POWERTECH URANIUM CORP.
(An Exploration Stage Company)

CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2008 and 2007

(Stated in Canadian Dollars)

BDO Dunwoody LLP
Chartered Accountants

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AUDITORS' REPORT

To the Shareholders,
Powertech Uranium Corp.
(An Exploration Stage Company)

We have audited the consolidated balance sheets of Powertech Uranium Corp. (An Exploration Stage Company) as at March 31, 2008 and 2007 and the consolidated statements of operations and 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, 2008 and 2007 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

(signed) "BDO Dunwoody LLP"

Chartered Accountants

Vancouver, Canada
June 6, 2008

POWERTECH URANIUM CORP.
(An Exploration Stage Company)
CONSOLIDATED BALANCE SHEETS
March 31, 2008 and 2007
(Stated in Canadian Dollars)

ASSETS	2008	2007
Current		
Cash and cash equivalents	$ 2,053,721	$ 11,725,285
Restricted cash – Note 3	821,444	291,759
GST receivable	23,687	9,041
Other receivables	–	10,357
Deposits	107,075	94,321
Prepaid expenses	64,368	78,974
	3,070,295	12,209,737
Mineral properties – Notes 3 and 6	33,218,967	20,757,144
Building and Equipment – Note 4	402,958	98,666
	$ 36,692,220	$ 33,065,547
LIABILITIES		
Current		
Accounts payable and accrued liabilities – Note 6	$ 1,436,133	$ 648,738
Current portion of agreements payable – Notes 8	266,032	300,534
	1,702,165	949,272
Agreements payable – Notes 3 and 8	1,005,376	2,115,297
	2,707,541	3,064,569
SHAREHOLDERS' EQUITY		
Share capital – Note 5	47,184,500	40,674,499
Contributed surplus – Note 5	5,477,178	5,110,610
Deficit	(18,676,999)	(15,784,131)
	33,984,679	30,000,978
	$ 36,692,220	$ 33,065,547

Commitments and Contingencies – Note 3 and 9
Subsequent Events – Notes 5 and 13

APPROVED BY THE DIRECTORS:

"Richard F. Clement, Jr." Director
Richard F. Clement, Jr.

"Thomas Doyle" Director
Thomas Doyle

SEE ACCOMPANYING NOTES

POWERTECH URANIUM CORP.
(An Exploration Stage Company)
CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT
for the years ended March 31, 2008 and 2007
(Stated in Canadian Dollars)

	2008	2007
General and administrative expenses		
Accretion – Note 2	$ 43,016	$ –
Amortization and depreciation	89,550	16,820
Audit and accounting fees	54,952	62,069
Community and media relations	334,855	–
Director fees – Note 6	33,300	11,075
Filing fees	202,805	75,524
Foreign exchange gain	(252,699)	(16,018)
Insurance	115,350	59,578
Investor relations and promotion	298,655	219,482
Legal fees – Note 6	220,160	173,487
Management and consulting fees – Note 6	639,005	515,859
Office and miscellaneous	564,133	154,770
Stock-based compensation – Notes 5 and 6	766,466	3,513,301
Transfer agent fees	18,343	20,723
Travel and accommodation	195,375	113,610
Wages and benefits – Note 6	620,294	238,516
Loss before other	3,943,560	5,158,796
Other		
Interest income	(406,628)	(308,038)
Net loss and comprehensive loss for the year	3,536,932	4,850,758
Deficit, beginning of the year	15,784,131	10,933,373
Change in accounting policy – Note 2	(644,064)	–
Deficit, end of the year	$ 18,676,999	$ 15,784,131
Basic and diluted loss per share	$ 0.08	$ 0.14
Weighted average number of shares outstanding	46,307,318	34,688,130

SEE ACCOMPANYING NOTES

POWERTECH URANIUM CORP.
(An Exploration Stage Company)
CONSOLIDATED STATEMENTS OF CASH FLOWS
for the years ended March 31, 2008 and 2007
(Stated in Canadian Dollars)

	2008	2007
Operating Activities		
Net loss for the year	$ (3,536,932)	$ (4,850,758)
Items not affecting cash:		
Accretion	43,016	–
Depreciation and amortization	89,550	16,820
Foreign exchange	(274,187)	(16,018)
Stock based compensation	766,466	3,513,301
	(2,912,087)	(1,336,655)
Net change in non-cash working capital balances:		
Restricted cash	(529,685)	(291,759)
GST receivable	(14,646)	310
Other receivables	10,357	(10,357)
Deposits	(12,754)	(94,321)
Prepaid expenses	14,606	(78,974)
Accounts payable and accrued liabilities	200,936	524,590
Cash used in operations	(3,243,273)	(1,287,166)
Investing Activities		
Mineral property interests	(11,220,259)	(5,073,409)
Building and equipment	(400,636)	(115,486)
Cash used in investing activities	(11,620,895)	(5,188,895)
Financing Activities		
Agreements payable	(262,395)	(11,680)
Issuance of common shares	5,454,999	17,822,660
Cash provided by financing activities	5,192,604	17,810,980
Increase (decrease) in cash during the year	(9,671,564)	11,334,919
Cash and cash equivalents, beginning of the year	11,725,285	390,366
Cash and cash equivalents, end of the year	$ 2,053,721	$ 11,725,285
Cash and cash equivalents consists of:		
Cash	$ 33,714	$ 1,215,019
Term deposits	2,020,007	10,510,266
	$ 2,053,721	$ 11,725,285

Non-cash Transactions – Note 7

SEE ACCOMPANYING NOTES

Schedule 1

POWERTECH URANIUM CORP.
(An Exploration Stage Company)
CONSOLIDATED SCHEDULE OF MINERAL PROPERTIES
for the years ended March 31, 2008 and 2007
(Stated in Canadian Dollars)

	South Dakota	Wyoming	Colorado	New Mexico	Other	Total
Balance, March 31, 2006	$ 397,429	$ –	$ –	$ –	$ –	$ 397,429
Acquisition costs	11,542,649	–	4,126,025	–	–	15,668,674
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	1,166,204	72,186	384,808	9,151	1,897	1,634,246
Balance, March 31, 2007	13,475,435	1,977,116	4,965,315	201,206	138,072	20,757,144
Acquisition costs	–	–	748,111	–	–	748,111
Land services	59,227	95,908	74,145	–	39,498	268,778
Legal fees	67,389	24,210	381,918	–	2,654	476,171
Claims maintenance	76,561	146,212	–	26,753	–	249,526
Lease payments	176,043	374,736	626,082	–	18,836	1,195,697
Drilling	1,615,259	637,955	173,766	–	–	2,426,980
Permitting	1,907,107	11,372	3,503,153	–	–	5,421,632
Wages/Consulting	669,661	376,765	559,579	32,475	36,448	1,674,928
Balance, March 31, 2008	$18,046,682	$3,644,274	$11,032,069	$ 260,434	$ 235,508	$ 33,218,967

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 Toronto Stock Exchange ("TSX") 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 success of the Company and the recoverability of the amount shown for mineral properties 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. The Company's success is subject to a number of risks including environmental risks, contractual risks, legal and political risks, fluctuations in the price of minerals and other factors beyond the Company's control.

Note 2 Significant Accounting Policies

The financial statements of the Company have been prepared in accordance with Canadian generally accepted accounting principles. The financial statements, have in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

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. All significant inter-company balances and transactions have been eliminated.

Cash and Cash Equivalents

Cash and cash equivalents consist of bank deposits, bankers' acceptances with major Canadian banks, guaranteed investment certificates, certificates of deposits and money market accounts. These investments are easily convertible to cash and have maturities of three months or less when purchased.

Restricted Cash

Restricted cash consists of deposits held for collateral pursuant to irrevocable letters of credit and/or bonds provided to State authorities in connection with mineral property activities.

Note 2 Significant Accounting Policies – (cont'd)

Mineral Properties

Property Acquisition Costs

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

Deferred Exploration Costs

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

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

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.

Building and Equipment

Equipment is recorded at cost. Amortization is provided using the double declining balance method over a five year useful life.

Buildings are recorded at cost. Depreciation is recording using the straight line method over a 40 year useful life

Impairment of Long-lived Assets

Long-lived assets and intangibles held and used by the Company are 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 the Company expects to hold and use may not be recoverable, future cash flows expected to result from the use of the asset and its disposition are estimated. If the undiscounted value of the future cash flows is less than the carrying amount of the asset, impairment is recognized.

Note 2 Significant Accounting Policies – (cont'd)

Impairment of Long-lived Assets – (cont'd)

Management believes there has been no impairment of the Company's long-lived assets as of March 31, 2008 and 2007.

Asset Retirement Obligations

The fair value of obligations associated with the retirement of tangible long-lived assets is recorded in the period it is incurred, 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 Depreciation and Amortization 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, 2008 and 2007.

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.

Stock-Based Compensation

The fair value of all share purchase options granted is expensed over their vesting period with a corresponding increase to contributed surplus. Upon exercise of share purchase options, the consideration paid by the option holder, together with the amount previously recognized in contributed surplus, is recorded as an increase to share capital.

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

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. Common equivalent shares (consisting of shares issuable on the exercise of share purchase options and warrants) totalling 6,175,000 (2007: 8,539,998) were excluded in the computation of diluted loss per share because the effect was anti-dilutive.

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, when realized.

Note 2 Significant Accounting Policies – (cont'd)

Adoption of New Accounting Standards

Effective April 1, 2007, the Company adopted five new Canadian Institute of Chartered Accountants ("CICA") accounting standards: (a) Handbook Section 1530, *Comprehensive Income*; (b) Handbook Section 3855, *Financial Instruments – Recognition and Measurement*; (c) Handbook Section 3861, *Financial Instruments – Disclosure and Presentation*; (d) Handbook Section 3865, *Hedges*; and (e) Handbook Section 1506, *Accounting Changes*. The main requirements of these new standards and the resulting financial statement impact are described below.

Consistent with the requirements of the new accounting standards, the Company has not restated any prior period amounts as a result of adopting the accounting changes. The effect of the adoption of these standards is summarized below:

i) Comprehensive Income, Section 1530

This standard requires the presentation of a statement of comprehensive income and its components. Comprehensive income includes both net earnings and other comprehensive income. Other comprehensive income includes holding gains and losses on available for sale investments, gains and losses on certain derivative financial instruments and foreign currency gains and losses relating to self-sustaining foreign operations, all of which are not included in the calculation of net earnings until realized. The adoption of this section had no impact on accumulated comprehensive income at April 1, 2007 and did not result in any comprehensive loss for the year ended March 31, 2008.

ii) Financial Instruments – Recognition and Measurement, Section 3855:

This standard sets out criteria for the recognition and measurement of financial instruments for fiscal years beginning on or after October 1, 2006. This standard requires all financial instruments within its scope, including derivatives, to be included on the balance sheet and measured either at fair value or, in certain circumstances when fair value may not be considered most relevant, at cost or amortized cost. Changes in fair value are to be recognized in either the statements of loss or the statement of comprehensive income.

All financial assets and liabilities are recognized when the Company becomes a party to the contract creating the item. As such, any of the Company's outstanding financial assets and liabilities at the effective date of adoption are recognized and measured in accordance with the new requirements as if these requirements had always been in effect.

All financial instruments are classified into one of the following five categories: held-for-trading, held to maturity, loans and receivables, available for sale financial assets, or other financial liabilities. Initial and subsequent measurement and recognition of changes in the value of financial instruments depends on their initial classification:

- Held to maturity investments, loans and receivables, and other financial liabilities are initially measured at fair value and subsequently measured at amortized cost. Amortization of premiums or discounts and transaction costs are amortized into net earnings (loss), using the effective interest method.

- Available for sale financial assets are measured at fair value, with unrealized gains and losses recorded in other comprehensive income until the asset is realized, at which time they will be recorded in net earnings (losses).

Note 2 Significant Accounting Policies – (cont'd)

Adoption of New Accounting Standards – (cont'd)

ii) Financial Instruments – Recognition and Measurement, Section 3855: – (cont'd)

- Held for trading financial instruments is measured at fair value. All gains and losses resulting from changes in their fair value are included in the statements of operations in the period in which they arise.

- All derivative financial instruments are classified as held for trading financial instruments and are measured at fair value, even when they are part of a hedging relationship. All gains and losses resulting from changes in their fair value are included in the statements of operations in the period in which they arise.

In accordance with this new standard, the Company has classified its financial instruments as follows:

- Cash and cash equivalents are classified as held-for-trading which are measured at fair value.

- Other receivables are classified as loans and receivables. They are recorded at cost, which on initial recognition represents their fair value. Subsequent valuations are recorded at amortized cost using the effective interest method.

- Accounts payable and accrued liabilities and agreements payable are classified as other liabilities. They are initially measured at fair value. Subsequent valuations are recorded at amortized cost using the effective interest method.

The adoption of this standard resulted in a decrease of the opening deficit at April 1, 2007 of $644,064 and a decrease to the agreements payable of $644,064 (Note 8). Valuation of the agreement payable at March 31, 2008 using the effective interest method resulted in accretion expense of $43,016 during the year ended March 31, 2008.

iii) Financial Instruments – Disclosure and Presentation, Section 3861:

This standard sets out standards which address the presentation of financial instruments and non-financial derivatives and identifies the related information that should be disclosed. These standards also revise the requirements for entities to provide accounting policy disclosures, including disclosure of the criteria for designating as held-for-trading those financial assets or liabilities that are not required to be classified as held-for-trading; whether categories of normal purchases and sales of financial assets are accounted for at trade date or settlement date; the accounting policy for transaction costs on financial assets and financial liabilities classified as other than held-for-trading; and provides several new requirements for disclosure about fair value.

The Company has chosen to recognize all transaction costs in the Statements of Operations on financial liabilities that have been designated as other than held for trading.

Accounting Policy for Transaction Costs, EIC-166:

On June 1, 2007, the Emerging Issues Committee of the CICA issued abstract No. 166, Accounting Policy Choice for Transaction Costs ("EIC-166"). This EIC addresses the accounting policy choice of expensing or adding transaction costs related to the acquisition of financial liabilities that are classified as other than held-for-trading to its initial carrying cost measured upon the adoption of CICA Handbook Section 3855, Financial Instruments –

Note 2 Significant Accounting Policies – (cont'd)

Adoption of New Accounting Standards – (cont'd)

iii) Financial Instruments – Disclosure and Presentation, Section 3861 (cont'd):

Recognition and Measurement ("Section 3855"). Specifically, it requires that the same accounting policy choice be applied to all similar financial instruments classified as other than held-for-trading, but permits a different policy choice for financial instruments that are not similar. The Company has adopted EIC-166 effective for the year ended March 31, 2008 and applied retroactively to expense all transaction costs related to acquisition of financial liabilities that are classified as other than held-for-trading in accordance with Section 3855.

iv) Hedging, Section 3865:

This standard specifies the circumstances under which hedge accounting is permissible and how hedge accounting may be performed. The Company currently does not hold any financial instruments designated for hedge accounting.

v) Accounting Changes, Section 1506:

Section 1506 revised the standards on changes in accounting policy, estimates or errors to require a change in accounting policy to be applied retrospectively (unless doing so is impracticable or is specified otherwise by an new accounting standard), changes in estimates to be recorded prospectively, and prior period errors to be corrected retrospectively. Voluntary changes in accounting policy are allowed only when they result in financial statements that provide reliable and more relevant information. In addition, these revised standards call for enhanced disclosures about the effects of changes in accounting policies, estimates and errors on the financial statements. The impact of this new standard cannot be determined until such time as the Company makes a change in accounting policy, other than the changes resulting from the implementation of the new CICA Handbook standards discussed in this note.

Recently Released Canadian Accounting Standards

(i) Assessing Going Concern

The Canadian Accountability Standards Board ("AcSB") amended CICA Handbook Section 1400, to include requirements for management to assess and disclose an entity's ability to continue as a going concern. This section applies to interim and annual financial statements relating to fiscal years beginning on or after January 1, 2008. The adoption of this Section is not expected to result in any changes in the disclosure within the financial statements.

(ii) Cash Distributions

CICA Handbook Section 1540, Cash Flow Statements, has been amended to require additional disclosures where cash distributions are made in accordance with a contractual obligation for cash distributions. The revised requirements are effective for interim and annual financial statements for fiscal years ending on or after March 31, 2007. The adoption of this section is not expected to result in any changes in the disclosure within the financial statements.

Note 2 Significant Accounting Policies – (cont'd)

Recently Released Canadian Accounting Standards – (cont'd)

(iii) Capital Disclosures

The AcSB issued CICA Handbook Section 1535 "Capital Disclosures". The section specifies the disclosure of (i) an entity's objectives, policies, and processes for managing capital; (ii) quantitative data about what the entity regards as capital; (iii) whether the entity has complied with capital requirements; and (iv) if it has not complied, the consequences of such non-compliance. The Company is currently evaluating the impact of the adoption of this new section on its consolidated financial statements. This new section relates to disclosures and will not have an impact on the Company's financial results. This section applies to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007.

(iv) Goodwill and Intangible Assets

The AcSB issued CICA Handbook Section 3064 which replaces Section 3062, Goodwill and Other Intangible Assets, and Section 3450, Research and Development Costs. This new section establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets. Standards concerning goodwill remain unchanged from the standards included in the previous Section 3062. The section applies to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2008. Accordingly, the Company will adopt the new standards for its fiscal year beginning April 1, 2009. It establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets by profit-oriented enterprises. Standards concerning goodwill are unchanged from the standards included in the previous Section 3062. The Company is currently evaluating the impact of the adoption of this new section on its consolidated financial statements.

(v) International financial reporting standards ("IFRS")

In 2006, AcSB published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February 2008, the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended March 31, 2010. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

(vi) Financial Instruments

CICA Handbook Section 3862, Financial Instruments - Disclosure, increases the disclosures currently required to enable users to evaluate the significance of financial instruments for an entity's financial position and performance, including disclosures about fair value. CICA Handbook Section 3863, Financial Instruments – Presentation, replaces the existing requirements on the presentation of financial instruments, which have been carried forward unchanged. These standards are effective for interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007. The Corporation is currently evaluating the impact of the adoption of these changes on the disclosure and presentation within its financial statements.

Note 3 Mineral Properties

South Dakota, USA

The Company's South Dakota prospects are comprised of 18 mining leases covering approximately 14,000 net surface acres and 8,000 net mineral acres. In addition, the Company has staked and acquired mining claims in South Dakota covering approximately 6,300 acres. The Company obtained the prospect as follows:

Dewey Burdock Project – Custer and Fall River Counties

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 during the year ended March 31, 2007 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 at $0.48 per share. All of these shares are subject to the terms of escrow agreements that provided for their release over a three-year period.

In the portions of the prospect area where the Company seeks to develop uranium, both surface and minerals rights are leased. DU 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$159,000.

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 approximately $1,100,000 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 and US$10,000 per year for ten years until March 31, 2016. 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"). 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

Note 3 Mineral Properties – (cont'd)

South Dakota, USA – (cont'd)

Dewey Burdock Project – Custer and Fall River Counties – (cont'd)

credit is secured by a certificate of deposit in the amount of US$235,000 (CDN$240,452, 2007: CDN$271,627) which is included in restricted cash at March 31, 2008 and 2007. The entire facility is guaranteed by the Company.

Plum Creek Prospect, Fall River County

The Company has staked mining claims on approximately 3,000 acres located in central Fall River County, South Dakota.

Wyoming, USA

The Company's Wyoming prospects are comprised of mining leases or options to lease covering approximately 21,000 net surface acres and 13,000 net mineral acres. In addition, the Company has staked additional mining claims in Wyoming covering approximately 17,500 acres. The Company obtained the prospects as follows:

Aladdin Prospect – Crook County

The Aladdin prospect was acquired through leases or options to lease and through staking of mining claims. This prospect is located 60 miles north of the Company's Dewey Terrace prospect.

The Company entered into option to lease agreements with mineral owners in its Aladdin Prospect in Wyoming, in 2006. These options were exercised in mid to late 2007. The Company granted the mineral owners a six 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 basic terms of the leases are five-year initial terms and are renewable one time at the five-year mark from original signing. Additional bonuses are paid to the landowners at the time of renewal. All leases were signed in 2007 and the leases are in force through 2017 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$44,000.

The Company, through its wholly owned subsidiary, Powertech (USA) Inc., established a US$500,000 standby letter of credit facility with its Wells Fargo bank. From time to time, as requested, Wells Fargo will issue irrevocable letters of credit to secure the Company's reclamation obligations associated with its drilling programs. On April 10, 2007, Wells Fargo issued an Irrevocable Letter of Credit for US$140,010 in connection with the exploration permit. The Irrevocable Letter of Credit is secured with a Wells Fargo Certificate of Deposit for $158,596 (US$155,000), which is included in restricted cash at March 31, 2008. The entire facility is guaranteed by the Company.

Dewey Terrace Prospect – Weston and Niobrara Counties

The Dewey Terrace Prospect is located in Weston and Niobrara Counties, Wyoming. The Company acquired this prospect through staking mining claims totalling approximately 8,500 acres. In connection with the exploration and drilling program, the Company posted cash security in the amount of $17,804 (2007: 20,122) (US$17,400) with the State of Wyoming to secure performance of the Company's reclamation obligations. This amount is included in restricted cash at March 31, 2008 and 2007.

Note 3 Mineral Properties – (cont'd)

Wyoming, USA – (cont'd)

Dewey Terrace Prospect – Weston and Niobrara Counties – (cont'd)

The Company has entered into option to lease agreements with respect to its Dewey Terrace Prospect in Wyoming, all of which expire in mid to late 2008. If the Company elects to exercise its option under the agreements, the total lease option payments required are approximately US$51,000 during the year ended March 31, 2009.

Colony Prospect – Crook County

The Colony Prospect is located approximately 10 miles north of the Aladdin Prospect. The Company acquired the Colony prospect through the staking of mining claims.

Powder River Basin Prospect – Campbell County

The Company acquired the Powder River Basin prospect through the staking of mining claims.

Shirley Basin Prospect – Carbon County

The Company acquired the Shirley Basin prospect through the staking of mining claims.

Colorado, USA

Centennial Project – Weld County

The Company's Colorado project is comprised of 13 mining leases covering approximately 1,400 net surface acres and 1,000 net mineral acres. In addition, the Company has purchased approximately 670 net surface acres and 5,800 net mineral acres. These transactions were completed as follows:

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 320 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 $994,500 (US$850,000) and is included as capitalized costs in mineral property interests.

c) During the year ended March 31, 2007, the Company entered into 13 mining leases covering 1,442 net surface acres and 978 net mineral acres.

d) During the year ended March 31, 2008, the Company acquired 350 acres of surface rights through six acquisitions of land as part of the Company's overall program to secure surface rights on the prospects. The total consideration for the transaction was $1,401,093 (US$1,294,899) and is included as capitalized costs in mineral property interests.

(Stated in Canadian Dollars)

Note 3 Mineral Properties – (cont'd)

Colorado, USA – (cont'd)

Centennial Project – Weld County –(cont'd)

The Company posted cash security of $380,016 (2007:$Nil) (US$370,400) to secure performance of the Company's reclamation obligations. This amount is included in restricted cash at March 31, 2008.

New Mexico, USA

West Ambrosia Lake Prospect – McKinley County

The Company acquired the West Ambrosia Lake prospect through the staking of mining claims covering 4,200 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 valued at $2.15 per share);

- $300,000 on or before March 1, 2007 (payment was satisfied by the issuance of 73,350 common shares valued at $4.09 per share); and

- $400,000 on or before July 1, 2007 (payment was satisfied by the issuance of 140,022 common shares valued at $2.86 per share).

Note 4 Building and Equipment

	At March 31, 2008			At March 31, 2007		
	Cost	Accumulated Amortization	Net	Cost	Accumulated Amortization	Net
Building	$ 100,763	$ 876	$ 99,887	$ -	$ -	$ -
Computer equipment	126,953	26,818	100,135	23,874	3,581	20,293
Field equipment	42,804	6,596	36,208	-	-	-
Office equipment	40,805	8,910	31,895	10,059	1,006	9,053
Vehicles	204,798	69,965	134,833	81,554	12,234	69,320
	$ 516,123	$ 113,165	$ 402,958	$ 115,487	$ 16,821	$ 98,666

(Stated in Canadian Dollars)

Note 5 Share Capital and Contributed Surplus

Authorized:

Unlimited number of common shares without par value
Unlimited number of preferred shares without par value

Common shares issued:

		Number	Amount	Contributed Surplus
Balance, March 31, 2006		14,926,487	$ 11,164,571	$ -
Issued for cash:				
- pursuant to private placement agreements (c)	- at $0.95	300,000	285,000	–
- pursuant to private placement agreements (d)	- at $1.00	12,000,000	12,000,000	–
less share issue costs (d)		–	(281,178)	–
agent's commission shares (d)		649,752	–	–
- pursuant to exercise of agent's options (d)	- 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 (b)	- at $0.80	350,000	280,000	–
- pursuant to exercise of warrants (b)	- at $0.90	100,000	90,000	–
- pursuant to exercise of warrants (g)	- at $1.00	500,000	500,000	–
- pursuant to exercise of warrants (c)	- at $1.15	120,000	138,000	–
- pursuant to exercise of warrants (d)	- at $1.30	2,839,876	3,691,838	–
Issued for debt:				
- settlement of accounts payable (e)	- at $1.00	40,000	40,000	–
- acquisition of Denver Uranium (f)	- at $0.48	2,220,000	1,065,600	–
Issued for assets:				
- acquisition of Denver Uranium (f)	- at $1.00	8,000,000	8,000,000	–
- acquisition of South Dakota mining claims (g)	- at $1.00	1,000,000	1,000,000	1,091,671
- acquisition of uranium database (h)	- at $1.30	200,000	260,000	–
- acquisition of uranium database (i)	- at $2.15	139,534	300,000	–
- acquisition of uranium database (i)	- at $4.09	73,350	300,000	–
Stock-based compensation		–	–	4,455,607
Black-Scholes valuation on exercise of warrants (g)		–	436,668	(436,668)
Balance, March 31, 2007		44,898,999	40,674,499	5,110,610
Issued for cash:				
- pursuant to exercise of warrants (g)	- at $1.00	750,000	750,000	–
- pursuant to exercise of warrants (c)	- at $1.15	180,000	207,000	–
- pursuant to exercise of warrants (d)	- at $1.30	3,459,999	4,497,998	–
Issued for assets:				
- acquisition of uranium database (i)	- at $2.86	140,022	400,000	–
Stock-based compensation		–	–	1,021,571
Black-Scholes valuation on exercise of warrants (g)		–	655,003	(655,003)
Balance, March 31, 2008		49,429,020	$ 47,184,500	$ 5,477,178

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 to purchase an additional common share at $0.30 per share for two years.

(Stated in Canadian Dollars)

Note 5 Share Capital and Contributed Surplus

Share Capital Discussion – (cont'd)

b) 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 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 to purchase an additional common share at $0.90 per share for one year.

c) 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 to purchase an additional common share at $1.15 per share for one year. At March 31, 2008, nil warrants were outstanding.

d) 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 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 to purchase one common share for each option held at $1.20 for one year. At March 31, 2008, nil warrants were outstanding.

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

e) On May 11, 2006, the Company issued 40,000 common shares valued at $1.00 per share to former directors for services included in accounts payable at March 31, 2006.

f) 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 valued 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 valued 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 were subject to the terms of escrow agreements.

g) 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 valued 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.

(Stated in Canadian Dollars)

Note 5 Share Capital and Contributed Surplus– (cont'd)

Share Capital Discussion: – (cont'd)

(g) – (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%

During the year ended March 31, 2008, the remaining outstanding 750,000 warrants were exercised and $655,003 was credited to share capital.

h) 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 valued at $1.30 per share.

i) 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 valued at $2.15 per share);

$300,000 on or before March 1, 2007 (payment was satisfied by the issuance of 73,350 common shares valued 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 valued at $2.86 per share). This amount was included in accounts payable at March 31, 2007.

Escrow:

On August 23, 2007, the Company's shareholders approved the issuance of 1,700,000 common shares to certain officers of the Company for services rendered in connection with performance achievements. The shares were issued subject to an escrow agreement. In conjunction, the officers agreed to return to treasury 1,700,000 shares held in escrow subject to a performance agreement which were cancelled by the Company. These transactions did not result in any change in the number of shares outstanding or in the number of shares held by the officers and accordingly no value was recorded for the transaction.

(Stated in Canadian Dollars)

Note 5 Share Capital and Contributed Surplus – (cont'd)

Escrow – (cont'd)

In addition, on October 31, 2007, the Company announced that its common shares were approved for listing on the TSX. In connection with this listing, the 6,426,000 escrow shares outstanding at that date and subject to time-release agreements were retroactively converted from a time release period of three years to a time release period of 18 months. As a result, all of the 6,426,000 shares were eligible for immediate release as of November 12, 2007 and were released from escrow. These shares were held by four directors of the Company.

The following is a summary of the Company's escrow transactions during the years ended March 31, 2008 and 2007:

Balance at March 31,2006	Escrowed during the period	Released during the period	Balance at March 31, 2007	Escrowed during the period	Released during the period	Cancelled during the period	Balance at March 31, 2008
1,700,000	10,710,000	(2,677,500)	9,732,500	1,700,000	(8,457,500)	(1,700,000)	1,275,000

The escrow shares at March 31, 2008 are to be released in amounts of 425,000 during July 2008, January 2009 and July 2009.

Share Purchase Warrants:

At March 31, 2008, there were nil share purchase warrants outstanding. Share purchase warrants entitled the holders thereof to purchase one common share for each warrant. Changes in share purchase warrants for the year ended March 31, 2008 is as follows:

Expiration Date	Exercise Price	Outstanding at March 31, 2007	Exercised during the period	Expired during the period	Outstanding at March 31, 2008
May 11, 2007 (g)	$1.00	750,000	(750,000)	–	–
April 19, 2007 (c)	$1.15	180,000	(180,000)	–	–
May 11, 2007 (d)	$1.30	3,484,999	(3,459,999)	(25,000)	–
Totals		4,414,999	(4,389,999)	(25,000)	–

At March 31, 2007, there were 4,414,999 share purchase warrants outstanding entitling the holders thereof to purchase one common share for each warrant held. Changes in share purchase warrants for the year ended March 31, 2007 were 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 (b)	$0.80	350,000	-	(350,000)	-
March 14, 2007 (b)	$0.90	100,000	-	(100,000)	-
May 11, 2007 (g)	$1.00	-	1,250,000	(500,000)	750,000
April 19, 2007 (c)	$1.15	-	300,000	(120,000)	180,000
May 11, 2007 (d)	$1.30	-	6,324,875	(2,839,876)	3,484,999
Totals		810,000	7,874,875	(4,269,876)	4,414,999

(Stated in Canadian Dollars)

Note 5 Share Capital and Contributed Surplus – (cont'd)

Stock Option Plan

The Company has a Stock Option Plan ("the Plan") under which it is authorized to grant share purchase options to directors, officers, consultants or employees of the Company. Prior to August 2007, the number of options granted under the Plan was 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. On August 23, 2007, the Plan was amended to change the amount of options that the Company is permitted to grant under the Plan to a fixed number which is equal to 20% of the issued and outstanding common shares on August 23, 2007. As such, the Company will be permitted to grant options to acquire up to a maximum of 9,885,804 common shares. 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 Board of Directors specifies a vesting period on a grant-by-grant basis.

At March 31, 2008, there are 6,175,000 options outstanding entitling the holders thereof to purchase one common share for each option held as follows:

Expiration Date	Exercise Price	Outstanding at March 31, 2007	Granted during period	Exercised during period	Forfeited during period	Outstanding at March 31, 2008
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
May 14, 2012	$3.20	–	125,000	–	–	125,000
June 15, 2012	$2.60	–	100,000	–	–	100,000
August 30, 2012	$1.50	–	1,040,000	–	140,000	900,000
September 4, 2012	$1.60	–	150,000	–	–	150,000
October 31, 2012	$2.15	–	75,000	–	–	75,000
January 14, 2013	$1.50	–	400,000	–	–	400,000
February 7, 2013	$1.00	–	400,000	–	–	400,000
Totals		4,125,000	2,290,000	–	240,000	6,175,000

As of March 31, 2008, 4,760,000 options have vested. The weighted average life of the stock options outstanding is 3.67 years. Subsequent to March 31, 2008, 100,000 options were cancelled.

Vesting period is determined by the Board of Directors at the time of the grant. Stock options granted under the Plan during the year ended March 31, 2008 vest as follows:

- 125,000 stock options expiring on May 14, 2012, which were granted on May 14, 2007, vested immediately;
- 10,000 stock options expiring on June 15, 2012, which were granted on June 15, 2007, vested immediately;
- 1,040,000 stock options expiring on August 30, 2012, which were granted on August 30, 2007, vest every three months until August 30, 2008
- 100,000 stock options expiring on September 4, 2012, which were granted on September 4, 2007, vest every three months until September 4, 2008;

(Stated in Canadian Dollars)

Note 5 Share Capital and Contributed Surplus – (cont'd)

Stock Option Plan – (cont'd)

- 50,000 stock options expiring on September 4, 2012, which were granted on September 4, 2007, vest 20% on March 4, 2008 and 20% annually until March 4, 2012;
- 75,000 stock options expiring on October 31, 2012, which were granted on October 31, 2007, vest 15,000 annually until October 30, 2012;
- 200,000 stock options expiring on January 14, 2013, which were granted on January 14, 2008, vest 25,000 every three months until January 14, 2010;
- 200,000 stock options expiring on January 14, 2013, which were granted on January 14, 2008, vest 50,000 every three months until January 14, 2009; and
- 400,000 stock options expiring on February 7, 2013, which were granted on February 7, 2008, vest 50,000 every three months until February 7, 2010.

At March 31, 2007, there are 4,125,000 options outstanding entitling the holders thereof 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 vested 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 vested 25,000 shares every three months until January 25, 2008.

Stock-based Compensation:

During the year ended March 31, 2008 stock-based compensation was $1,021,571 (2007: $4,455,607) of which $766,466 (2007: $3,513,301) was included in general and administrative expenses and $255,105 (2007: $942,306) was included in mineral property costs.

The fair value of each option granted by the Company was estimated on the date of grant using the Black-Scholes option valuation model with the following assumptions:

(Stated in Canadian Dollars)

Note 5 Share Capital and Contributed Surplus – (cont'd)

Stock-based Compensation– (cont'd)

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
January 25, 2007	$2.80	100,000	$1.27	-	45%	4.85%	5
February 15, 2007	$3.00	400,000	$1.57	-	47%	4.68%	5
May 14, 2007	$3.20	125,000	$1.55	–	54%	4.61%	5
June 15, 2007	$2.60	100,000	$1.18	–	55%	5.10%	5
August 30, 2007	$1.50	1,040,000	$0.83	–	61%	4.25%	5
September 30, 2007	$1.60	150,000	$0.91	–	61%	4.25%	5
October 31, 2007	$2.15	75,000	$1.25	–	65%	4.16%	5
January 14, 1008	$1.50	400,000	$0.70	–	56%	3.08%	5
February 7, 2008	$1.00	400,000	$0.40	–	56%	2.79%	5

Note 6 Related Party Transactions

The Company incurred the following transactions with directors and officers of the Company or with companies with directors and officers in common:

	Years Ended March 31, 2008	Years Ended March 31, 2007
Director fees	$ 33,300	$ 11,075
Management and consulting fees	639,005	505,256
Legal fees	–	36,513
Mineral property interests		
Acquisition costs	–	11,218
Stock-based compensation	–	632,395
Wages and benefits	452,546	274,254
Stock-based compensation	420,449	2,564,997
Wages and benefits	140,876	93,951
	$ 1,686,176	$ 4,129,659

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

At March 31, 2008, accounts payable and accrued liabilities include $81,965 (2007: $38,279) due to directors and officers of the Company or companies with directors in common for unpaid fees and expenses owed.

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. The following transactions were excluded from the statements of cash flows:

For the year ended March 31, 2008:

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.

Approximately $1,200,000 was excluded from accounts payable as the amount relates to mineral property interests.

For the year ended March 31, 2007:

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 valued at $1.00 per share to settle accounts payable outstanding at March 31, 2006 of $40,000;

1,000,000 common shares valued 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 valued at $1.00 per share in connection with the purchase of assets from Denver Uranium Company, LLC;

2,220,000 common shares valued 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 valued at $1.30 per share in connection with the acquisition of a historical geological database.

139,534 common shares valued at $2.15 per share in connection with the acquisition of a historical geological database.

73,350 common shares valued 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.

The value of the shares issued was determined by their market value when issued.

(Stated in Canadian Dollars)

Note 8 Agreements Payable

	March 31, 2008	March 31, 2007
Dewey Burdock Prospect (US$80,000; 2007: US$90,000)	$ 81,856	$ 104,031
Centennial Prospect (US$1,750,000; 2007:US$2,000,000)	1,790,600	2,311,800
	1,872,456	2,415,831
Change in accounting policy – Note 2	(644,064)	–
Less: current portion	(266,032)	(300,534)
	962,360	2,115,297
Accretion expense	43,016	–
	$ 1,005,376	$ 2,115,297

Annual payments due under the agreements payable are as follows:

	$CDN	$US
2009 - 2015	$ 266,032	$ 260,000
2016 and 2017	10,232	10,000
	$ 1,872,456	$ 1,840,000

Note 9 Commitments and Contingencies

Mineral Property Interests – Land and Mineral Lease Commitments

See Note 3 for discussion of commitments related to mineral properties.

Claims Maintenance – The Company has secured 1,477 mining claims within its various prospects. The total annual maintenance costs of the mining claims are approximately US$185,000.

Management Services Agreements and Employment Agreements

The Company entered into/or renewed four management services agreements and nine employment agreements during the year ended March 31, 2008. The agreements require the Company to pay fees totalling US$135,500 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.

Office Leases

During March 2007, the Company entered into a twenty-two month lease agreement for office space in Vancouver, British Columbia. Annual lease payments due are approximately $25,800.

During December 2006, the Company entered into a three-year lease agreement for office space in Albuquerque, New Mexico. Annual lease payments due are approximately US$19,200.

During November 2006, the Company entered into a three-year lease agreement for office space in Hot Springs, South Dakota. Annual lease payments are approximately US$12,900.

During November 2007, the Company entered into a one-year lease agreement for office space in Wellington, Colorado. Annual lease payments are approximately US$19,200.

During November 2007, the Company entered into a five-year lease agreement for office space in Greenwood Village, Colorado. Annual lease payments are approximately US$80,800.

(Stated in Canadian Dollars)

Note 9 Commitments and Contingencies – (cont'd)

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 defence of the claim on behalf of the Company.

Note 10 Income Taxes

A reconciliation of the income tax provision computed at statutory rates to the reported income tax provision is as follows:

	2008	2007
Statutory tax rates	33.47%	34.12%
Loss before income taxes	$ 3,536,932	$ 4,850,758
Expected income tax recovery	1,184,000	1,655,000
Increase (decrease) in income tax recovery resulting from:		
Foreign income taxed at other than Canadian statutory rates	39,000	6,000
Non-deductible permanent differences	(186,000)	(1,202,000)
Effect of reduction in Canadian statutory rates	(103,000)	–
Change in the valuation allowance	(934,000)	(459,000)
Income tax recovery	$ –	$ –

The significant components of the Company's future tax assets and liabilities, after applying enacted corporate income tax rates, are as follows:

	2008	2007
Future income tax assets (liabilities)		
Non-capital and net operating losses carried forward	$ 4,748,000	$ 1,088,000
Share issue costs	44,000	77,000
Mineral properties and deferred exploration	(3,217,000)	(482,000)
Databases and eligible capital expenditures	(89,000)	(117,000)
	1,486,000	566,000
Less: valuation allowance	(1,486,000)	(566,000)
	$ –	$ –

The Company recorded a valuation allowance against its net 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.

Note 10 Income Taxes – (cont'd)

At March 31, 2008, the Company and its subsidiary have accumulated non-capital losses totalling $13,946,000 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:

	Canada	United States of America	Total
2015	$ 231,000	$ -	$ 231,000
2026	209,000	-	209,000
2027	579,000	2,114,000	2,693,000
2028	460,000	10,353,000	10,813,000
	$ 1,479,000	$ 12,467,000	$ 13,946,000

Note 11 Foreign Currency Risk

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, 2008, US currency balances were comprised of cash of approximately US$5,000, restricted cash of US$800,000, accounts payable of US$1,300,000, and agreements payable totalling US$1,800,000.

Note 12 Comparative Figures

Certain comparative figures as at and for the year ended March 31, 2007 have been reclassified in order to comply with the financial statement presentation adopted for the current year.

Note 13 Subsequent Events

a) The Company entered into a Purchase Agreement to acquire a two-thirds mineral interest in a property in Custer County, South Dakota, in consideration for US$1,900,000 to be paid US$300,000 on closing less $151,470 for amounts already paid under a mining lease and US$10,000 per year for ten years until May 2018. The balance of the purchase price of US$1,300,000 is payable contingent upon receipt of permits and authorizations necessary to commence exploration and mining on the property. The US$1,300,000 is to be paid in four equal instalments of US$325,000 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.

b) On June 4, 2008, the Company issued pursuant to a private placement agreement (the "Agreement") with Société de Combustibles Nucléaires Synatom S.A. ("Synatom") 6,000,000 units at a price of $1.50 per unit, for aggregate proceeds of $9,000,000. Each unit consists of one common share and two share purchase warrants, with the warrants exercisable at an exercise price of $2.00 per share, subject to adjustment. The warrants, which are subject to, among other things, certain anti-dilution provisions, were issued in two series as follows:

- the first series of 6,000,000 warrants may be exercised at any time until the earlier of: (i) 10 days following the date that the Company files certain specified permit applications for both the Centennial and the Dewey-Burdock projects of the Company (with a minimum duration of 6 months); and (ii) 12 months following the closing of the private placement; and

Note 13 Subsequent Events – (cont'd)

(b) – (cont'd)

- the second series of 6,000,000 warrants may be exercised at any time until the earlier of: (i) 10 days following the date that the Company has obtained the permits required to construct and operate either the Centennial or the Dewey- Burdock project; and (ii) 24 months following the closing of the private placement.

The Company granted Synatom certain anti-dilution and preemptive rights that apply so long as Synatom continues to own no less than 15% of the outstanding shares (calculated on a non-diluted basis). In connection therewith, Synatom will, subject to any regulatory and applicable shareholder approval requirements, be entitled to: (i) maintain its rateable ownership of the shares, if the Company proposes to issue any further Shares or any securities convertible into shares; and (ii) increase its ownership to 33.34% of the outstanding shares (calculated on a fully diluted basis) if, after the exercise of all of the warrants, Synatom owns less than 33.34% of the outstanding Shares (calculated on a fully diluted basis).

The Company granted Synatom certain governance rights that apply so long as Synatom owns not less than 10% of the outstanding shares (calculated on a non-diluted basis). In connection with these governance rights, Synatom has the right to nominate directors to the board of directors of the Company (and that of its wholly-owned subsidiary Powertech (USA), Inc.) in proportion to its then proportionate interest of shares and the Company will cause such individuals nominated to be elected or appointed to the Board.

In connection with the Agreement, in the event that the Company produces uranium for sale, the Company has also granted Synatom an option to purchase a certain quantity of uranium from time to time (based on Synatom's then percentage ownership interest in the Company) on the terms sold to third parties, exercisable so long as Synatom continues to own no less than 15% of the outstanding shares (calculated on a non-diluted basis).

At the close of the private placement, Synatom owned 10,890,000 shares (excluding shares issuable upon the exercise of the warrants) representing approximately 19.6% of the outstanding shares. If all of the warrants are exercised for shares, Synatom will own shares representing approximately 33.9% of the outstanding shares.

The Company will be seeking shareholder approval at a special meeting (the "Special Meeting") of shareholders of the Company to be held on or about July 15, 2008, for a special resolution (the "Special Resolution") approving the warrants and the pre-emptive rights granted to Synatom. In connection therewith, management of the Company, which owns or exercises direction or control over an aggregate of approximately 25% of the Shares (calculated on a non-diluted basis), have entered into a Voting Agreement with Synatom whereby they have agreed to vote their shares in favour of the Special Resolution. In addition, Synatom intends to vote its holdings prior to the closing of the private placement of approximately 9.9% of the Company in favour of the Special Resolution. Synatom will not be voting any of the Shares acquired in this transaction at the Special Meeting.

Management of the Company has entered into a Shareholders Agreement with the Company and Synatom regarding, among other things, mutual rights of first refusal on the sales of shares, subject to certain exceptions, and certain anti-dilution rights in favour of Synatom. Management of the Company have also agreed to remain in their current positions for a period of five years and to not-compete for a period of one year after they cease providing services to the Company.