAREHOLDERS' EQUITY</u>	
Share capital – Notes 5 and 11	40,674,499	11,164,571
Share subscriptions – Note 5	-	285,000
Contributed surplus – Note 5	5,110,610	-
Deficit	<u>(15,784,131)</u>	<u>(10,933,373)</u>
	<u>30,000,978</u>	<u>516,198</u>
	<u>\$ 33,065,547</u>	<u>\$ 797,146</u>

Nature of Operations – Note 1
 Commitments – Notes 3, 5, 9 and 11
 Subsequent Events – Note 11
 Contingency – Note 12

APPROVED BY THE DIRECTORS:

<u>“Richard Clement”</u> Richard Clement	Director	<u>“Thomas Doyle”</u> Thomas Doyle	Director
---	----------	---------------------------------------	----------

SEE ACCOMPANYING NOTES

POWERTECH URANIUM CORP.
CONSOLIDATED STATEMENTS OF OPERATIONS
for the years ended March 31, 2007 and 2006
(Stated in Canadian Dollars)

	<u>2007</u>	<u>2006</u>
Revenue		
Interest	\$ 308,038	\$ -
General and administrative expenses		
Amortization	16,820	-
Audit and accounting fees	62,069	24,930
Director fees – Note 6	11,075	60,000
Filing fees	75,524	11,330
Foreign exchange gain	(16,018)	-
Insurance	59,578	-
Investor relations and promotion	219,482	-
Legal fees – Note 6	173,487	83,775
Management and consulting fees – Note 6	515,859	-
Office and miscellaneous	154,770	3,059
Stock-based compensation – Notes 5 and 6	3,513,301	-
Transfer agent fees	20,723	5,206
Travel and accommodation	113,610	21,176
Wages and benefits – Note 6	<u>238,516</u>	<u>-</u>
	<u>5,158,796</u>	<u>209,476</u>
Net loss for the year	<u>\$ (4,850,758)</u>	<u>\$ (209,476)</u>
Basic and diluted loss per share	<u>\$ (0.14)</u>	<u>\$ (0.02)</u>
Weighted average number of shares outstanding	<u>34,688,130</u>	<u>12,756,369</u>

SEE ACCOMPANYING NOTES

POWERTECH URANIUM CORP.
CONSOLIDATED STATEMENTS OF DEFICIT
for the years ended March 31, 2007 and 2006
(Stated in Canadian Dollars)

	<u>2007</u>	<u>2006</u>
Deficit, beginning of the year	\$ (10,933,373)	\$(10,723,897)
Net loss for the year	<u>(4,850,758)</u>	<u>(209,476)</u>
Deficit, end of the year	<u>\$ (15,784,131)</u>	<u>\$(10,933,373)</u>

SEE ACCOMPANYING NOTES

POWERTECH URANIUM CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
for the years ended March 31, 2007 and 2006
(Stated in Canadian Dollars)

	<u>2007</u>	<u>2006</u>
Operating Activities		
Net loss for the year	\$ (4,850,758)	\$ (209,476)
Items not affecting cash:		
Amortization	16,820	-
Foreign exchange gain	(16,018)	-
Stock based compensation	<u>3,513,301</u>	<u>-</u>
	(1,336,655)	(209,476)
Net change in non-cash working capital balances:		
GST receivable	310	830
Other receivables	(10,357)	-
Prepaid expenses	(78,974)	2,250
Accounts payable and accrued liabilities	<u>524,590</u>	<u>127,002</u>
	<u>(901,086)</u>	<u>(79,394)</u>
Investing Activities		
Deposits	(94,321)	-
Resource property interests	(5,073,409)	(280,629)
Equipment	<u>(115,486)</u>	<u>-</u>
	<u>(5,283,216)</u>	<u>(280,629)</u>
Financing Activities		
Agreements payable	(11,680)	-
Issuance of common shares	17,822,660	379,500
Share subscriptions	<u>-</u>	<u>285,000</u>
	<u>17,810,980</u>	<u>664,500</u>
Increase in cash during the year	11,626,678	304,477
Cash, beginning of the year	<u>390,366</u>	<u>85,889</u>
Cash, end of the year	<u>\$ 12,017,044</u>	<u>\$ 390,366</u>
Cash consists of:		
Cash	\$ 1,215,019	\$ 390,366
Short-term investments	<u>10,510,266</u>	<u>-</u>
	11,725,285	390,366
Restricted cash	<u>291,759</u>	<u>-</u>
	<u>\$ 12,017,044</u>	<u>\$ 390,366</u>

Non-cash Transactions – Note 7

SEE ACCOMPANYING NOTES

POWERTECH URANIUM CORP.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2007 and 2006
(Stated in Canadian Dollars)

Note 1 Nature of Operations

The Company was incorporated in British Columbia on February 10, 1984. The Company's shares are publicly traded on the TSX Venture Exchange and the Frankfurt Stock Exchange. The Company's business is the exploration and development of uranium properties located in South Dakota, Wyoming, Colorado and New Mexico, USA.

The Company is in the process of exploring its properties and has not yet determined whether these properties contain reserves that are economically recoverable. The recoverability of the amount shown for resource property interests is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete exploration and development of the reserves, and upon future profitable production or proceeds from disposition of the properties.

Note 2 Significant Accounting Policies

Use of Estimates

The preparation of 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.

Principles of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, Powertech (USA) Inc., a South Dakota corporation, which was incorporated by the Company on January 24, 2006. All significant inter-company balances and transactions have been eliminated.

Cash and Short-term Investments

Cash and short-term investments consist of highly liquid investments that are easily convertible to cash and have maturities of three months or less when purchased.

Resource Property Interests

Property Acquisition Costs

Acquisitions of resource properties are recorded at cost. Costs incurred prior to the completion of an acquisition are deferred as deferred resource property acquisition costs. Producing resource properties are depleted over their estimated useful lives based upon a method relating recoverable resource reserves to production. Non-producing resource properties that the Company abandons interest in are written off in the year of abandonment.

Note 2 Significant Accounting Policies – (cont'd)

Resource Property Interests – (cont'd)

Deferred Exploration Costs

The Company capitalizes all exploration expenses that result in the acquisition and retention of resource properties or an interest therein. The accumulated costs including applicable exploration expenses relative to non-productive resource properties that the Company abandons interest in are written off. Otherwise, the exploration expenses are depleted over the estimated useful lives of the producing resource 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.

Environmental Costs

Environmental expenditures that relate to current operations are expensed or capitalized as appropriate. Expenditures that relate to an existing condition caused by past operations and which do not contribute to current or future revenue generation are expensed. Liabilities are recorded when environmental assessments and/or remedial efforts are probable and the cost can be reasonably estimated. Generally, the timing of these accruals coincides with the earlier of the completion of a feasibility study or the Company's commitment to a plan of action based on the then known facts.

Equipment and Amortization

Equipment is recorded at cost. Amortization is recorded using the declining balance method at the following annual rates:

Computer equipment	30%
Office equipment	20%
Vehicles	30%

Amortization is recorded at one-half rates in the year of acquisition.

Note 2 Significant Accounting Policies – (cont'd)

Impairment of Long-lived Assets

Canadian generally accepted accounting principles require that long-lived assets and intangibles to be held and used by the Company be reviewed for possible impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If changes in circumstances indicate that the carrying amount of an asset that an entity expects to hold and use may not be recoverable, future cash flows expected to result from the use of the asset and its disposition must be estimated. If the undiscounted value of the future cash flows is less than the carrying amount of the asset, impairment is recognized. Management believes there has been no impairment of the Company's long-lived assets as at March 31, 2007.

Asset Retirement Obligations

The fair value of obligations associated with the retirement of tangible long-lived assets is recorded in the period the asset is put into use, with a corresponding increase to the carrying amount of the related asset. The obligations recognized are statutory, contractual or legal obligations. The liability is accreted over time for changes in the fair value of the liability through charges to accretion, which is included in depletion, depreciation and accretion expense. The costs capitalized to the related assets are amortized in a manner consistent with the depletion and depreciation of the related asset. The Company has determined that there are no asset retirement obligations at March 31, 2007.

Financial Instruments

The carrying values of cash and short-term investments, restricted cash, other receivables and accounts payable and accrued liabilities approximate fair value because of the short-term maturity of those instruments. The fair value of agreements payable is also assumed to approximate their carrying amount. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest or credit risks arising from these financial instruments.

The Company's mineral exploration activities are located in the United States of America and expenditures are in U.S. dollars. Consequently some assets and liabilities are exposed to foreign currency fluctuations. At March 31, 2007, US currency balances were comprised of cash of US\$101,435, restricted cash of US\$252,408, accounts payable of US\$149,339, and agreements payable totalling US\$2,090,000 (2006: US\$100,000).

Income Taxes

The Company accounts for income taxes by the asset and liability method. Under this method, current income taxes are recognized for the estimated income taxes payable for the current period. Future income tax assets and liabilities are recognized for temporary differences between the tax and accounting basis of assets and liabilities, as well as for the benefit of losses available to be carried forward to future years for tax purposes that are more likely than not to be realized.

Note 2 Significant Accounting Policies – (cont'd)

Stock-Based Compensation

The Company has a stock option plan as described in Note 5. Awards of stock options to employees and non-employees are accounted for in accordance with the fair value method of accounting for stock-based compensation. The fair value of stock options is determined using the Black-Scholes option valuation model. Under the fair value method, the amount to be recognized as expense is determined at the time the options are issued and is deferred and recognized in earnings over the vesting period of the options with a corresponding increase in contributed surplus.

Consideration paid by directors, officers and key employees and consultants on the exercise of stock options is credited to share capital together with the amount previously recognized in contributed surplus.

Basic and Diluted Loss Per Share

Basic loss per share is computed by dividing the loss for the year by the weighted average number of common shares outstanding during the year. The weighted average number of common shares outstanding does not include performance escrow shares but does include time-release escrow shares. Diluted earnings per share reflect the potential dilution that could occur if potentially dilutive securities were exercised or converted to common stock. The dilutive effect of options and warrants and their equivalent is computed by application of the treasury stock method and the effect of convertible securities by the “if converted” method. Fully dilutive amounts are not presented when the effect of the computations are anti-dilutive due to the losses incurred. Accordingly, there is no difference in the amounts presented for basic and diluted loss per share.

Foreign Currency Translation

Monetary items denominated in a foreign currency are translated into Canadian dollars at exchange rates prevailing at the balance sheet date and non-monetary items are translated at exchange rates prevailing when the assets were acquired or obligations incurred. Foreign currency denominated revenue and expense items are translated at exchange rates prevailing at the transaction date. Gains or losses arising from the translations are included in operations.

Note 3 Resource Property Interests – Notes 6, 9 and 11

South Dakota, USA

The Company's South Dakota prospect is comprised of 18 mining leases covering 14,933 gross acres, 12,247 net surface acres and 7,975 net mineral acres. In addition, the Company has staked and acquired 156 mining claims in South Dakota covering approximately 2,964 acres. The Company obtained the prospect as follows:

Note 3 Resource Property Interests – Notes 6, 9 and 11 – (cont'd)

South Dakota, USA – (cont'd)

Dewey Burdock Prospect – Custer and Fall River Counties

- a) By a purchase and sale agreement dated February 20, 2006 and effective May 11, 2006, the Company acquired all of the assets and assumed all of the liabilities of Denver Uranium Company, LLC (“DU”). The purchased assets included a package of mining leases. The assumed liabilities included US\$888,000 of convertible promissory notes and accrued interest. The Company acquired the assets of DU by the issuance of 8,000,000 common shares at \$1.00 per share. In addition, the Company settled the convertible promissory notes and accrued interest by the issuance of 2,220,000 common shares \$0.48 per share. All of these shares are subject to the terms of escrow agreements that provide for their release over a three-year period.
- b) By a letter agreement dated November 16, 2005 and effective May 11, 2006, the Company acquired 119 mineral claims by the issuance of 1,000,000 common shares at \$1.00 per share. In addition, the Company issued 1,250,000 share purchase warrants entitling the holder to purchase an additional 1,250,000 common shares at \$1.00 per share until May 11, 2007. The fair value of these share purchase warrants was calculated at \$1,091,671 using the Black Scholes option valuation model. The agreement is subject to a production royalty ranging from 2% to 4%, dependent on the price of uranium.
- c) By a purchase agreement dated March 31, 2006, the Company acquired a one-third mineral interest in a property in Custer County, South Dakota, in consideration for US\$950,000 to be paid US\$100,000 on closing (paid) and US\$10,000 per year for ten years until March 31, 2016 (paid US\$10,000). The balance of the purchase price of US\$750,000 is payable contingent upon receipt of permits and authorizations necessary to commence exploration and mining on the property. The US\$750,000 is to be paid in four equal instalments of US\$187,500 on each anniversary of the Company obtaining such permits. The purchase agreement is secured by a promissory note and a mortgage on the mineral interest.

The Company has received an exploration permit from the South Dakota Department of Environmental and Natural Resources. In addition, the Company has established a US\$500,000 standby letter of credit facility with Wells Fargo Bank (“Wells Fargo”). As requested, Wells Fargo will issue irrevocable letters of credit to secure the Company’s reclamation obligations associated with its drilling programs. Wells Fargo has issued the first letter of credit under the facility to the South Dakota Department of Environment and Natural Resources in the amount of US\$213,500 in connection with the exploration permit. The letter of credit is secured by a certificate of deposit in the amount of US\$235,000 (CDN \$271,637) which is included in restricted cash at March 31, 2007. The entire facility is guaranteed by the Company.

Note 3 Resource Property Interests – Notes 6, 9 and 11 – (cont'd)

Wyoming, USA

The Company's Wyoming prospects are comprised of 35 mining leases or options to lease covering 20,479 gross acres, 19,938 net surface acres and 12,117 net mineral acres. In addition, the Company has staked 792 mining claims in Wyoming covering approximately 15,048 acres. The Company obtained the prospects as follows:

Dewey Terrace Prospect – Weston County

During the year ended March 31, 2007, the Company acquired the Dewey Terrace prospect through 10 leases or options to lease and through staking 448 mining claims. The Dewey Terrace prospect is adjacent to the Dewey Burdock prospect located across the state line in South Dakota.

The Company has received authorization to proceed with exploration and drilling on the Dewey Terrace property. In connection with the exploration and drilling program, the Company paid US\$17,400 (CDN \$20,122) to the State of Wyoming to secure performance of the Company's reclamation obligations. This amount is included in restricted cash at March 31, 2007.

Aladdin Prospect – Crook County

During the year ended March 31, 2007, the Company acquired the Aladdin prospect through 24 leases or options to lease and through staking 41 mining claims. This prospect is 60 miles north of the Company's Dewey Terrace prospect. The Company has received an exploration permit from the Wyoming Department of Environmental Quality.

Colony Prospect – Crook County

During the year ended March 31, 2007, the Company acquired the Colony prospect through an option to lease and through staking 190 mining claims.

Powder River Basin Prospect – Campbell County

During the year ended March 31, 2007, the Company acquired the Powder River Basin prospect through staking 39 mining claims.

Shirley Basin Prospect – Carbon County

During the year ended March 31, 2007, the Company acquired the Shirley Basin prospect through staking 74 mining claims.

Note 3 Resource Property Interests – Notes 6, 9 and 11 – (cont'd)

Colorado, USA

The Company's Colorado prospects are comprised of 3 mining leases covering 1,464 gross acres, 802 net surface acres and 170 net mineral acres. In addition, the Company purchased surface acreage covering 320 gross acres and purchased mineral rights covering 5,744 net acres. The Company obtained the prospects as follows:

Centennial and Indian Springs Prospects – Weld County

- a) By a purchase agreement dated September 27, 2006, the Company purchased 5,744 net mineral acres from Anadarko Land Corp for US\$3,000,000. As consideration for the rights, the Company made a cash payment of US\$1,000,000 and recorded a liability of US\$2,000,000 payable in eight instalments of US\$250,000 per annum. An additional lump sum payment of US\$1,500,000 is due upon receipt of all regulatory permits and licenses allowing production of uranium from the property. In addition, any remaining instalment payments are due in full upon receipt of all regulatory permits and licences. The Company has also agreed to a minimum annual work commitment of US\$200,000 per annum until uranium is produced from the property. The property is subject to a royalty of 5% to 6% of production.
- b) During the year ended March 31, 2007, the Company also acquired surface acreage through direct acquisitions of land as part of the Company's overall program to secure surface rights on the prospects. The total consideration for the land purchases was US\$850,000 and is included as capitalized costs in resource property interests.
- c) During the year ended March 31, 2007, the Company entered into 3 mining leases covering 1,464 gross acres, 802 net surface acres and 170 net mineral acres.

New Mexico, USA

West Ambrosia Lake Prospect – McKinley County

During the year ended March 31, 2007, the Company acquired the West Ambrosia Lake prospect through staking 223 mining claims covering 4,237 acres.

Data Acquisitions

- a) By a purchase agreement dated August 9, 2006, the Company acquired a historical geological database related to its South Dakota and Wyoming properties. As consideration for the database, the Company paid \$112,690 (US\$100,000) and issued 200,000 common shares at \$1.30 per share.

Note 3 Resource Property Interests – Notes 6, 9 and 11 – (cont'd)

Data Acquisitions – (cont'd)

- b) By a purchase agreement dated December 18, 2006, the Company acquired a historical geological database related to its Wyoming properties. As consideration for the database, the Company agreed to pay \$1,000,000, payable in cash or common shares at the Company's option as follows:
- \$300,000 on signing (payment was satisfied by the issuance of 139,534 common shares at \$2.15 per share);
 - \$300,000 on or before March 1, 2007 (payment was satisfied by the issuance of 73,350 common shares at \$4.09 per share); and
 - \$400,000 on or before July 1, 2007 (payment was satisfied subsequent to March 31, 2007 by the issuance of 140,022 common shares at \$2.86 per share). This amount was included in accounts payable at March 31, 2007.

At March 31, 2007 and 2006, the Company has incurred the following amounts on its resource property interests:

	<u>2007</u>	<u>2006</u>
Dewey Burdock, South Dakota	\$ 13,475,435	\$ 397,429
Dewey Terrace, Wyoming	896,910	-
Aladdin, Wyoming	855,962	-
Colony, Wyoming	143,583	-
Powder River Basin, Wyoming	48,985	-
Shirley Basin, Wyoming	31,676	-
Centennial, Colorado	4,239,128	-
Indian Springs, Colorado	726,187	-
West Ambrosia Lake, New Mexico	201,206	-
Other	<u>138,072</u>	<u>-</u>
	<u>\$ 20,757,144</u>	<u>\$ 397,429</u>

Note 3 Resource Property Interests – Notes 6, 9 and 11 – (cont'd)

At March 31, 2007, costs reflected in resource property interests are detailed below:

	<u>South Dakota</u>	<u>Wyoming</u>	<u>Colorado</u>	<u>New Mexico</u>	<u>Other</u>	<u>Total</u>
Acquisition costs	\$ 12,111,337	\$ -	\$ 4,126,025	\$ -	\$ -	\$ 17,610,052
Data acquisitions	93,173	1,093,172	-	74,538	111,807	1,372,690
Land services	27,301	170,939	83,524	40,055	19,345	341,164
Legal fees	47,560	7,082	-	-	5,023	59,665
Claims maintenance	20,999	225,933	-	77,462	-	324,394
Lease payments	177,215	173,705	301,923	-	-	652,843
Drilling	-	234,099	-	-	-	234,099
Permitting	2,905	-	69,035	-	-	71,940
Wages/Consulting	<u>994,945</u>	<u>72,186</u>	<u>384,808</u>	<u>9,151</u>	<u>1,897</u>	<u>*1,462,987</u>
	<u>\$ 13,475,435</u>	<u>\$ 1,977,116</u>	<u>\$ 4,965,315</u>	<u>\$ 201,206</u>	<u>\$ 138,072</u>	<u>\$ 20,757,144</u>

*includes capitalized stock-based compensation of \$942,306.

At March 31, 2006, costs reflected in resource property interests are detailed below:

	<u>South Dakota</u>	<u>Wyoming</u>	<u>Colorado</u>	<u>New Mexico</u>	<u>Other</u>	<u>Total</u>
Acquisition costs	\$ 246,722	\$ -	\$ -	\$ -	\$ -	\$ 246,722
Legal fees	54,607	-	-	-	-	54,607
Filing fees	7,500	-	-	-	-	7,500
Wages/Consulting	<u>88,600</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>88,600</u>
	<u>\$ 397,429</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 397,429</u>

Note 4 Equipment

	<u>2007</u>			<u>2006</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net</u>	<u>Net</u>
Computer equipment	\$ 23,874	\$ 3,581	\$ 20,293	\$ -
Office equipment	10,059	1,006	9,053	-
Vehicles	<u>81,554</u>	<u>12,234</u>	<u>69,320</u>	<u>-</u>
	<u>\$ 115,487</u>	<u>\$ 16,821</u>	<u>\$ 98,666</u>	<u>\$ -</u>

Note 5 Share Capital – Note 11

Authorized:

100,000,000 common shares without par value
50,000,000 preferred shares without par value

Issued:

	<u>Number</u>	<u>Amount</u>
Balance, March 31, 2005	13,903,154	\$ 10,652,571
Issued for cash:		
- pursuant to private placement agreements (a) - at \$0.25	400,000	100,000
- pursuant to private placement agreements (c) - at \$0.80	450,000	360,000
- pursuant to exercise of warrants (a) - at \$0.30	40,000	12,000
Issued for debt:		
- settlement of accounts payable (b) - at \$0.30	<u>133,333</u>	<u>40,000</u>
Balance, March 31, 2006	14,926,487	\$ 11,164,571
Issued for cash:		
- pursuant to private placement agreements (d) - at \$0.95	300,000	285,000
- pursuant to private placement agreements (e) - at \$1.00	12,000,000	12,000,000
- less share issue costs (e)	-	(281,178)
- agent's commission shares (e)	649,752	-
- pursuant to exercise of agent's options (e) - at \$1.20	1,080,000	1,296,000
- pursuant to exercise of warrants (a) - at \$0.30	360,000	108,000
- pursuant to exercise of warrants (c) - at \$0.80	350,000	280,000
- pursuant to exercise of warrants (c) - at \$0.90	100,000	90,000
- pursuant to exercise of warrants (h) - at \$1.00	500,000	500,000
- pursuant to exercise of warrants (d) - at \$1.15	120,000	138,000
- pursuant to exercise of warrants (b) - at \$1.30	2,839,876	3,691,838
Issued for debt:		
- settlement of accounts payable (f) - at \$1.00	40,000	40,000
- acquisition of Denver Uranium (g) - at \$0.48	2,220,000	1,065,600
Issued for assets:		
- acquisition of Denver Uranium (g) - at \$1.00	8,000,000	8,000,000
- acquisition of South Dakota mining claims (h) - at \$1.00	1,000,000	1,000,000
- acquisition of uranium database (i) - at \$1.30	200,000	260,000
- acquisition of uranium database (j) - at \$2.15	139,534	300,000
- acquisition of uranium database (j) - at \$4.09	73,350	300,000
Black-Scholes valuation on exercise of warrants (h)	<u>-</u>	<u>436,668</u>
Balance, March 31, 2007	<u>44,898,999</u>	<u>\$ 40,674,499</u>

Note 5 Share Capital – Note 11 – (cont'd)

Issued: – (cont'd)

Agent's Options:

<u>Date</u>	<u>Exercise Price</u>	<u>Outstanding at March 31, 2006 and 2005</u>	<u>Issued during year ended March 31, 2007</u>	<u>Exercised during year ended March 31, 2007</u>	<u>Outstanding at March 31, 2007</u>
May 11, 2007 (e)	<u>\$1.20</u>	<u>-</u>	<u>1,080,000</u>	<u>(1,080,000)</u>	<u>-</u>

Escrow:

At March 31, 2007, 9,732,500 common shares were held in escrow by the Company's transfer agent. The escrow shares are made up of 1,700,000 common shares subject to a performance agreement and 8,032,500 common shares subject to time release agreements which provide for release over a three year period in accordance with the policies of the TSX Venture Exchange. The time release escrow shares are held by four directors of the Company. The majority of time release escrow shares were issued pursuant to the Company's acquisition of Denver Uranium. The following is a summary of the Company's escrow transactions during the year ended March 31, 2007.

<u>Balance At March 31, 2006 and 2005</u>	<u>Escrowed during year ended March 31, 2007</u>	<u>Released during year ended March 31, 2007</u>	<u>Balance at March 31, 2007</u>
<u>1,700,000</u>	<u>10,710,000</u>	<u>(2,677,500)</u>	<u>9,732,500</u>

The time release escrow will be released as follows:

May 11, 2007	1,606,500
November 11, 2007	1,606,500
May 11, 2008	1,606,500
November 11, 2008	1,606,500
May 11, 2009	<u>1,606,500</u>
	<u>8,032,500</u>

Note 5 Share Capital – Note 11 – (cont'd)

Share Purchase Warrants:

At March 31, 2007, there were 4,414,999 share purchase warrants outstanding entitling the holders thereof the right to purchase one common share for each warrant held as follows:

Expiration Date	Exercise Price	Outstanding at March 31, 2006	Issued during year ended March 31, 2007	Exercised during year ended March 31, 2007	Outstanding at March 31, 2007
April 14, 2007 (a)	\$0.30	360,000	-	(360,000)	-
March 14, 2007 (c)	\$0.80	350,000	-	(350,000)	-
March 14, 2007 (c)	\$0.90	100,000	-	(100,000)	-
May 11, 2007 (h)	\$1.00	-	1,250,000	(500,000)	750,000
April 19, 2007 (d)	\$1.15	-	300,000	(120,000)	180,000
May 11, 2007 (e)	<u>\$1.30</u>	<u>-</u>	<u>6,324,875</u>	<u>(2,839,876)</u>	<u>3,484,999</u>
Totals		<u>810,000</u>	<u>7,874,875</u>	<u>(4,269,876)</u>	<u>4,414,999</u>

At March 31, 2006, there were 810,000 share purchase warrants outstanding entitling the holders thereof the right to purchase one common share for each warrant held as follows:

Expiration Date	Exercise Price	Outstanding at March 31, 2005	Issued during year ended March 31, 2006	Exercised during year ended March 31, 2006	Outstanding at March 31, 2006
April 14, 2007 (a)	\$0.30	-	400,000	(40,000)	360,000
March 14, 2007 (c)	\$0.80	-	350,000	-	350,000
March 14, 2007 (c)	\$0.90	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>
Totals		<u>-</u>	<u>850,000</u>	<u>(40,000)</u>	<u>810,000</u>

Stock Option Plan:

The Company has a Stock Option Plan (“the Plan”) under which it is authorized to grant options to directors, officers, consultants or employees of the Company. The number of options granted under the Plan is limited to 10% in the aggregate, and 5% with respect to any one optionee, of the number of issued and outstanding common shares of the Company at the date of the grant of the options. 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 years. The options generally vest on the date of grant, however, the board of directors may specify a vesting period on a grant-by-grant basis.

Note 5 Share Capital – Note 11 – (cont'd)

Stock Option Plan: – (cont'd)

At March 31, 2007, there are 4,125,000 options outstanding entitling the holders thereof the right to purchase one common share for each option held as follows:

Expiration Date	Exercise Price	Outstanding at March 31, 2006 and 2005	Granted during year ended March 31, 2007	Exercised during year ended March 31, 2007	Outstanding at March 31, 2007
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
August 9, 2011	\$1.30	-	200,000	-	200,000
October 5, 2011	\$1.80	-	100,000	-	100,000
January 25, 2012	\$2.80	-	100,000	-	100,000
February 15, 2012	\$3.00	-	400,000	-	400,000
Totals		-	4,125,000	-	4,125,000

All stock options granted under the Plan during the year ended March 31, 2007 vested on the date of grant, except the 100,000 stock options expiring on October 5, 2011 which were granted on October 5, 2006 and vest 25,000 shares every three months until October 5, 2007 and the 100,000 stock options expiring on January 25, 2012 which were granted on January 25, 2007 and vest 25,000 shares every three months until January 25, 2008.

Stock-based Compensation:

Awards of stock options to employees and non-employees are accounted for in accordance with the fair value method of accounting for stock-based compensation. The total amount recognized in the year ended March 31, 2007 as stock-based compensation is \$4,455,607; of which \$3,513,301 was included in general and administrative expenses and \$942,306 was included in resource property interests.

The fair value of each option granted by the Company during the year ended March 31, 2007 was estimated on the date of grant using the Black-Scholes option valuation model with the following assumptions:

Grant Date	Exercise Price	Number	Fair Value	Dividend Yield	Expected Volatility	Risk-free Interest Rate	Expected Life (Yrs)
May 11, 2006	\$1.00	3,025,000	\$1.14	-	42%	5.04%	5
July 19, 2006	\$1.30	200,000	\$0.64	-	49%	5.02%	5
August 1, 2006	\$1.30	100,000	\$0.72	-	50%	4.90%	5
August 9, 2006	\$1.30	200,000	\$0.73	-	50%	4.77%	5
October 5, 2006	\$1.80	100,000	\$0.84	-	53%	4.55%	5
Jan. 25, 2007	\$2.80	100,000	\$1.27	-	45%	4.85%	5
Feb. 15, 2007	\$3.00	400,000	\$1.57	-	47%	4.68%	5
			4,125,000				

Note 5 Share Capital – Note 11 – (cont'd)

Stock-based Compensation: – (cont'd)

	Years ended March 31,	
	<u>2007</u>	<u>2006</u>
Weighted average fair value	\$ 1.12	\$ -
Total options granted	4,125,000	-
Total options vested	3,950,000	-
Total fair value of options granted	\$ 4,623,568	\$ -
Total fair value of options vested	\$ 4,455,607	\$ -

Contributed Surplus:

Balance, March 31, 2006 and 2005	\$ -
Warrants issued on acquisition of South Dakota mining claims (h)	1,091,671
Stock based compensation	4,455,607
Warrants exercised (h)	<u>(436,668)</u>
Balance, March 31, 2007	<u>\$ 5,110,610</u>

Share Capital Discussion:

- a) On April 14, 2005, the Company closed a private placement of 400,000 units at \$0.25 per unit for proceeds of \$100,000. Each unit consisted of one common share and one share purchase warrant entitling the holder thereof the right to purchase an additional common share at \$0.30 per share for two years.
- b) On April 14, 2005, the Company issued 133,333 common shares at \$0.30 per share to settle accounts payable of \$40,000.
- c) On March 14, 2006, the Company closed a private placement of 450,000 units at \$0.80 per unit for proceeds of \$360,000. 350,000 units consisted of one common share and one share purchase warrant entitling the holder thereof the right to purchase an additional common share at \$0.80 per share for one year. 100,000 units consisted of one common share and one share purchase warrant entitling the holder thereof the right to purchase an additional common share at \$0.90 per share for one year.
- d) On April 19, 2006, the Company closed a private placement of 300,000 units at \$0.95 per unit. The proceeds of \$285,000 were included in share subscriptions at March 31, 2006. Each unit consisted of one common share and one share purchase warrant entitling the holder thereof the right to purchase an additional common share at \$1.15 per share for one year.

Note 5 Share Capital – Note 11 – (cont'd)

Share Capital Discussion: – (cont'd)

- e) On May 11, 2006, the Company closed a brokered private placement of 12,000,000 units at \$1.00 per unit. Each unit consisted of one common share and one-half a share purchase warrant, with each whole warrant entitling the holder thereof the right to purchase an additional common share at \$1.30 per share for one year. The Company paid the agent a commission of \$190,248 and 649,752 units. In addition, the Company issued 1,080,000 agent's options. Each agent's option entitled the agent the right to purchase one common share for each option held at \$1.20 for one year.

Gross proceeds	\$ 12,000,000
Agent's commission	(190,248)
Agent's fees and costs	(36,750)
Other share issue costs	<u>(54,180)</u>
Net proceeds	<u>\$ 11,718,822</u>

- f) On May 11, 2006, the Company issued 40,000 common shares at \$1.00 per share to former directors for services included in accounts payable at March 31, 2006.
- g) On May 11, 2006, the Company closed the acquisition of the assets of Denver Uranium Company, LLC ("Denver Uranium"). In connection with the terms of the purchase and sale agreement, the Company issued 8,000,000 common shares at \$1.00 per share to the vendors. The two vendors joined the Company's board of directors.

In conjunction with the purchase and sale agreement, the Company also entered into a loan conversion agreement to settle a US\$888,000 loan obligation assumed by the Company from Denver Uranium which included interest and expenses. The debt was settled through the issuance of 2,220,000 common shares at \$0.48 per share to the lenders. The two lenders joined the Company's board of directors.

Both the 8,000,000 common shares issued for the assets and the 2,220,000 common shares issued for the debt are subject to the terms of escrow agreements that provide for release over a three-year period in accordance with TSX Venture Exchange policies.

- h) On May 11, 2006, the Company closed the acquisition of 119 mineral claims situated in South Dakota, USA. In connection with the terms of the agreement, the Company issued to the vendor 1,000,000 common shares at \$1.00 per share and 1,250,000 share purchase warrants entitling the vendor to purchase one additional common share for each warrant held at \$1.00 per share until May 11, 2007.

Note 5 Share Capital – Note 11 – (cont'd)

Share Capital Discussion: – (cont'd)

h) – (cont'd)

Transactions through which the Company acquires goods or services in exchange for equity instruments are accounted for using the fair value based method of accounting. The amount recognized as acquisition costs with respect to the share purchase warrants issued was \$1,091,671. During the year ended March 31, 2007, 500,000 of the above warrants were exercised and \$436,668 was credited to share capital.

The fair value of the warrants issued by the Company in connection with the above asset acquisition was estimated on the date of issuance using the Black-Scholes option valuation model with the following assumptions:

Fair value of warrants granted	\$	0.873
Risk-free interest rate		4.99%
Expected life		1 year
Expected volatility		42%
Expected dividend yield		0.0%

- i) On August 9, 2006, the Company acquired a historical geological database relating to prospects in South Dakota and Wyoming. As partial consideration for the database the Company issued 200,000 common shares at \$1.30 per share.
- j) On December 18, 2006, the Company acquired a historical geological database related to its Wyoming properties. As consideration for the acquisition of this database, the Company agreed to pay \$1,000,000, payable in cash or common shares, at the Company's option as follows:
- \$300,000 on signing (payment was satisfied by the issuance of 139,534 common shares at \$2.15 per share);
 - \$300,000 on or before March 1, 2007 (payment was satisfied by the issuance of 73,350 common shares at \$4.09 per share); and
 - \$400,000 on or before July 1, 2007 (payment was satisfied subsequent to March 31, 2007 by the issuance of 140,022 common shares at \$2.86 per share). This amount was included in accounts payable at March 31, 2007.

Note 6 Related Party Transactions

During the years ended March 31, 2007 and 2006, the Company incurred the following charges from directors or officers of the Company or from companies with directors or officers in common with the Company:

Note 6 Related Party Transactions – (cont'd)

	<u>2007</u>	<u>2006</u>
Director fees	\$ 11,075	\$ 60,000
Legal fees	36,513	40,663
Resource property interests – acquisition costs	11,218	39,831
Management and consulting fees	505,256	-
Resource property interests – wages/consulting	274,254	-
Resource property interests – stock-based compensation	632,395	-
Stock-based compensation	2,564,997	-
Wages and benefits	<u>93,951</u>	<u>-</u>
	<u>\$ 4,129,659</u>	<u>\$ 140,494</u>

These charges were measured by the exchange amount which is the amount agreed on by the transacting parties.

At March 31, 2007, cash and short-term investments included \$Nil (2006: \$267,479) held in trust by a director of the Company in his capacity as legal counsel for the Company.

At March 31, 2007, accounts payable and accrued liabilities include \$38,279 (2006: \$113,874) due to directors or officers of the Company or to companies with directors or officers in common with the Company for fees and expenses. These amounts are unsecured, non-interest bearing and have no specific terms of repayment.

Note 7 Non-cash Transactions

Investing and financing activities that do not have a direct impact on current cash flows are excluded from the statements of cash flows.

During the year ended March 31, 2007, the following transactions were excluded from the statements of cash flows:

- 300,000 common shares at \$0.95 per share, the proceeds of \$285,000 were included in share subscriptions at March 31, 2006;
- 40,000 common shares at \$1.00 per share to settle accounts payable outstanding at March 31, 2006 of \$40,000;
- 1,000,000 common shares at \$1.00 per share and 1,250,000 share purchase warrants with a fair value of \$1,091,671 in connection with the acquisition of 119 mineral claims situated in South Dakota, USA;
- 8,000,000 common shares at \$1.00 per share in connection with the purchase of assets from Denver Uranium Company, LLC;

Note 7 Non-cash Transactions – (cont'd)

- 2,220,000 common shares at \$0.48 per share in connection with the assumption of debt from Denver Uranium Company, LLC;
- 649,752 common shares in connection with an agent's commission on the private placement completed on May 11, 2006;
- 200,000 common shares at \$1.30 per share in connection with the acquisition of a historical geological database.
- 139,534 common shares at \$2.15 per share in connection with the acquisition of a historical geological database.
- 73,350 common shares at \$4.09 per share in connection with the acquisition of a historical geological database.
- \$2,332,800 (US\$2,000,000) of mineral property acquisition costs incurred in part by an agreement payable.

During the year ended March 31, 2006, the following transactions were excluded from the statements of cash flows:

- 133,333 common shares at \$0.30 per share to settle accounts payable outstanding at March 31, 2005 of \$40,000;
- 400,000 common shares at \$0.25 per share pursuant to a private placement, of which \$92,500 of the proceeds were at March 31, 2005;
- \$116,800 (US\$100,000) of mineral property acquisition costs incurred in part by an agreement payable.

Note 8 Agreements Payable – Note 3

	<u>2007</u>	<u>2006</u>
Dewey Burdock Prospect (US\$90,000)	\$ 104,031	\$ 116,800
Centennial Prospect (US\$2,000,000)	<u>2,311,800</u>	<u>-</u>
	2,415,831	116,800
Less: current portion	<u>(300,534)</u>	<u>(11,680)</u>
	<u>\$2,115,297</u>	<u>\$ 105,120</u>

Note 8 Agreements Payable – Note 3 – (cont'd)

Annual payments due under the agreements payable are as follows:

	<u>\$CDN</u>	<u>\$US</u>
March 31, 2008	\$ 300,534	\$ 260,000
March 31, 2009	300,534	260,000
March 31, 2010	300,534	260,000
March 31, 2011	300,534	260,000
March 31, 2012	300,534	260,000
March 31, 2013	300,534	260,000
March 31, 2014	300,534	260,000
March 31, 2015	300,534	260,000
March 31, 2016	<u>11,559</u>	<u>10,000</u>
	<u>\$ 2,415,831</u>	<u>\$ 2,090,000</u>

Note 9 Commitments

a) Resource Property Interests – Land and Mineral Lease Commitments

Dewey Burdock Prospect - The Company acquired leases from Denver Uranium Company, LLC with several levels of payments and obligations. In the portions of the prospect area where the Company seeks to develop uranium, both surface and minerals are leased. Denver Uranium has granted the mineral owners a five percent overriding royalty payment out of sales of the product. The surface owners will be paid a two percent overriding royalty as incentive to support the development of uranium under their lands. In addition, surface owners are paid an annual rental to cover the cost of surface damage and to compensate for reduction of husbandry grazing during field operations. The royalty payments to the surface owners are reduced by the amount of rentals to be paid. The basic terms of the leases are five-year initial terms and are renewable two times at the five-year mark and ten years from original signing. Additional bonuses are paid to the landowners at the time of renewal. All leases were signed in 2005 and the leases are in force through 2020 without production. In the case of production, all leases will be held as long as minerals are produced. Total annual rental payments under the agreements are approximately US\$165,000.

Aladdin and Dewey Terrace Prospect - The Company has entered into option to lease agreements with respect to its Aladdin and Dewey Terrace Prospects in Wyoming, all of which expire in mid to late 2007. If the Company elects to exercise its option under the agreements, the total lease option payments required are approximately US\$393,000.

Note 9 Commitments – (cont'd)

a) Resource Property Interests – Land and Mineral Lease Commitments – (cont'd)

Other Prospects – In addition, the Company has entered into other option to lease agreements with respect to other prospects, all of which expire in the next year. If the Company elects to exercise its option under the agreements, the total lease option payments are approximately US\$50,000.

Claims Maintenance – The Company has secured 1,183 mining claims within its various prospects. The total annual maintenance costs of the mining claims are approximately US\$150,000.

b) Management Services Agreements and Employment Agreements

The Company entered into three management services agreements and seven employment agreements during the year ended March 31, 2007. The agreements require the Company to pay fees totalling US\$97,250 per month. The agreements automatically renew for an additional year unless terminated by the Company at least 90 days prior to each agreement's anniversary.

c) Office Leases

The Company entered into a twenty-two month lease agreement for office space in Vancouver, British Columbia. Annual lease payments due over the next two years are \$17,531 and \$14,610 respectively.

The Company entered into a three year lease agreement for office space in Albuquerque, New Mexico. Annual lease payments due over the next three years are US\$19,200, US\$19,200 and US\$10,400 respectively.

The Company entered into a three year lease agreement for office space in Hot Springs, South Dakota. Annual lease payments due over the next three years are US\$12,900, US\$12,900 and US\$8,600 respectively.

Note 10 Income Taxes

At March 31, 2007 and 2006, the significant components of the Company's future tax assets, after applying enacted corporate income tax rates, are as follows:

	<u>2007</u>	<u>2006</u>
Future income tax assets		
Non-capital losses	\$ 1,308,210	\$ 71,626
Share issue costs	<u>76,751</u>	<u>7,394</u>
	1,384,961	79,020
Less: valuation allowance	<u>(1,384,961)</u>	<u>(79,020)</u>
	<u>\$ -</u>	<u>\$ -</u>

Note 10 Income Taxes – (cont'd)

The Company recorded a valuation allowance against its future income tax assets based on the extent to which it is more likely-than-not that sufficient taxable income will not be realized during the carry forward periods to utilize all the future tax assets.

At March 31, 2007, the Company and its subsidiary have accumulated non-capital losses totalling \$3,844,892 which may be carried forward to reduce future years taxable income. These losses, the potential tax benefit of which has not been recognized in these financial statements, expire as follows:

	<u>Canada</u>	<u>United States of America</u>	<u>Total</u>
March 31, 2009	\$ 449	\$ -	\$ 449
March 31, 2026	209,476	-	209,476
March 31, 2027	<u>579,296</u>	<u>3,055,671</u>	<u>3,634,967</u>
	<u>\$ 789,221</u>	<u>\$ 3,055,671</u>	<u>\$ 3,844,892</u>

Note 11 Subsequent Events

a) Aladdin Prospect – Exploratory Drilling Permit Received

The Company received authorization from the Wyoming Department of Environmental Quality to proceed with an exploratory drilling program.

On April 10, 2007, Wells Fargo issued a letter of credit to the Wyoming Department of Environmental Quality in the amount of US\$140,010 in connection with the exploration program. The letter of credit was secured with by a certificate of deposit in the amount of US\$155,000.

b) Centennial Prospect - Monitor Well Permit Received

The Company received authorization from the Colorado Department of Natural Resources Division of Reclamation Mining and Safety (“DRMS”) to proceed with drilling monitoring wells on its Centennial Prospect.

In connection with the drilling program, the Company posted cash security in the amount of US\$181,000 with the DRMS to secure performance of the Company’s reclamation obligations.

c) Centennial Prospect – Additional Land Acquisitions

The Company acquired an additional 350 acres of surface rights through six acquisitions of land in the Centennial Prospect. The cost for the land purchases was US\$1,294,899.

Note 11 Subsequent Events – (cont'd)

d) Stock Options Granted

On May 15, 2007 and June 15, 2007, the Company granted the following stock options to employees and a director:

<u>Number of Options</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
125,000	\$3.20	May 15, 2012
100,000	\$2.60	June 15, 2012

e) Share Purchase Warrants

The following common shares were issued for cash pursuant to the exercise of share purchase warrants for total proceeds of \$5,454,999:

<u>Type of Issue</u>	<u>Number of Shares</u>	<u>Price</u>
Share Purchase Warrants	750,000	\$1.00
Share Purchase Warrants	180,000	\$1.15
Share Purchase Warrants	3,459,999	\$1.30

On May 11, 2007, 25,000 share purchase warrants exercisable at \$1.30 expired unexercised.

f) Authorized Share Capital

The Company changed its authorized share capital to an unlimited number of common shares without par value and an unlimited number of preferred shares without par value.

g) Acquisition of Uranium Database

On June 25, 2007, 140,022 common shares were issued for the Company's payment obligation of \$400,000 due on July 1, 2007 with respect to the purchase of historical geological data covering the Company's Wyoming properties.

Note 12 Contingency

The Company was named in a wrongful dismissal claim related to the termination of a former president of the Company in 2004 prior to the sale of the Company's former business. Since such a claim was considered possible at the time of the sale of the business, the former controlling shareholder of the Company and purchaser of the business, agreed to indemnify the Company for any damages or costs incurred in connection with any such claim. Pursuant to the indemnity agreement, the former controlling shareholder has assumed the defense of the claim on behalf of the Company.

Note 13 Comparative Figures

Certain comparative figures as at March 31, 2006 and for the year then ended have been reclassified in order to comply with the financial statement presentation adopted for the current year.



**POWERTECH URANIUM CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
(July 24, 2007)**

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") and notes thereto for the year ended March 31, 2007. Additional information is available on SEDAR at www.sedar.com.

DISCLAIMER FOR FORWARD LOOKING INFORMATION

Certain statements in this annual report are forward-looking statements, which reflect management's expectations regarding the Company's future growth, results of operations, performance and business prospects and opportunities. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the 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 and are based on certain assumptions and speak only as of March 31, 2007. 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 our ability to manage our assets and operating costs, may prove to be incorrect. A number of risks and uncertainties could cause our 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 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) the number of competitors; (5) the uncertainty of government regulation in the United States, Europe and internationally; (6) political and economic conditions in uranium producing and consuming countries; (7) delays in the receipt of any permits or approvals required for the Company's operations; (8) failure to obtain additional capital at all or on commercially reasonable terms; (9) other factors beyond the Company's control.

There is a significant risk that the Company's forecasts and other forward looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. 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.

Additional information about these and other assumptions, risks and uncertainties are set out in the section entitled "Risk Factors and Uncertainties" below.

NATURE OF BUSINESS

The Company is a Tier 2 TSX Venture Exchange (the "Exchange") listed mineral exploration/development company focused on the exploration and development of uranium properties in the United States

POWERTECH URANIUM CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
(July 24, 2007)

Directors and Officers

The Company's current board of directors includes Wallace Mays, Richard Clement, Thomas Doyle, Douglas Eacrett, Greg Burnett and James Carter.

The Company's current officers and management include the following persons:

Wallace Mays	Chairman of the Board
Richard Clement	President, Chief Executive Officer
Thomas Doyle	Chief Financial Officer, Vice President – Finance, Secretary
Greg Burnett	Vice President – Administration
James Bonner	Vice President – Exploration
Richard Blubaugh	Vice President – Health, Safety and Environmental Resources
Frank Lichnovsky	Chief Geologist
Lane Douglas	Project Manager – Centennial Prospect
Mark Hollenbeck	Project Manager – Dewey Burdock Prospect

Wallace Mays – Chairman

Wallace Mays is a chemical engineer who spent the early part of his career with Atlantic Richfield Co. where he was responsible for the design, construction, and operation of the first ISL uranium mine in the United States. From 1977 to present, Mr. Mays has been involved as a principal and/or senior executive in many uranium mining ventures in the United States and abroad, including Everest Minerals Corporation and Uranium Resources, Inc., a public company listed on the TSX Venture Exchange, and he has permitted, designed, constructed, and operated numerous ISL uranium mines across the south western United States. In 1996, he was awarded membership in the Uranium Hall of Fame.

Richard Clement – President, Chief Executive Officer and Director

Richard Clement is a professional geologist who spent the early part of his career, from 1967 through 1983, with Mobil Oil Corp. in the United States and Australia where he was responsible for the operations management of Mobil Oil's uranium exploration programs throughout the United States, development of worldwide strategy for mineral exploration, and managing country operations as Vice President / Exploration Manager of Mobil Energy Minerals Australia Inc. From 1983 through 1999, Mr. Clement was employed by Uranium Resources, Inc., formed in 1977, which became a Canadian public company in 1988 specializing in the ISL development of uranium deposits. Mr. Clement served as a director and Senior Vice President - Exploration of Uranium Resources from 1983 to 1996 and subsequently as President of Uranium Resource's New Mexico subsidiary, Hydro Resources Inc. until 1999 where he oversaw the securing of all necessary mining permits for ISL development of Hydro Resource's uranium deposits.

Thomas Doyle – Chief Financial Officer, Vice President – Finance, Secretary and Director

Thomas Doyle has held a variety of senior positions across numerous aspects of the financial industry in Canada, the United States and internationally. Most recently from 2003 to June 2006, Mr. Doyle served as President and Chief Executive Officer of Arctos Petroleum Corp., a public junior oil and gas company, which resulted from the acquisition of Spearhead Resources by Camflo International Inc. Through these enterprises, Mr. Doyle developed extensive expertise in domestic and foreign financial markets, management, business plan development, and capital formation for a variety of industries, but primarily within the mineral resource and oil and gas industry.

POWERTECH URANIUM CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
(July 24, 2007)

Douglas Eacrett – Director

Douglas Eacrett is currently a practicing corporate finance and securities lawyer and a chartered accountant registered with the Institute of Chartered Accountants in British Columbia. Mr. Eacrett obtained a Bachelor of Commerce degree from the University of British Columbia in 1972 and a Bachelor of Laws from the University of British Columbia in 1974. Mr. Eacrett has been a director and or officer of a number of public companies which have traded on the Exchange.

Greg Burnett – Vice President – Administration and Director

Greg Burnett has 20 years of diversified business experience in corporate finance and administration. Since 1989, he has been President and principal shareholder of Carob Management Ltd., a private management consulting company based in Vancouver, British Columbia specializing in the provision of due diligence services, development of business plans, and structuring / financing / management of venture capital projects, primarily in the public market arena. Mr. Burnett presently serves on the board of directors and is a consultant to the following public companies: Garibaldi Resources Corp., a junior gold exploration company focusing on projects in Mexico, and Marifil Mines Limited, a junior metals exploration company focused in Argentina. Mr. Burnett is also a principal shareholder and consultant of Zena Capital Corp., a public industrial minerals company involved in the exploration, production, and sale of barite in British Columbia to the oil services industry. Mr. Burnett holds a Master of Business Administration degree (1986) and a Bachelor of Applied Sciences degree in Civil Engineering (1984) from the University of British Columbia.

James Carter – Director

James Carter is a Chartered Accountant with over 35 years of diversified business experience in both public and private companies. He is currently Vice President of Mass Financial Corp. (the former merchant banking arm of KHD Humboldt Wedag International Ltd.). His experience encompasses both the North American and European investment banking and capital markets, with particular expertise in emerging markets and the natural resource sector. During the past eight years, he was based in Europe and oversaw the acquisition, restructuring and ongoing operations of two significant corporate groups, one of which is a commodities trading company based in Vienna. For approximately 15 years prior to that, he was actively involved with a number of junior mining and exploration companies where his activities included corporate restructuring, administration of treasury and financial operations, corporate and property acquisitions, oversight of statutory reporting and compliance and raising of both debt and equity financing.

James Bonner – Vice President – Exploration

James Bonner comes to the Company from Gordon Environmental, Inc. where he served as Senior Scientist on their consulting engineering staff. His background includes many years in the uranium industry most recently as Exploration Manager for Union Pacific Railroad (UP) where he managed a large number of uranium projects during the height of uranium exploration and development. During the 1970's and 1980's, his achievements include a number of highly economic uranium discoveries and include his management of geotechnology for Union Pacific's Nine Mile uranium leach project. He has unique experience in the uranium business and has overseen projects in all the uranium target basins within the United States. Mr. Bonner brings to the Company his extensive knowledge of uranium deposits and will lead the company's exploration program to develop highly profitable in situ leach (ISL) deposits in the United States. Mr. Bonner is a Professional Geologist in Wyoming and received his Bachelor's degree from the University of Wyoming.

POWERTECH URANIUM CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
(July 24, 2007)

Richard Blubaugh – Vice President – Health Safety and Environmental Resources

Richard Blubaugh brings to the Company 20+ years of experience in project and program management, primarily concerning environmental, health and safety. This includes in-depth experience in permitting and environmental management, cooperating with state and federal agencies. Prior to joining the Company, Mr. Blubaugh led his consulting company where he assisted industry participants by taking a leading role in permitting and interfacing with government agencies. Prior to the development of his consulting business, Mr. Blubaugh was Director of Business Development and Government affairs for Atlas Minerals, Inc. (formerly Atlas Corporation) and held the positions of Executive Vice President and a Member of the Board of Directors. Atlas Corporation was a publicly traded precious metals and uranium producer listed on the NYSE. Over his long tenure with Atlas Corporation, Mr. Blubaugh held various positions and most recently was Vice President of Environmental and Government Affairs. In this capacity, he oversaw all of the permitting and management activities in the environmental arena. This included oversight on the closure and remediation of the Atlas uranium mill site, as well as their asbestos mine and mill superfund site in California. As the Company's Vice President of Health, Safety and Environmental Resources, Mr. Blubaugh will be in charge of all permitting activities for the Company's Dewey-Burdock uranium properties and will have permitting responsibility over all other areas of the Company's operations. Mr. Blubaugh holds a Masters of Arts in Public Administration, with an emphasis on environmental and public health, and a Bachelors of Science degree in Biology from the University of New Mexico.

Frank Lichnovsky – Chief Geologist

Frank Lichnovsky has been involved constantly in uranium exploration and development activities for over 40 years in both the United States and Australia. He has brought his expertise to many exploration projects, underground uranium mines, and in situ leach operations, and he was responsible for design and operation of numerous uranium in situ well fields. He has also supervised all phases of field activities, including drilling programs, design and installation of groundwater monitoring systems, and assessment of geologic parameters. Mr. Lichnovsky is a Registered Professional Geologist – Wyoming, 2002, and a Registered Professional Geoscientist – Texas, 2003 and received his BS/Geology/1967/Sedimentary Geology, at Sul Ross State University, Alpine, Texas.

Lane Douglas – Project Manager – Centennial Prospect

Lane Douglas is a Colorado licensed real estate broker and experienced project manager. He has 23 years experience as a land manager and project manager for large projects in the communications and oil and gas industries, and has prior land experience in Weld County. He is a graduate of the New Mexico Military Institute and the University of Louisiana with a degree in Land Management. Mr. Douglas served 22 years in the Army Reserve as a Logistics Officer, retiring as a Major. He is a member of the Board of Realtors and the American Association of Professional Landmen.

Mark Hollenbeck – Project Manager – Dewey Burdock Prospect

Mark Hollenbeck, is a graduate of the South Dakota School of Mines & Technology where he received a BSc. Chemical Engineering. He has been involved in energy producing industries for much of his career, designing and managing natural gas systems for the Black Hills Division of Montana Dakota Utilities and, later, as the Executive Director of the South Dakota Office of the American Petroleum Institute. Mr. Hollenbeck was elected to the South Dakota House of Representatives where he served from 1989 through 1994. Later, he served as Mayor of Edgemont from 2001 - 2006. Mr. Hollenbeck is a Professional Engineer.

POWERTECH URANIUM CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
(July 24, 2007)

Technical Consultant

On August 10, 2006, the Company announced the acquisition of a significant uranium database from R.B. Smith & Associates, Inc. of Wimberley, Texas. The database has been compiled over a period of more than forty years of geological consulting work by Mr. Robert B. Smith and encompasses a multitude of uranium deposits in several western states including Texas, New Mexico, South Dakota, Wyoming, Arizona, and Nevada, as well as Mexico. In conjunction with the data base acquisition, the Company has entered into a Consulting Agreement with Mr. Smith, whereby Mr. Smith will assist the Company with the interpretation of the database and the acquisition of quality uranium properties meeting the Company's criteria based upon information contained in the data base. Mr. Smith is a licensed Professional Geologist that has operated a professional geological consulting firm in Texas since 1978. Mr. Smith has been active in the uranium industry in the United States since 1952.

Advisory Board

On August 2, 2006, the Company announced the establishment of an advisory board to provide strategic support to management in regards to the exploration and development of its uranium properties and the identification of new business opportunities. The Company has appointed Dr. Charles G. Groat and Anthony J. Thompson as the first two members of this board.

Dr. Groat currently is the director of the Center for International Energy and Environmental Policy at the University of Texas at Austin. The center supports research and informs governments and corporations on the formulation of policies and strategies on energy and environment. In addition, Dr. Groat leads the graduate program in energy and mineral resources within the Jackson School of Geosciences. Prior to adding this honor to his accomplishments, Dr. Groat was director of the United States Geological Survey from 1998 through 2005 and before that, he was executive director of the American Geological Institute. Throughout his career, Dr. Groat has combined geotechnical pursuits and public interests. He held top positions at the University of Texas as an associate professor and associate director and acting director of the Bureau of Economic Geology. He was director of the Louisiana Geologic survey and assistant to the Secretary of the Louisiana Department of Natural Resources. Dr. Groat received his Bachelor of Arts degree in Geology from the University of Rochester, a Master of Science in Geology from the University of Massachusetts, and a Ph.D. in Geology from the University of Texas at Austin.

Anthony J. Thompson has been practicing environmental and occupational health and safety law since the mid-1970. His practice includes legislation, regulatory counseling and litigation involving development of and compliance with environmental and natural resources law and regulations, risk assessment and management, and occupational health and safety regulatory matters. As primary outside counsel to the American Mining Congress (AMC), now the National Mining Association (NMA), for radioactive waste issues, he has represented virtually the entire domestic uranium mining and milling industry either as counsel to AMC/NMA or as a counsel to individual licensees since the late 1970's. Thus, for over two decades, his practice has encompassed uranium recovery legislative, regulatory, licensing and litigation issues for both conventional and in situ leach (ISL) facilities, radiation health and safety issues, including radioactive waste disposal issues, Clean Air Act (CAA) and title (CERCLA) issues, issues related to releases of radionuclides, and constitutional issues related to federal preemption of Atomic Energy Act (AEA) materials. Mr. Thompson is the prime author of NMA's White Paper entitled "Recommendations for a Coordinated Approach to Regulating the Uranium Recovery Industry" and NMA's Fuel Cycle Facilities Forum's (FCFF) joint White Paper entitled "Direct Disposal of Non-11e.(2) Byproduct materials in uranium Mill Tailings Impoundments". Mr. Thompson received his B.A. degree in History from Princeton University and his law degree from the University Of Virginia School Of Law. He was a member of the National Risk Assessment and Management Commission, appointed by President Bush in 1992. He is currently a member of the American Nuclear Society, the American Bar Association, Society for Mining, Metallurgy, and Exploration, Inc., and numerous other associations.

POWERTECH URANIUM CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
(July 24, 2007)

Change of Business

On February 21, 2006, the Company entered into a binding Agreement of Purchase and Sale with Denver Uranium Company, LLC ("DU"). DU is a private Colorado corporation that was formed in 2005 to lease the key surface and mineral rights necessary to develop an advanced uranium deposit in South Dakota known as Dewey Burdock. The Dewey Burdock deposit was originally discovered in the 1960s by Homestake and was explored by Silver King Mines, the exploration arm of Tennessee Valley Authority ("TVA") through to 1990 when TVA left the uranium business. Key surface and mineral rights have resided with the landowners since that time. Pursuant to the terms of the agreement, the Company agreed to purchase all of the assets of DU in exchange for the issuance of 8,000,000 common shares of the Company and the assumption of the liabilities of DU, including a bridge loan, but excluding liabilities related to tax and to DU's officers and members. The assets purchased from DU include leases of federal claims, private mineral rights covering 11,180 acres and private surface rights covering 11,520 acres located on the Dewey Burdock property. Coincidentally with the closing of the Agreement of Purchase and Sale with DU, the Company settled a bridge loan pursuant to a Loan Conversion Agreement dated February 21, 2006 between the Company and the bridge lenders, and issued approximately 2,200,000 common shares in full settlement of this loan.

The above described transactions closed on May 11, 2006. At closing, DU instructed the Company to issue the 8,000,000 shares directly to its two members, Wallace Mays and Richard Clement. 2,000,000 of the 8,000,000 shares are subject to a Performance Escrow Agreement dated February 22, 2006 whereby they will be released from escrow upon either the successful permitting of the Dewey Burdock property or the acquisition of a second uranium property of merit by the Company through the efforts of Mr. Mays or Mr. Clement. Due to the successful acquisition of a second uranium property of merit by the Company through the efforts of two current directors, the Performance Escrow Agreement has been dissolved. The TSX Venture Exchange also imposed a three year time release escrow agreement over the 8,000,000 asset acquisition shares in accordance with their policies. The Company also issued 2,220,000 common shares to Thomas Doyle and Greg Burnett in full settlement of the bridge loan pursuant to the above-described Loan Conversion Agreement. Since Thomas Doyle and Greg Burnett were also incoming officers and directors of the Company, the shares were also subject to the TSX Venture Exchange's three-year time-release escrow agreement.

Further to its initiative to consolidate the Dewey Burdock uranium resource, the Company also entered into a binding property purchase agreement with Energy Metals Corp. ("EMC") on November 18, 2005 whereby the Company acquired from EMC a 100% interest in 119 mineral claims covering approximately 2,300 acres in the Dewey Burdock area, subject to a production royalty based upon the price of uranium. The Company issued 1,000,000 shares and 1,250,000 million share purchase warrants as consideration for the mineral claims. The warrants entitle the holder to acquire one additional share of the Company at \$1.00 per share. This Agreement also closed on May 11, 2006.

Concurrent with the closing of the DU Agreement of Purchase and Sale and the EMC Agreement, the Company completed a brokered private placement financing through Pacific International Securities Inc. of \$12,000,000 to fund its new business initiatives, including the permitting and development of the Dewey Burdock property. The financing consisted of 12,000,000 units at \$1.00 per unit, each unit consisting of one share and one share purchase warrant, with each two warrants entitling the holder to purchase an additional share for one year at the price of \$1.30 per share. The Company paid a 7% commission by way of \$190,248 cash and the issuance of 649,752 units of the Company, the nature of the units as above described. The Company also issued 1,080,000 broker options to Pacific International Securities entitling the holder to purchase 1,080,000 shares of the Company at \$1.20 per share for one year.

Also in conjunction with closing of the above transactions, Wallace Mays, Richard Clement Jr., Thomas Doyle, and Greg Burnett entered into Employment and Management Services Agreements with the Company. The Company's operations office for its uranium business is located in Centennial, Colorado, a suburb of Denver,

POWERTECH URANIUM CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
(July 24, 2007)

Colorado. The Company also maintains exploration offices in Albuquerque, New Mexico and Hot Springs, South Dakota, with an administration office in Vancouver, British Columbia.

Effective on May 15, 2006, the Company's shares were moved from the NEX board to Tier 2 of the TSX Venture Exchange, the Company having completed its change of business and having met all Tier 2 listing requirements. The trading symbol was changed from "PWE.H" to "PWE".

RESOURCE PROPERTY INTERESTS

South Dakota, USA

Dewey Burdock Prospect – Custer and Fall River Counties

As of March 31, 2007, The Company's South Dakota prospect is comprised of 18 mining leases covering 14,933 gross acres, 12,247 net surface acres and 7,975 net mineral acres. In addition, the Company staked and acquired 156 mining claims in South Dakota covering approximately 2,964 acres. The Company obtained the prospect as follows:

By a purchase and sale agreement dated February 20, 2006 and effective May 11, 2006, the Company acquired all of the assets and assumed all of the liabilities of Denver Uranium Company, LLC ("DU"). The purchased assets included a package of mining leases. The assumed liabilities included US\$888,000 of convertible promissory notes and accrued interest. The Company acquired the assets of DU by the issuance of 8,000,000 common shares at \$1.00 per share. In addition, the Company settled the convertible promissory notes and accrued interest by the issuance of 2,220,000 common shares \$0.48 per share. All of these shares are subject to the terms of escrow agreements that provide for their release over a three-year period.

By a letter agreement dated November 16, 2005 and effective May 11, 2006, the Company acquired 119 mineral claims by the issuance of 1,000,000 common shares at \$1.00 per share. In addition, the Company issued 1,250,000 share purchase warrants entitling the holder to purchase an additional 1,250,000 common shares at \$1.00 per share until May 11, 2007. The fair value of these share purchase warrants was calculated at \$1,091,671 using the Black Scholes option valuation model. The agreement is subject to a production royalty ranging from 2% to 4%, dependent on the price of uranium.

By a purchase agreement dated March 31, 2006, the Company acquired a one-third mineral interest in a property in Custer County, South Dakota, in consideration for US\$950,000 to be paid US\$100,000 on closing (paid) and US\$10,000 per year for ten years until March 31, 2016 (paid US\$10,000). The balance of the purchase price of US\$750,000 is contingent upon receipt of permits and authorizations necessary to commence exploration and mining on the property. The US\$750,000 is to be paid in four equal instalments of US\$187,500 on each anniversary of the Company obtaining such permits. The purchase agreement is secured by a promissory note and a mortgage on the mineral interest.

Prior to entering into the above-described agreements to secure the Dewey Burdock property, R.B. Smith & Associates was engaged to prepare a National Instrument 43-101 independent geological report on the property. The report, dated December 15, 2005, verified an inferred uranium resource on the properties to be controlled by the Company of 7,600,000 pounds contained in 1,800,000 tons of host rock averaging a grade of 0.21% uranium oxide. Subject to completion of an evaluation drilling program with a view to enhancing the quality of the resource such that it can be considered a measured resource for the purposes of a full feasibility study, the report concluded that sufficient uranium exists on the property to support a stand alone in-situ leach production facility, and sufficient to warrant the development expenditures set out in the report. Such facility is

POWERTECH URANIUM CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
(July 24, 2007)

also dependent on a favorable economic feasibility study. The report was filed on SEDAR on January 18, 2006 and is available for review at www.sedar.com.

In early July, 2007, the Company, through its wholly owned subsidiary, Powertech (USA) Inc., entered into a contractual arrangement with Knight Piesold and Company ("Knight Piesold"), a Colorado corporation, for the purpose of permitting the Dewey-Burdock Prospect. The agreement with Knight Piesold covers baseline data collection, environmental impact analysis, cost/benefit analysis and preparation of permit/license applications. The contract period extends from the present to the date of issuance of the required permits and license for Dewey-Burdock.

The Company has received an exploration permit from the South Dakota Department of Environmental and Natural Resources. This permit will enable the Company to conduct additional drilling of up to 155 holes and perform two 72 hour pump tests to determine the permeability and flow rates for the host formations. The objective of the drilling program is to confirm and potentially expand historic in-place resources. Included in this program will be the completion of six core holes to obtain samples on which metallurgical and leach testing will be performed. In addition, the Company has established a US\$500,000 standby letter of credit facility with Wells Fargo Bank ("Wells Fargo"). As requested, Wells Fargo will issue irrevocable letters of credit to secure the Company's reclamation obligations associated with its drilling programs. Wells Fargo has issued the first letter of credit under the facility to the South Dakota Department of Environment and Natural Resources in the amount of US\$213,500 in connection with the exploration permit. The letter of credit is secured by a certificate of deposit in the amount of US\$235,000 (CDN \$271,637) which is included in restricted cash at March 31, 2007. The entire facility is guaranteed by the Company.

Wyoming, USA

As of March 31, 2007, the Company's Wyoming prospects are comprised of 35 mining leases or options to lease covering 20,479 gross acres, 19,938 net surface acres and 12,117 net mineral acres. In addition, the Company has staked 792 mining claims in Wyoming covering approximately 15,048 acres. The Company obtained the prospects as follows:

Dewey Terrace Prospect – Weston County

During the year ended March 31, 2007, the Company acquired the Dewey Terrace prospect through 10 leases or options to lease and through staking 448 mining claims. The Dewey Terrace prospect is adjacent to the Dewey Burdock prospect located across the state line in South Dakota. The Company acquired the prospect as a result of historical data acquired in the Dewey Burdock prospect acquisition.

The Company has received authorization to proceed with exploration and drilling on the Dewey Terrace property. In mid-October, 2006, the Company began the drilling of 10 confirmatory test holes, through the use of third party contractors, which was completed in late December, 2006. Recently, the Company completed the second 10 hole phase of this 20 hole exploration program. This program was completed after interpreting the results of recently acquired historical Teton Exploration drill data and combining this information with the Company's data base that includes historical drilling completed by Federal American Partners and Silver King Mines in the 1970's and 80's. The objective of this drilling was to confirm the regional information contained in these historical data bases that indicated the presence of several mineralized uranium "fronts" or zones in this highly prospective property. This drilling was successful in confirming and delineating geochemical alteration in sands of the Lakota Formation at depths of 580 to 900 feet. Multiple mineralized solution fronts were found to be associated with this alteration, with mineralized intervals such as 3.0 feet of 0.053% U₃O₈ and 5.5 feet of 0.047% U₃O₈ occurring in the oxidized portions of these sands. An expanded second phase drilling program is planned for later in the year to assess additional uranium potential of identified mineralized trends in the 8,540 acre prospect area. In connection with the exploration and drilling program, the Company posted cash security in the amount of US\$17,400 with the State of Wyoming to secure performance of the Company's reclamation

POWERTECH URANIUM CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
(July 24, 2007)

obligations. In connection with the exploration and drilling program, the Company paid US\$17,400 (CDN \$ 20,122) to the State of Wyoming to secure performance of the Company's reclamation obligations. This amount is included in restricted cash at March 31, 2007.

Aladdin Prospect – Crook County

During the year ended March 31, 2007, the Company acquired the Aladdin prospect through 24 leases or options to lease and through staking 41 mining claims. This prospect is 60 miles north of the Company's Dewey Terrace prospect.

The Company has received an exploration permit from the Wyoming Department of Environmental Quality, which authorizes the Company to proceed with an exploratory drilling program consisting of up to 60 rotary exploration drill holes to an average depth of approximately 500 feet to determine the economic viability of proceeding with further drilling.

In connection with the Company's drilling and exploration programs, the Company, through its wholly owned subsidiary, Powertech (USA) Inc., established a US\$500,000 standby letter of credit facility with Wells Fargo Bank, N.A. (the "Bank"). From time to time, as requested, the Bank will issue irrevocable letters of credit to secure the Company's reclamation obligations associated with its drilling programs. On April 10, 2007, the Bank issued an Irrevocable Letter of Credit under the facility to the Wyoming Department of Environmental Quality in the amount of US\$140,010 in connection with the exploration permit. The Irrevocable Letter of Credit is secured with a Bank Certificate of Deposit in the amount of US\$155,000 and the whole facility is guaranteed by the Company.

Colony Prospect – Crook County

During the year ended March 31, 2007, the Company acquired the Colony prospect through an option to lease and through staking 190 mining claims.

Powder River Basin Prospect – Campbell County

During the year ended March 31, 2007, the Company acquired the Powder River Basin prospect through staking 39 mining claims.

Shirley Basin Prospect – Carbon County

During the year ended March 31, 2007, the Company acquired the Shirley Basin prospect through staking 74 mining claims.

Colorado, USA

Centennial and Indian Springs Prospects – Weld County

As of March 31, 2007, the Company's Colorado prospects are comprised of 3 mining leases covering 1,464 gross acres, 802 net surface acres and 170 net mineral acres. In addition, the Company purchased surface acreage covering 320 gross acres and purchased 5,744 net mineral acres. The Company obtained the prospects as follows:

By a purchase agreement dated September 27, 2006, the Company purchased 5,744 net mineral acres from Anadarko Land Corp for US\$3,000,000. As consideration for the rights, the Company made a cash payment of US\$1,000,000 and recorded a liability of US\$2,000,000 payable in eight instalments of

POWERTECH URANIUM CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
(July 24, 2007)

US\$250,000 per annum. An additional lump sum payment of US\$1,500,000 is due upon receipt of all regulatory permits and licenses allowing production of uranium from the property. In addition, any remaining instalment payments are due in full upon receipt of all regulatory permits and licences. The Company has also agreed to a minimum annual work commitment of US\$200,000 per annum until uranium is produced from the property. The property is subject to a royalty of 5% to 6% of production.

During the year ended March 31, 2007, the Company also acquired surface acreage through direct acquisitions of land as part of the Company's overall program to secure surface rights on the prospects. The total consideration for the land purchases was US\$850,000 and is included as capitalized costs in resource property interests.

During the year ended March 31, 2007, the Company entered into 3 mining leases covering 1,464 gross acres, 802 net surface acres and 170 net mineral acres.

Subsequent to March 31, 2007, the Company, through its wholly owned subsidiary, Powertech (USA) Inc., has acquired an additional 350 acres of surface rights through six direct acquisitions of land as part of the Company's overall program to secure surface rights in the Centennial Prospect. The total consideration for the six land purchases is US\$1,294,899.

On May 23, 2007, the Company reported it has received and filed a National Instrument 43-101 compliant report, dated March 28, 2007, on its Centennial Prospect located in Weld County, Colorado. The primary purpose of this report was to establish a resource base for the prospect under current standards of review. The report determined that 9,730,490 pounds of inferred resources, with an average thickness of 8.8 feet and an average grade of 0.094% U₃O₈ (average Grade Thickness ("GT") of .82), exist within the Centennial Prospect. The complete Report is available for review on the SEDAR web site at www.sedar.com.

CENTENNIAL URANIUM DEPOSIT - INFERRED RESOURCE ESTIMATE

	Tons <u>Millions</u>	Average <u>Grade</u>	Average <u>Thickness</u>	Average <u>GT</u>	Pounds <u>U₃O₈</u>
South Zone	2.94	0.100%	8.6 feet	0.86	5,887,398
North Zone	2.26	0.085%	9.0 feet	0.77	3,843,092
Total Resource	5.20	0.094%	8.8 feet	0.82	9,730,490

The South Zone of the Prospect exists at depths of 80 to 120 feet. The North Zone of the Prospect exists at depths of 350 to 600 feet.

In addition to the calculated 9,730,490 pounds of U₃O₈ for the Centennial Prospect, the authors stated that there is a geological potential of an additional 3 to 5 million pounds of U₃O₈. These additional potential resources are within the prospect area and are based upon identified mineralized trends that have only been partially explored to date. It should be noted that there has been insufficient exploration to define a mineral resource relating to this potential and it is uncertain if further exploration will result in the discovery of a mineral resource.

It is significant to note that the report also identified 7.9 million cubic yards of gravel that overlies the South Zone of the uranium resource. The Company and its environmental engineering consultant are currently conducting an economic assessment of this resource for potential development. It should be noted that there

POWERTECH URANIUM CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
(July 24, 2007)

has been insufficient exploration to define a mineral resource relating to this gravel deposit and it is uncertain if further exploration will result in the discovery of a mineral resource.

In April, 2007, the Company entered into a contractual arrangement with R Squared Incorporated (R²), a Denver based environmental firm, for the purpose of permitting the Centennial Prospect. The agreement with R² covers baseline data collection, environmental impact analysis, cost/benefit analysis and preparation of permit/license applications. The contract period extends from the present to the end of 2009.

The Company, through its wholly owned subsidiary, Powertech (USA) Inc., has received authorization from the Colorado Department of Natural Resources' Division of Reclamation Mining and Safety (DRMS) to proceed with drilling monitoring wells for its Centennial Prospect in northeastern Colorado.

The DRMS has approved the Company's Notice of Intent to drill 23 additional monitoring and aquifer test wells. These new wells, along with 26 existing monitoring wells that are currently being rehabilitated, will be used for groundwater data collection as part of the baseline study in advance of preparing permit applications for mining operations. The wells will sample water from multiple aquifers at multiple depths, and computerized data will define the hydrological characteristics of the uranium ore zone, ground water flow and testing of water quality in the surrounding strata. The wells also will also be regularly sampled for ongoing analysis.

Preliminary environmental data collected from the wells along with other data collection will continue through mid-2008 and will become the basis for multiple reports required to apply for operational permits that are required for federal, state and local agencies. After the Centennial Prospect gains the required approvals, data collection will continue through the life of the project. A drilling contractor has been selected, and drilling will commence in mid-July, 2007. The drilling process is anticipated to take four to six weeks once work begins. The Company intends to submit the necessary permit applications for in-situ recovery operations to the United States Environmental Protection Agency, the Colorado Department of Public Health and Environment, Colorado Department of Natural Resources and Weld County in the second half of 2008.

In connection with the monitoring well drilling program, the Company posted cash security in the amount of US\$181,000 with the Colorado DRMS to secure performance of the Company's reclamation obligations.

New Mexico, USA

West Ambrosia Lake Prospect – McKinley County

During the year ended March 31, 2007, the Company acquired the West Ambrosia Lake prospect through staking 223 mining claims covering 4,237 acres.

Data Acquisitions

By a purchase agreement dated August 9, 2006, the Company acquired a historical geological database related to its South Dakota and Wyoming properties. As consideration for the database, the Company paid \$112,690 (US\$100,000) and issued 200,000 common shares at \$1.30 per share.

By a purchase agreement dated December 18, 2006, the Company acquired a historical geological database related to its Wyoming properties. As consideration for the database, the Company agreed to pay \$1,000,000, payable in cash or common shares at the Company's option as follows:

- \$300,000 on signing (payment was satisfied by the issuance of 139,534 common shares at \$2.15 per share);

POWERTECH URANIUM CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
(July 24, 2007)

- \$300,000 on or before March 1, 2007 (payment was satisfied by the issuance of 73,350 common shares at \$4.09 per share); and
- \$400,000 on or before July 1, 2007 (payment was satisfied subsequent to March 31, 2007 by the issuance of 140,022 common shares at \$2.86 per share). This amount was included in accounts payable at March 31, 2007.

Resource Property Interests – Capitalized Costs

At March 31, 2007 and 2006, the Company has incurred the following amounts on its resource property interests:

	<u>2007</u>	<u>2006</u>
Dewey Burdock, South Dakota	\$ 13,475,435	\$ 397,429
Dewey Terrace, Wyoming	896,910	-
Aladdin, Wyoming	855,962	-
Colony, Wyoming	143,583	-
Powder River Basin, Wyoming	48,985	-
Shirley Basin, Wyoming	31,676	-
Centennial, Colorado	4,239,128	-
Indian Springs, Colorado	726,187	-
West Ambrosia Lake, New Mexico	201,206	-
Other	<u>138,072</u>	<u>-</u>
	<u>\$ 20,757,144</u>	<u>\$ 397,429</u>

At March 31, 2007, costs reflected in resource property interests are detailed below:

	<u>South Dakota</u>	<u>Wyoming</u>	<u>Colorado</u>	<u>New Mexico</u>	<u>Other</u>	<u>Total</u>
Acquisition costs	\$12,111,337	\$ -	\$4,126,025	\$ -	\$ -	\$17,610,052
Data acquisitions	93,173	1,093,172	-	74,538	111,807	1,372,690
Land services	27,301	170,939	83,524	40,055	19,345	341,164
Legal fees	47,560	7,082	-	-	5,023	59,665
Claims maintenance	20,999	225,933	-	77,462	-	324,394
Lease payments	177,215	173,705	301,923	-	-	652,843
Drilling	-	234,099	-	-	-	234,099
Permitting	2,905	-	69,035	-	-	71,940
Wages/Consulting	<u>994,945</u>	<u>72,186</u>	<u>384,808</u>	<u>9,151</u>	<u>1,897</u>	<u>*1,462,987</u>
	<u>\$13,475,435</u>	<u>\$1,977,116</u>	<u>\$4,965,315</u>	<u>\$ 201,206</u>	<u>\$ 138,072</u>	<u>\$20,757,144</u>

*includes capitalized stock-based compensation of \$942,306.

POWERTECH URANIUM CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
(July 24, 2007)

SELECTED CONSOLIDATED ANNUAL INFORMATION

The following table provides selected financial information for the most recent three fiscal years.

Year Ended	March 31, 2007	March 31, 2006	March 31, 2005
<u>Statement of Operations</u>			
Revenue	\$ 308,038	N/A	\$ 652,015
Income (loss) from continuing operations	\$ (4,850,758)	\$ (209,476)	\$ 9,516,675
Income (loss) from continuing operations per share			
Basic and Diluted	\$ (0.14)	\$ (0.02)	\$ 0.73
Income (loss) from discontinued operations	Nil	Nil	\$ (737,847)
Income (loss) from discontinued operations per share			
Basic and Diluted	Nil	Nil	\$ (0.01)
Net income (loss)	\$ (4,850,758)	\$ (209,476)	\$ 8,778,828
Net income (loss) per share			
Basic and Diluted	\$ (0.14)	\$ (0.02)	\$ 0.72
<u>Balance Sheet</u>			
Total assets	\$ 33,065,547	\$ 797,146	\$ 98,320
Long-term debt	\$ 2,115,297	105,120	N/A

RESULTS OF OPERATIONS

Year ended March 31, 2007 compared to Year ended March 31, 2006

During the year ended March 31, 2007, the Company incurred a loss of \$4,850,758 or \$0.14 per share as compared to \$209,476 or \$0.02 per share in the year ended March 31, 2006. The increase in loss is attributable to the Company's change in business to a mineral exploration/development company. To this end, the Company's activities included project due diligence, preparation of contracts, and filings with the objective of closing the transactions underlying its change of business. Furthermore, the Company's activities progressed with the acquisition of additional resource property interests, planning, permitting and exploratory drilling.

Consulting Fees of \$515,859 (nil for the year ending March 31, 2006), Wages and Benefits of \$238,516 (Nil for the year ended March 31, 2006), and Legal Fees of \$173,487 (an increase of \$89,712 for the year ending March 31, 2006) incurred during the year ending March 31, 2007 are attributable to the employment of personnel, consultants, and legal counsel in advancement of the acquisition, exploration and development of the Company's resource property interests. Travel and Entertainment increased by \$92,434 in connection with the

POWERTECH URANIUM CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
(July 24, 2007)

Company's change of business and the exploration and development of its resource property interests. Investor Relations and promotion increased by \$219,482 as a result of a substantial increase in activity due to the Company's May 2006 Private Placement and its Frankfurt listing. Office expenses increased \$151,711 with the procurement and staffing of exploration and administrative offices in South Dakota, Colorado and New Mexico. \$3,513,301 of the current year loss related to the issuance of stock options under the Company's 2006 Stock Option Plan, whereby the amount to be recognized as expense is determined at the time the options are issued and is deferred and recognized in earning over the vesting period of the options with a corresponding increase in contributed surplus.

Interest income for the year ended March 31, 2007 amounted to \$308,038 (March 31, 2006 - nil) from funds invested into money market portfolios. These funds were from proceeds of private placements and exercises of stock options and warrants.

SUMMARY OF QUARTERLY RESULTS

The following tables provide selected financial information for the most recent eight quarters.

	4 rd Quarter March 31, 2007	3 rd Quarter December 31, 2006	2 nd Quarter September 30, 2006	1 st Quarter June 30, 2006
Interest Income	\$ 104,598	\$ 90,292	\$ 76,516	\$ 36,632
Expenses	\$ 1,153,014	\$ 577,743	\$ 468,856	\$ 2,959,183
Net Income (Loss)	\$ (1,048,416)	\$ (487,451)	\$ (392,340)	\$ (2,922,551)
	4 th Quarter March 31, 2006	3 rd Quarter December 31, 2005	2 nd Quarter September 30, 2005	1 st Quarter June 30, 2005
Interest Income	N/A	N/A	N/A	N/A
Expenses	\$ 114,372	\$ 54,336	\$ 22,347	\$ 18,421
Net Income (Loss)	\$ (114,372)	\$ (54,336)	\$ (22,347)	\$ (18,421)

During the quarter ended March 31, 2007, the Company continued to focus on expanding its resource property interests through property acquisitions and exploration/development. Net loss for the 4th quarter increased by \$575,271 over the prior quarter primarily due to stock-based compensation, which increased by \$481,194 due to the issuance of stock options to key employees and consultants. In addition, consulting fees increase by \$88,658 and legal fees increased by \$38,408 over the prior quarter primarily due to increased activities in permitting and planning. The Company's operating expenses and capitalized costs are directly related to resource property exploration and development and the Company's general and administrative costs are related to the maintenance of its public listing and development of its resource property interest. Net Loss for the quarter ending March 31, 2007 included \$565,052 of non-cash stock-based compensation.

POWERTECH URANIUM CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
(July 24, 2007)

FINANCING, LIQUIDITY AND CAPITAL RESOURCES

As of March 31, 2007, the Company had cash and short-term investments of \$11,725,285 and net working capital of \$11,166,144.

Concurrent with the closing of the DU Agreement of Purchase and Sale and related agreements, the Company completed a brokered private placement financing through Pacific International Securities Inc. of \$12,000,000 to fund its new business initiatives including the permitting and development of the Dewey Burdock property. The financing consisted of 12,000,000 units at \$1.00 per unit, each unit consisting of one share and one share purchase warrant, each two warrants entitling the holder to purchase an additional share for one year at the price of \$1.30 per share. The Company paid a 7% commission by way of \$190,248 cash and the issuance of 649,752 units of the Company, the nature of the units as above described. The Company also issued 1,080,000 broker options in connection with the financing entitling the holders to purchase 1,080,000 shares of the Company at \$1.20 per share for one year.

During the year ending March 31, 2007 and through May 11, 2007, the following warrants and options were exercised with the Company receiving \$11,558,838 in proceeds:

360,000 Common Share Warrants exercisable at \$0.30/share	\$ 108,000
350,000 Common Share Warrants exercisable at \$0.80/share	280,000
100,000 Common Share Warrants exercisable at \$0.90/share	90,000
1,250,000 Common Share Warrants exercisable at \$1.00/share	1,250,000
300,000 Common Share Warrants exercisable at \$1.15/share	345,000
5,974,999 Private Placement Warrants exercisable at \$1.30/share	7,767,499
324,876 Private Placement Units exercisable at \$1.30/share	422,339
1,080,000 Agent's Options exercisable at \$1.20/share	<u>1,296,000</u>
	<u>\$11,558,838</u>

As of July 24, 2007, the number of outstanding options and warrants, other than those issued under the Company's 2006 Stock Option Plan is nil.

With completion of the above private placement and the exercise of the Warrants and Agent's Options, the Company is in a strong cash position to go forward with its business plan for the next year. 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 or to obtain the necessary financing to meet its obligations and pay its liabilities arising from normal business operations when they come due.

Cash increased by \$11,626,678 in the year ended March 31, 2007 (March 31, 2006 - \$304,477). Operating activities in the year ended March 31, 2007 used cash of \$901,086 (March 31, 2006 - \$79,394). In the year ended March 31, 2007 cash outflows for investing activities amounted to \$5,283,216 compared to \$280,629 at March 31, 2006. Financing activities such as private placements and stock options/warrants exercises, raised \$17,810,980 (March 31, 2006 - \$664,500).

The Company believes that cash on hand will be sufficient to fund currently anticipated working capital, planned capital spending, and debt service requirements for the next 12 months.

POWERTECH URANIUM CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
(July 24, 2007)

CONTRACTUAL COMMITMENTS

Resource Property Interests – Land and Mineral Lease Commitments

Dewey Burdock Prospect - The Company acquired leases from Denver Uranium Company, LLC with several levels of payments and obligations. In the portions of the prospect area where the Company seeks to develop uranium, both surface and minerals are leased. Denver Uranium has granted the mineral owners a five percent overriding royalty payment out of sales of the product. The surface owners will be paid a two percent overriding royalty as incentive to support the development of uranium under their lands. In addition, surface owners are paid an annual rental to cover the cost of surface damage and to compensate for reduction of husbandry grazing during field operations. The royalty payments to the surface owners are reduced by the amount of rentals to be paid. The basic terms of the leases are five-year initial terms and are renewable two times at the five-year mark and ten years from original signing. Additional bonuses are paid to the landowners at the time of renewal. All leases were signed in 2005 and the leases are in force through 2020 without production. In the case of production, all leases will be held as long as minerals are produced. Total annual rental payments under the agreements are approximately US\$165,000.

Aladdin and Dewey Terrace Prospect - The Company has entered into option to lease agreements with respect to its Aladdin and Dewey Terrace Prospects in Wyoming, all of which expire in mid to late 2007. If the Company elects to exercise its option under the agreements, the total lease option payments required are approximately US\$393,000.

Other Prospects – In addition, the Company has entered into other option to lease agreements with respect to other prospects, all of which expire in the next year. If the Company elects to exercise its option under the agreements, the total lease option payments are approximately US\$50,000.

Claims Maintenance – The Company has secured 1,183 mining claims within its various prospects. The total annual maintenance costs of the mining claims are approximately US\$150,000.

Management Services Contracts and Employment Contracts

By three management services agreements and seven employment agreements entered into during the year ending March 31, 2007, the Company agreed to pay fees totalling US\$97,250 per month.

In addition, the Company granted the following share purchase options to key service providers and employees under the Company's 2006 Stock Option Plan.

Issuance Date	Exercise Price	Issued Options	Expiry Date
May 11, 2006	\$1.00	3,025,000	May 11, 2011
Jul 19, 2006	\$1.30	200,000	Jul 19, 2011
Aug 1, 2006	\$1.30	100,000	Aug 1, 2011
Aug 9, 2006	\$1.30	200,000	Aug 9, 2011
Oct 5, 2006	\$1.80	100,000	Oct 5, 2011
Jan 25, 2007	\$2.80	100,000	Jan 25, 2012
Feb 15, 2007	\$3.00	400,000	Feb 15, 2012
May 14, 2007	\$3.20	125,000	May 14, 2012
Jun 15, 2007	\$2.60	100,000	Jun 15, 2012
Total		4,350,000	

POWERTECH URANIUM CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
(July 24, 2007)

Office Leases

The Company entered into a twenty-two month lease agreement for office space in Vancouver, British Columbia. Annual lease payments due over the next two years are \$17,531 and \$14,610 respectively.

The Company entered into a three year lease agreement for office space in Albuquerque, New Mexico. Annual lease payments due over the next three years are US\$19,200, US\$19,200 and US\$10,400 respectively.

The Company entered into a three year lease agreement for office space in Hot Springs, South Dakota. Annual lease payments due over the next three years are US\$12,900, US\$12,900 and US\$8,600 respectively.

INVESTOR RELATIONS ACTIVITIES

On October 5, 2006, the Company engaged Studer Consulting to provide investor relations services for the Company in Europe. In connection with the engagement, the Company entered into a six month consulting agreement commencing October 5, 2006 whereby Studer Consulting will receive a total fee of Swiss Francs (CHF) 17,000, CHF 11,000 payable on execution and CHF 6,000 payable on January 1, 2007. Studer Consulting will also be reimbursed for certain expenses incurred in connection with providing such services. In addition, the Company has agreed to grant Marlies Studer, the principal of Studer Consulting, an option to purchase 100,000 common shares of the Company at an exercise price of \$1.80 per share. The options will have a five year term and will vest in accordance with the policies of the TSX Venture Exchange (the "Exchange"). Neither Ms. Studer nor Studer Consulting hold any interest, directly or indirectly, in the Company or its securities.

The Company also recently obtained a listing for its shares on the Frankfurt Stock Exchange to provide better access to the European investment community.

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 has no off balance sheet arrangements.

POWERTECH URANIUM CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
(July 24, 2007)

RELATED PARTY TRANSACTIONS

During the years ended March 31, 2007 and 2006, the Company incurred the following charges from directors or officers of the Company or from companies with directors or officers in common with the Company:

	<u>2007</u>	<u>2006</u>
Director fees	\$ 11,075	\$ 60,000
Legal fees	36,513	40,663
Resource property interests – acquisition costs	11,218	39,831
Management and consulting fees	505,256	-
Resource property interests – wages/consulting	274,254	-
Resource property interests – stock-based compensation	632,395	-
Stock-based compensation	2,564,997	-
Wages and benefits	<u>93,951</u>	<u>-</u>
	<u>\$ 4,129,659</u>	<u>\$ 140,494</u>

These charges were measured by the exchange amount which is the amount agreed on by the transacting parties.

At March 31, 2007, cash and short-term investments included \$Nil (2006: \$267,479) held in trust by a director of the Company in his capacity as legal counsel for the Company.

At March 31, 2007, accounts payable and accrued liabilities include \$38,279 (2006: \$113,874) due to directors or officers of the Company or to companies with directors or officers in common with the Company for fees and expenses. These amounts are unsecured, non-interest bearing and have no specific terms of repayment.

CHANGE IN ACCOUNTING POLICIES INCLUDING ADOPTION

The Company did not make any changes to its accounting policies during the period. There were no significant changes or adoptions of accounting policies in the year ended March 31, 2007 which had a significant impact upon the Company's financial statements.

SHARE CAPITAL

Authorized:

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.

Issued:

	<u>Number</u>	<u>Amount</u>
Balance, March 31, 2007	<u>44,898,999</u>	<u>\$ 40,674,499</u>
Balance, July 24, 2007	<u>49,429,020</u>	<u>\$ 47,184,501</u>

POWERTECH URANIUM CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
(July 24, 2007)

Escrow:

At March 31, 2007, 9,732,500 common shares were held in escrow by the Company's transfer agent. The escrow shares are made up of 1,700,000 common shares subject to a performance agreement and 8,032,500 common shares subject to time release agreements which provide for release over a three year period in accordance with the policies of the TSX Venture Exchange. The time release escrow shares are held by four directors of the Company. The majority of time release escrow shares were issued pursuant to the Company's acquisition of Denver Uranium. The following is a summary of the Company's escrow transactions during the year ended March 31, 2007.

Balance At March 31, <u>2006</u>	Escrowed during year ended March 31, <u>2007</u>	Released during year ended March 31, <u>2007</u>	Balance at March 31, <u>2007</u>
<u>1,700,000</u>	<u>10,710,000</u>	<u>(2,677,500)</u>	<u>9,732,500</u>

The time release escrow will be released as follows:

May 11, 2007	1,606,500
November 11, 2007	1,606,500
May 11, 2008	1,606,500
November 11, 2008	1,606,500
May 11, 2009	<u>1,606,500</u>
	<u>8,032,500</u>

Share Purchase Warrants:

At March 31, 2007, there were 4,414,999 share purchase warrants outstanding entitling the holders thereof the right to purchase one common share for each warrant held as follows:

Expiration Date	Exercise Price	Outstanding at Mar 31, 2006	Issued during year ended Mar 31, 2007	Exercised during year ended Mar 31, 2007	Outstanding at Mar 31, 2007
Apr 14, 2007	\$0.30	360,000	-	(360,000)	-
Mar 14, 2007	\$0.80	350,000	-	(350,000)	-
Mar 14, 2007	\$0.90	100,000	-	(100,000)	-
May 11, 2007 (e)	\$1.00	-	1,250,000	(500,000)	750,000
Apr 19, 2007 (a)	\$1.15	-	300,000	(120,000)	180,000
May 11, 2007 (b)	\$1.30	-	324,876	(324,876)	-
May 11, 2007 (b)	\$1.30	-	5,999,999	(2,515,000)	3,484,999
Totals		<u>810,000</u>	<u>7,874,875</u>	<u>(4,269,876)</u>	<u>4,414,999</u>

Subsequent to March 31, 2007, the following share purchase warrants were exercised: 750,000 Common Share Warrants exercisable at \$1.00 per share, 180,000 Common Share Warrants exercisable at \$1.15 per share, and 3,459,999 Common Share Warrants exercisable at \$1.30 per share.

POWERTECH URANIUM CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
(July 24, 2007)

Outstanding Share Purchase Warrants at July 24, 2007:

Expiration Date	Exercise Price	Outstanding at Mar 31, 2007	Exercised subsequent to Mar 31, 2007	Expired subsequent to Mar 31, 2007	Outstanding at July 24, 2007
May 11, 2007 (e)	\$1.00	750,000	(750,000)	-	-
Apr 19, 2007 (a)	\$1.15	180,000	(180,000)	-	-
May 11, 2007 (b)	\$1.30	3,484,999	(3,459,999)	(25,000)	-
Totals		4,414,999	(4,389,999)	(25,000)	-

Agent's Options:

At March 31, 2007, there are nil Agent's Options outstanding entitling the holders thereof the right to purchase one common share for each option held as follows:

Expiration Date	Exercise Price	Outstanding at Mar 31, 2006	Issued during year ended Mar 31, 2007	Exercised during year ended Mar 31, 2007	Outstanding at Mar 31, 2007
May 11, 2007 (a)	\$1.20	-	1,080,000	(1,080,000)	-

Stock Option Plan:

On June 30, 2006, at the Company's Annual and Special General Meeting, the Shareholders of the Company approved the Company's 2006 Stock Option Plan ("the Plan"). The Plan is a rolling stock option plan reserving for issuance upon the exercise of options granted to its directors, officers, employee and consultants pursuant to the Plan a maximum of 10% of the issued and outstanding Common Shares of the Company. At March 31, 2007, there are 4,125,000 Stock Options outstanding entitling the holders thereof the right to purchase one common share for each option held as follows:

Expiration Date	Exercise Price	Outstanding at Mar 31, 2006	Issued during year ended Mar 31, 2007	Exercised during year ended Mar 31, 2007	Outstanding at Mar 31, 2007
May 11, 2011	\$1.00	-	3,025,000	-	3,025,000
Jul 19, 2011	\$1.30	-	200,000	-	200,000
Aug 1, 2011	\$1.30	-	100,000	-	100,000
Aug 9, 2011	\$1.30	-	200,000	-	200,000
Oct 5, 2011	\$1.80	-	100,000	-	100,000
Jan 25, 2012	\$2.80	-	100,000	-	100,000
Feb 15, 2012	\$3.00	-	400,000	-	400,000
Totals		-	4,125,000	-	4,125,000

All stock options granted under the Plan during the year ended March 31, 2007 vested on the date of grant, except the 100,000 stock options expiring on October 5, 2011 which were granted on October 5, 2006 and vest 25,000 shares every three months until October 5, 2007 and the 100,000 stock options expiring on January 25, 2012 which were granted on January 25, 2007 and vest 25,000 shares every three months until January 25, 2008.

POWERTECH URANIUM CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
(July 24, 2007)

Subsequent to March 31, 2007, the Company granted the following stock options to key employees and an independent director pursuant to the Company's 2006 Stock Option Plan.

Number of Options	Exercise Price	Expiry Date
125,000	\$3.20	May 14, 2012
100,000	\$2.60	June 15, 2012

As of July 24, 2007, the total Stock Options outstanding under the Plan total 4,350,000.

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 4%. 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.

OTHER INFORMATION

This discussion and analysis of the financial position and results of operation as of July 24, 2007 should be read in conjunction with the audited consolidated financial statements for the year ending March 31, 2007. Additional information can be accessed at the Company's website www.powertech.com or through the Company's public filings at www.sedar.com.

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 generally accepted Canadian accounting principles. The 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 Multilateral Instrument 52-109 as at March 31, 2007. 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, our Chief Executive Officer and Chief Financial Officer concluded that the design and operation of these disclosure controls and procedures were effective.

POWERTECH URANIUM CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
(July 24, 2007)

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 Multilateral Instrument 52-109.

There were no changes in our internal control over financial reporting that occurred since the beginning of the Company's year ended March 31, 2007 to the date of this document that have materially affected, or are reasonably likely to materially affect our internal control over financial reporting.

RISKS AND UNCERTAINTIES

An investment in our company involves a number of risks. You should carefully consider the following risks and uncertainties in addition to other information in this annual report in evaluating our company and our business before making any investment decision in regards to the shares of our company's common stock. Our business, operating and financial condition could be harmed due to any of the following risks. The risks described below are not the only ones facing our company. Additional risks not presently known to us may also impair our business operations.

Nuclear Energy Competes With Other Viable Energy Sources

Nuclear energy competes with other sources of energy, including oil, natural gas, coal and hydro-electricity. These other sources are to some extent interchangeable with nuclear energy, particularly over the longer term. Sustained lower prices of oil, natural gas, coal and hydro-electricity may result in lower demand for uranium concentrates and uranium conversion services, which in turn may result in lower market prices for uranium, which would materially and adversely affect the Company's business, financial condition and results of operations.

Public Acceptance of Nuclear Energy Cannot Be Assured

Growth in the demand for uranium and in the nuclear power industry will depend upon continued and increased acceptance of nuclear technology by the public as a safe and viable means of generating electricity. Because of unique political, technological and environmental factors that affect the nuclear industry, the industry is subject to public opinion risks which could have an adverse impact on the demand for nuclear power and increase the regulation of the nuclear power industry. An accident or incident at a nuclear reactor anywhere in the world, or an accident or incident relating to the transportation or storage of new or spent nuclear fuel, could negatively impact the public's acceptance of nuclear power and the future prospects for nuclear power generation, which may have a material and adverse effect the Company's business, financial condition and results of operations.

Uranium Industry Competition is Significant

The international uranium industry is highly competitive. The Company will be competing against competitors that may be larger and better capitalized, have state support, have access to more efficient technology, and have access to reserves of uranium that are cheaper to extract and process. As such, no assurance can be given that the Company will be able to compete successfully with its industry competitors.

POWERTECH URANIUM CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
(July 24, 2007)

Sales of Uranium are Restricted by International Trade Regulations

The supply of uranium is, to some extent, impeded by a number of international trade agreements and policies. These agreements and any similar future agreements, governmental policies or trade restrictions are beyond the control of the Company and may affect the supply of uranium available in the United States and Europe, which are the largest markets for uranium in the world. If the Company is unable to supply uranium to important markets in the United States or Europe, its business, financial condition and results of operations may be materially and adversely affected.

Deregulation of the Electrical Utility Industry May Affect the Demand for Uranium

The Company's future prospects are tied directly to the electrical utility industry worldwide. Deregulation of the utility industry, particularly in the United States and Europe, is expected to impact the market for nuclear and other fuels for years to come, and may result in the premature shutdown of some nuclear reactors. Experience to date with deregulation indicates that utilities are improving the performance of their reactors, achieving record capacity factors. There can be no assurance that this trend will continue.

The Company's Financial Condition and Results of Operations may be Adversely Affected by Changes in the Market Price of Uranium.

The majority of the Company's potential revenues are anticipated to be derived from the sale of uranium products. The Company's financial condition, results of operations, earnings and operating cash flow will be closely related and sensitive to fluctuations in the long and short term market price of uranium. Historically, these prices have fluctuated widely. Between 1970 and 2005 the price of uranium has fluctuated between approximately US\$10 per pound and approximately US\$100 per pound. The price of uranium has been and will continue to be affected by numerous factors beyond the Company's control. Such factors include, among others: demand for nuclear power; political and economic conditions in uranium producing and consuming countries; reprocessing of used reactor fuel and the re-enrichment of depleted uranium tails; sales of excess civilian and military inventories (including from the dismantling of nuclear weapons) by governments and industry participants; and production levels and costs of production.

If the price of uranium declines for a substantial period below the cost of production at the Company's mines, it may not be economically feasible to continue production at such sites. This would materially and adversely affect production, profitability and the Company's financial position. A decline in the market price of uranium may also require a write-down of the Company's mineral reserves and resources which would have a material and adverse affect on its financial condition, results of operations and profitability. Should any significant write-down in reserves and resources be required, material write downs of the Company's investment in the affected mining properties and increased amortization, reclamation and closure charges may be required.

The Company Will Require Significant Amounts of Additional Capital in the Future

The Company has limited financial resources. The Company will continue to make substantial capital expenditures related to exploration, development and production. In particular the Company will have further capital requirements as it proceeds to expand its present exploration activities at its uranium projects, or to take advantage of opportunities for acquisitions, joint ventures or other business opportunities that may be presented to it.

In addition, the Company may incur major unanticipated liabilities or expenses. There can be no assurance that the Company will be able to obtain necessary financing in a timely manner on commercially acceptable terms, if at all.

POWERTECH URANIUM CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
(July 24, 2007)

Volatile demand for uranium and the volatile price for uranium may make it difficult or impossible for the Company to obtain debt financing or equity financing on commercially acceptable terms or at all. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of its uranium projects with the possible loss of the rights to such properties. If exploration or the development of any mine is delayed, such delay would have a material and adverse effect on the Company business, financial condition and results of operation.

The Company's Operations are Subject to Operational Risks and Hazards Inherent in the Mining Industry

The Company's business is subject to a number of inherent risks and hazards, including environmental pollution, accidents or spills; industrial and transportation accidents, which may involve radioactive or hazardous materials; labour disputes; power disruptions, catastrophic accidents; failure of plant and equipment to function correctly, the inability to obtain suitable or adequate equipment, fires; blockades or other acts of social activism; changes in the regulatory environment; impact of non-compliance with laws and regulations; natural phenomena, such as inclement weather conditions, underground floods, earthquakes, pit wall failures, ground movements, tailings, pipeline and dam failures and cave-ins; and encountering unusual or unexpected geological conditions and technical failure of mining methods. The Company may also contract for the transport of its uranium and uranium products to refining, conversion and enrichment facilities in North America, which will expose the Company to risks inherent in transportation including loss or damage of transportation equipment and spills of cargo.

There is no assurance that the foregoing risks and hazards will not result in damage to, or destruction of, the Company's uranium properties, personal injury or death, environmental damage, delays in the Company's exploration or development activities, costs, monetary losses and potential legal liability and adverse governmental action, all of which could have a material and adverse effect on the Company's future cash flows, earnings, results of operations and financial condition.

Mineral Reserve and Resource Estimates are Only Estimates and May Not Reflect the Actual Deposits or the Economic Viability of Uranium Extraction

Reserve and resource figures included for uranium are estimates only and no assurances can be given that the estimated levels of uranium will actually be produced or that the Company will receive the uranium price assumed in determining its reserves. Such estimates are expressions of judgment based on knowledge, mining experience, analysis of drilling and exploration results and industry practices. Estimates made at any given time may significantly change when new information becomes available or when parameters that were used for such estimates change. While the Company believes that the reserve and resource estimates included are well established and reflect management's best estimates, by their nature reserve and resource estimates are imprecise and depend, to a certain extent, upon statistical inferences which may ultimately prove unreliable. Furthermore, market price fluctuations in uranium, as well as increased capital or production costs or reduced recovery rates, may render ore reserves containing lower grades of mineralization uneconomic and may ultimately result in a restatement of reserves. The extent to which resources may ultimately be reclassified as proven or probable reserves is dependent upon the demonstration of their profitable recovery. The evaluation of reserves or resources is always influenced by economic and technological factors, which may change over time.

Exploration, Development and Operating Risk

The exploration for and development of uranium properties 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 which 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. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit,

POWERTECH URANIUM CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
(July 24, 2007)

such as size, grade and proximity to infrastructure; metal prices which are highly cyclical, drilling and other related costs which appear to be rising; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital.

Currency

Exchange rate fluctuations may affect the costs that the Company incurs in its exploration activities. Uranium is generally sold in United States dollars. Since the Company principally raises funds in Canadian dollars, but since the Company's costs are incurred in United States dollars, the appreciation of the United States dollar against the Canadian dollar can increase the cost of uranium and other mineral exploration and production in Canadian dollar terms.

Environmental Risks and Hazards

All phases of the Company's operations are subject to environmental regulation in the jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the general, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which 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 and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on the properties which are unknown to the Company at present and which have been caused by previous or existing owners or operators of the properties. Reclamation costs are uncertain and planned expenditures estimated by management may differ from the actual expenditures required.

Government Regulation

The Company's mineral exploration and planned development activities are subject to various laws governing prospecting, mining, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters. Although the Company believes its exploration and development activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development.

Many of the mineral rights and interests of the Company are subject to government approvals, licenses and permits. Such approvals, licenses and permits are, as a practical matter, subject to the discretion of applicable governments or governmental officials. No assurance can be given that the Company will be successful in maintaining any or all of the various approvals, licenses and permits in full force and effect without modification or revocation. To the extent such approvals are required and not obtained, the Company may be curtailed or prohibited from continuing or proceeding with planned exploration or development of mineral properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations or applicable laws or regulations.

POWERTECH URANIUM CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
(July 24, 2007)

Amendments to current laws and regulation governing operations or more stringent implementation thereof could have a substantial impact on the Company and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Public Involvement in the Permitting Process

The process of obtaining radioactive materials licenses ("RML") from the US Nuclear Regulatory Commission and those required in the States that the Company is operating in allow for public participation. If a third party chooses to object to the issuance of any RML or permit required by the Company, significant delays may occur before the Company is able to secure an RML or permit. Generally, the public objections can be overcome with the passage of time and through the procedures set forth in the applicable permitting legislation. However, the regulatory agencies must also allow and fully consider public comment according to such procedures and there can be no assurance that the Company will be successful in obtaining any RML or permit.

Political Risk

The Company's future prospects may be affected by political decisions about the uranium market. There can be no assurance that the United States or other government or quasi-governmental authority will not enact legislation or other rules restricting uranium extraction and processing activities, or restricting to whom the Company can sell uranium. In addition the price of uranium may be affected by decisions of state governments to decommission nuclear weapons, thereby increasing the supply of uranium.

The Company has no History of Mineral Production or Mining Operations

The Company has never had uranium producing properties. There is no assurance that commercial quantities of uranium will be discovered at the Properties or other future properties nor is there any assurance that the Company's exploration program thereon will yield positive results. Even if commercial quantities of uranium are discovered, there can be no assurance that any property of the Company will ever be brought to a stage where uranium resources can profitably be produced therefrom. Factors which may limit the ability of the Company to produce uranium resources from its properties include, but are not limited to, the spot price of uranium, availability of additional capital and financing and the nature of any mineral deposits.

The Company does not have a history of mining operations and there is no assurance that it will produce revenue, operate profitably or provide a return on investment in the future.

Future Sales of Common Shares by Existing Shareholders

Sales of a large number of Common Shares in the public markets, or the potential for such sales, could decrease the trading price of the Common Shares and could impair the Company's ability to raise capital through future sales of Common Shares. Substantially all of the Common Shares can be resold without material restriction in Canada.

No Assurance of Titles or Borders

The acquisition of the right to exploit mineral properties is a very detailed and time consuming process. There can be no guarantee that the Company has acquired title to any such surface or mineral rights or that such rights will be obtained in the future. To the extent they are obtained, titles to the Company's surface or mineral properties may be challenged or impugned and title insurance is generally not available. The Company's surface or mineral properties may be subject to prior unregistered agreements, transfers or claims and title may be affected by, among other things, undetected defects. Such third party claims could have a material adverse

POWERTECH URANIUM CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
(July 24, 2007)

impact on the Company's operations. The Company's rights in New Mexico are also affected by measures implemented by the Navajo Nation. In addition, the Company may be unable to operate its properties as permitted or to enforce its rights with respect to its properties.

Availability of Qualified Personnel

The mining industry generally is experiencing a significant shortage of qualified personnel particularly in the availability of professionals such as mining engineers, metallurgists and geologists. There is also a shortage of staff and skilled workers and, as a result, training to fill the positions may be necessary in order to achieve Energy Metals' planned production activities. The uranium industry is further impacted based on the need for professionals and skilled workers because the downturn of the uranium market in the 1980's resulted in a loss of skills and considerably fewer people entering the market in this area of mineral industry. The current demand for people has also resulted in a significant escalation of salaries and wages.

Need for Additional Mineral Reserves and Delineation of Mineral Reserves

Because mines have limited lives based on proven and probable mineral reserves, the Company will be required to continually replace and expand its mineral reserves if and when its mines produce uranium. The Company's ability to maintain or increase its annual production of uranium in the future will be dependent in significant part on its ability to bring new mines into production and to expand mineral reserves at existing mines.

The Company may be unable to acquire right to explore additional attractive mining properties on acceptable terms due to competition for mineral acquisition opportunities with larger, better established mining companies with greater financial and technical resources. There can be no assurance that the Company will be able to bring any of its properties into production or achieve mineral reserves on its properties.