POWERTECH URANIUM CORP.
(An Exploration Stage Company)
MANAGEMENT DISCUSSION AND ANALYSIS
(May 2, 2013)

GENERAL

The following discussion of performance, financial condition and future prospects should be read in conjunction with the interim condensed consolidated financial statements of Powertech Uranium Corp. (the "Company" or "Powertech") and notes thereto for the three months ended March 31, 2013.

Additional information about the Company is available on SEDAR at www.sedar.com. All dollar amounts are stated in United States' dollars unless noted. References to "CAD$" refer to Canadian currency and "$" to United States currency.

DISCLAIMER FOR FORWARD LOOKING INFORMATION

Certain statements in this MD&A are forward-looking statements. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Often, but not always, forward looking statements can be identified by the use of words such as "plans", "expects", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative and grammatical variations) of such words and phrases or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the Company's actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. These forward-looking statements reflect management's current views, and are based on certain assumptions, and speak only as of May 2, 2013. 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 the Company's ability to manage its assets and operating costs, may prove to be incorrect. A number of risks and uncertainties could cause its actual results to differ materially from those expressed or implied by the forward looking statements, including, but not limited to: (1) that events in Japan in early 2011 may continue to affect public acceptance of nuclear energy and the Company's permitting timelines; (2) a decrease in the market price of uranium; (3) a decrease in the demand for uranium and uranium related products; (4) discrepancies between actual and estimated mineral resources and mineral reserves; (5) changes to the cost of commencing production and the time when production commences, and actual ongoing costs; (6) the occurrence of risks associated with the development and commencement of mining operations; (7) unforeseen or changed regulatory restrictions, requirements and limitations, including environmental regulatory restrictions and liability and permitting restrictions; (8) the failure to obtain governmental approvals and fulfill contractual commitments, and the need to obtain new or amended licenses and permits; (9) unforeseen changes in the costs of material inputs, including fuel, steel and other construction materials; (10) the loss of key employees; (11) the loss of, or defective title to, exploration and mining claims, rights, leases or licenses; (12) the number of competitors; (13) political and economic conditions in uranium producing and consuming countries; (14) failure to obtain additional capital at all or on commercially reasonable terms; (15) other factors beyond the Company's control; and (16) those factors described in the section entitled "Risk Factors and Uncertainties" in the Company's annual MD&A as filed on March 1, 2013.

Undue reliance should not be placed on forward-looking statements because they involve known and unknown risks, uncertainties and other factors that are in many cases beyond the Company's control. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance and the Company's actual results of operations, financial condition and liquidity, and the development of the industry in which it operates, may differ materially from statements made or incorporated by reference in this MD&A. The Company undertakes no obligation to update forward-looking statements if management's beliefs, estimates and opinions or the Company's circumstances as at the date hereof should change. 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.

OVERALL PERFORMANCE

Nature of Business

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

Industry Trends

The earthquake and tsunami in Japan in March 2011, with the resultant damaging effect on that country's nuclear reactors, negatively affected and continues to negatively affect public opinion regarding nuclear energy as a safe and viable source of power. Since the occurrence of these events, the Company and other companies engaged in uranium exploration and development have experienced a reduction in the trading prices of their shares on applicable stock exchanges. Further, a number of heads of government and their legislative bodies announced reviews and/or delays of plans to develop new nuclear power facilities. However, in recent months, certain governments have publicly announced intentions to proceed with nuclear projects. The United States Nuclear Regulatory Commission (the "NRC") recently approved the licensing of new nuclear reactors in the United States for the first time in 34 years, although the Chairman of the NRC has publicly stated that a more stringent review of design risks will be undertaken for both existing facilities and future applications for new nuclear power facilities. Government officials in India have recently announced that the Indian nuclear program has the potential to provide long-term energy security for that country and are planning a 14-fold expansion in nuclear power generation in the next twenty years from 4,800 MW to 63,000 MW. In Canada, Ontario Power Generation recently stated that it intends to proceed with the refurbishing and expansion of the Darlington, Ontario nuclear station, while incorporating lessons learned from Fukushima in the plans for such refurbishment and expansion. The newly elected government in Japan has announced a review of the previous government's nuclear phase-out and states that nuclear reactors would be restarted if they passed safety tests. The new government also refused to rule out the construction of new nuclear reactors. While the Company perceives these developments as favourable to the uranium industry, other relevant regulatory bodies may still react to the events in Japan, resulting in additional delays or barriers in permitting and licensing new uranium production operations. The Company has not yet determined the long-term impact such events will have on the Company's financial condition, results of operations and permitting plans, particularly as pertains to the Company's Dewey-Burdock Project, which is at an advanced stage in the permitting process.

Resource Property Interests

South Dakota, USA

Dewey-Burdock Project – Custer and Fall River Counties

The Company's Dewey-Burdock Project is located in the Edgemont Uranium District. The Project is comprised of approximately 50 mining leases and approximately 370 mining claims covering approximately 14,500 surface acres and 17,800 net mineral acres.

Preliminary Economic Assessment

On April 19, 2012, the Company announced that it had received the results of a revised Preliminary Economic Assessment dated effective April 17, 2012 (the "April 2012 PEA") for its Dewey-Burdock Project. The PEA was prepared in accordance with National Instrument 43-101 by SRK Consulting (U.S.), Inc. ("SRK") and Lyntek Incorporated ("Lyntek").

SRK and Lyntek are based in Lakewood, Colorado and are well known as providers of a full range of engineering and construction services for the global uranium sector.

The purpose of the revised PEA was to provide an updated analysis of the economic viability of the Dewey-Burdock Project based on significant development work performed by the Company's engineers and consultants over the past two years. Most significantly, the Company's team and consultants have modified the mine planning sequence for the project and redesigned the well fields based on further detailed hydrologic studies. The Company has also obtained revised and much more favourable property tax incentives from the applicable tax authorities. As a result of this development work, the Company believes that the project demonstrates significantly more favourable economics.

The following table identifies the updated economic parameters as reported in the April 2012 PEA and compares these parameters to the results of the original Preliminary Economic Assessment for the project filed in July 2010 (the “July 2010 PEA”):

July 2010 PEA	April 2012 PEA
NPV = US\$55.4 million @ 8% DCF; US\$65 U3O8	NPV = US\$109.1 million @ 8% DCF; US\$65 U3O8
IRR = 27%	IRR = 48%
Cash Operating Cost = US\$34.90/lb. - U3O8	Cash Operating Cost = US\$33.31/lb. - U3O8
Capital Cost (Phase I) = US\$65 million	Capital Cost (Phase I) = US\$54.3 million
Life of Mine 9 years, Producing 8.4 million lbs	Life of Mine 9 years, Producing 8.4 million lbs
Payback = 1st Quarter Production Year 4	Payback = 4th Quarter Production Year 2

The April 2012 PEA is available at http://www.powertechuranium.com/i/pdf/2012-04-17_NI_43-101.pdf and on SEDAR at www.sedar.com.

Regulatory Agency Review

The Company’s business objectives are currently focused on obtaining the necessary permits and licenses for the Dewey-Burdock Project. In order to obtain such permits and licenses, the Company must:

- continue to interface with the NRC regarding its license application, which was submitted in August 2009 and deemed complete in October 2009;
- continue to interface with the Bureau of Land Management (the “BLM”) regarding its Plan of Operations which was submitted in October 2009 and considered administratively complete in March 2010;
- continue to interface with and respond to comments from the South Dakota Department of Environment and Natural Resources (the “DENR”) regarding the in situ recovery (“ISR”) large-scale mine permit application submitted to the DENR September 28, 2012, and the Groundwater Discharge permit application submitted to DENR March 9, 2012 and deemed complete May 1, 2012;
- continue to interface with the United States Environmental Protection Agency (the “EPA”) regarding its underground injection control (“UIC”) Class III and Class V permit applications, of which the Class III application was submitted in December 2008 and deemed complete in February 2009, and the Class V application was submitted in March 2010 and deemed complete in April 2010; and
- respond to any requests for additional information from the NRC and all other agencies necessary to obtain the licenses and permits.

Recent submissions made by the Company with respect to the Dewey-Burdock Project include the following:

- a groundwater model was submitted to the NRC in February 2012;
- a groundwater discharge permit application was submitted to the DENR in March 2012;

- a cultural and historical evaluation report on 20 additional archeological sites was submitted to the NRC in April 2012;
- two water rights permit applications were submitted to the DENR in June 2012; and
- ISR large-scale mine permit application was submitted to the DENR in September 2012.

The NRC issued the draft Supplemental Environmental Impact Statement ("SEIS") for the Dewey-Burdock Project November 26, 2012. The public comment period has expired. The NRC will respond to any comments it received from other federal government agencies and the public, and then provide a final SEIS, which is now expected in October 2013. The NRC also has prepared a Safety Evaluation Report ("SER"), which was published in March 2013.

The NRC provided its initial draft license to the Company for review and comment July 31, 2012 with several versions following. On March 19, 2013, the Company provided its concurrence to the NRC license conditions, which will become effective when the SEIS is completed and the license is issued 30-days after the Final SEIS is published. This and the other major permits from EPA and South Dakota DENR allowing full operation of the mine are expected to be approved in 2013.

In its April 1, 2013 update to the Atomic Safety and Licensing Board Panel the NRC Staff noted that their current best estimate of completing the Dewey-Burdock licensing process as shown below:

Report type	Estimated completion date
Final SER	Mid-March 2013 (received)
Final SEIS	October 2013

During January 2012, Powertech responded to the EPA on questions presented with respect to the Underground Injection Control Class V permit application for deep disposal injection. It is expected that the responses are sufficient to proceed to draft permit pending public comment. Powertech continued to work with the EPA on the UIC Class III permit application, which included updating the application, which was originally submitted in January 2008.

The South Dakota applications are for the groundwater discharge permit, the water rights permits and the ISR large -scale mine permit. The applications were submitted to the DENR in 2012. All permit applications have been deemed complete. The surface discharge permit and water rights permit have been finalized subject to a hearing with the South Dakota Water Management Board. The hearing date for the surface discharge permit and water rights permit has been set for the October 7, 2013 meeting of the Water Management Board. The large-scale mine plan permit application is also deemed complete and notice is given to the public that a hearing will occur on May 15, 2013. The application was reviewed by the DENR and formal permit recommendation was published April 15, 2013, a month prior to the hearing with the Board of Minerals and Environment.

Details of the expenditures incurred on the Dewey-Burdock Project can be found under the heading entitled "Resource Property Interests – Capitalized Costs".

Colorado, USA

Centennial Project – Weld County, Colorado

The Company's Centennial Project is located in western Weld County in northeastern Colorado. Through property purchase and/or lease agreements, the Centennial Project is comprised of approximately 3,600 acres of surface rights and approximately 7,100 acres of mineral rights.

Powertech has completed a significant amount of work focused primarily on preparing the Centennial Project for ISR leach permitting and feasibility. This work has included drilling, recovery tests, water well tests and environmental studies. At the request of the Colorado Division of Reclamation, Mining and Safety (the "CDRMS"), the Company prepared and submitted an updated Site Characterization Plan in April 2009. All the required environmental surveys and studies have been completed and the draft reports have been received. Powertech completed its application to the EPA for a Class I UIC Permit in November 2010. In December 2010, the EPA informed the Company that the application was deemed complete.

The Company has decided to forego additional permitting activities on Centennial until the completion of the permitting and licensing of the Dewey-Burdock Project in order to conserve cash and focus activities on its most advanced project.

Details of the expenditures incurred on the Centennial Project can be found under the heading entitled "Resource Property Interests – Capitalized Costs".

Wyoming, USA

Aladdin Project – Crook County, Wyoming

On June 25, 2012, the Company announced that it had completed its National Instrument 43-101 compliant technical report for the Aladdin Project, located in Crook County, Wyoming entitled "Technical Report on the Aladdin Uranium Project, Crook County, Wyoming" and dated effective June 21, 2012 (the "Aladdin Report"). The Company controls approximately 14,500 acres of mineral rights on this project which is located along the Wyoming/South Dakota border on the northwestern flank of the Black Hills Uplift, within sandstones of the Lower Cretaceous-age Inyan Kara Group. The Aladdin Report was authored by Jerry D. Bush, P.G., an independent professional geologist with uranium exploration experience in the Black Hills region. The purpose of the Aladdin Report was to classify total project uranium resources through the strict application of CIM Definition Standards for mineral resources and mineral reserves, as well as to estimate the overall uranium resource potential of the project area.

The Aladdin Report describes the results of the Company's confirmation drilling program and continued evaluation of historic exploration drilling data from Teton Exploration Company. The resource classification effort was based on detailed GT (Grade of mineralized intercept (%) x Thickness (ft)) contour mapping within six sandstone units of the Fall River Formation and seven individual mineralized units within the Chilson Member of the Lakota Formation. Using a 0.20 GT cut-off, Powertech has identified 1,038,023 pounds of Indicated Resources, contained in 466,232 tons averaging 0.111% U3O8. At the same cut-off, an additional 101,255 pounds of Inferred Resources were identified, contained in 42,611 tons averaging 0.119% U3O8.

The above-described classified resources are located in areas of close-spaced historic drilling. However, in over 80% of the project area, the density of exploration drilling is light. In these lightly explored areas, there is sufficient drill hole control for subsurface geochemical mapping, but drill hole density is inadequate for the delineation of classified resources. In the Aladdin Report, a range of (i) mineralized trend lengths, (ii) widths of mineralization and (iii) grades of mineralization were used to obtain an estimate of additional potential pounds of uranium within the project for 13 identified mineralized trends. At a GT cut-off of 0.20, a range of this potential was determined to be 5.0 to 11.0 million pounds of uranium, averaging 0.11% - 0.12% U3O8. The grade and quantity of this potential is conceptual in nature. There has been insufficient exploration within the portions of the Aladdin Project that contain this potential to define a mineral resource. It is uncertain if further exploration in the areas of this potential will result in the delineation of mineral resources.

The Aladdin property is 90 miles northwest of the Dewey-Burdock Project. Uranium resources at the Aladdin Project have been developed within the same host rocks that contain the Dewey Burdock deposit.

The Aladdin Report is available on the SEDAR website at www.sedar.com and on the Company's website at www.powertechuranium.com.

Details of the expenditures incurred on the Aladdin Project can be found under the heading entitled "Resource Property Interests – Capitalized Costs".

Resource Property Interests – Capitalized Costs

Costs reflected in resource property interests for the year ended December 31, 2012 and the three months ended March 31, 2013 are detailed below:

	South Dakota	Wyoming	Colorado	Total
Balance, December 31, 2011	$ 27,057,807	$3,461,164	$15,143,826	$ 45,662,797
Land services	8,633	8,633	8,933	26,199
Legal fees	150,757	464	–	151,221
Claims fees	51,800	106,960	–	158,760
Land/lease payments	154,589	97,964	16,887	269,440
Drilling/ Engineering	67,642	–	2,987	70,629
Permitting	2,079,138	10,000	408	2,089,546
Impairment	(12,320)	(52,425)	–	(64,745)
Sale of land	–	–	(333,659)	(333,659)
Wages/Consulting	839,495	99,635	–	939,130
Balance, December 31, 2012	$ 30,397,541	$3,732,395	$14,839,382	$ 48,969,318
Legal fees	86,977	–	–	86,977
Land/lease payments	800	9,152	200	10,152
Drilling/ Engineering	674	–	–	674
Permitting	363,198	–	–	363,198
Wages/Consulting	172,500	20,250	–	192,750
Balance, March 31, 2013	$ 31,021,690	$3,761,797	$14,839,582	$ 49,623,069

SUMMARY OF QUARTERLY RESULTS

The following tables provide selected financial information for the most recent eight quarters, stated in United States dollars in accordance with International Financial Reporting Standards ("IFRS"):

	March 31, 2013	December 31, 2012	September 30, 2012	June 30, 2012
Income Statement				
Interest income	$ 2,027	$ 190	$ 8,618	$ 893
Impairment charges	–	(64,745)	–	–
Gain on re-measurement of warrant liability	35,638	–	–	–
Gain/ (loss) on re-measurement of financial and derivative liability	–	345,701	(140,403)	583,486
Gain on extinguishment of debt	–	169,354	–	–
Loss on sale of property	–	(117,635)	–	–
G&A and other expenses	(562,719)	(525,642)	(509,448)	(679,764)
Deferred tax recovery/ (expense)	–	212,116	77,789	(147,774)
Net income/(loss)	(525,024)	19,339	(563,444)	(243,159)
Net income/(loss) per share, basic	(0.00)	0.00	(0.01)	(0.00)
Balance Sheet				
Cash and cash equivalents	951,115	649,828	613,554	1,909,097
Total assets	50,959,350	50,041,875	49,726,807	50,016,122
Working capital/(deficit)	240,893	42,698	(1,860,314)	(245,777)

	March 31, 2012	December 31, 2011	September 30, 2011	June 30, 2011
Income Statement				
Interest income	$ 42,290	$ 5,627	$ 8,823	$ 4,248
Impairment charges	–	(195,725)	–	(2,303,441)
Gain on re-measurement of warrant liability	–	2,264,362	–	–
Gain/(loss) on re-measurement of financial and derivative liability	(788,784)	(170,119)	926,986	753,376
Gain on sale of property	214,527	–	–	
Gain on extinguishment of debt	–	–	240,454	–
G&A and other expenses	(531,565)	(658,976)	(739,592)	(818,318)
Deferred tax recovery/ (expense)	227,817	223,505	(149,990)	(277,383)
Net income/ (loss)	(835,715)	1,468,674	286,681	(2,641,518)
Net income/ (loss) per share, basic and diluted	(0.01)	0.01	0.00	(0.03)
Balance sheet				
Cash and cash equivalents	3,213,895	4,057,505	5,015,196	7,085,313
Total assets	50,119,288	50,311,069	51,895,175	52,128,780
Working capital/(deficit)	2,967,980	3,844,279	4,905,337	6,307,137

Three-Month Period Ended March 31, 2013 Compared to Three-Month Period Ended March 31, 2012

During the three months ended March 31, 2013, the Company continued to focus on development of its mineral property interests. Net loss during the three months ended March 31, 2013 was $525,024 compared to net loss of $835,715 for the three months ended March 31, 2012 as discussed below.

General and administrative expenses increased to $536,242 from, $506,460 for the three months ended March 31, 2013 and 2012, respectively, primarily due to charges associated with financing efforts.

Re-measurement of financial and derivative liability associated with debt obligations resulted in a loss of $788,784 for the quarter ended March 31, 2012 compared to $nil for the quarter ended March 31, 2013 as the debt obligation associated with the derivative liability was settled for shares during November 2012. See discussion in Note 7 to the Company's annual financial statements, which were filed on March 1, 2013 and are available on SEDAR at www.sedar.com.

Gain on re-measurement of warrant liability was $35,638 and $nil for the quarter ended March 31, 2013 and 2012, respectively. Our warrants are denominated in a currency different from the functional currency of the Company, and as such, meet the definition of a financial liability and are fair valued at each reporting period using the Black-Scholes model. The change in the fair value from period-to-period will result in a gain/(loss) in the Consolidated Statements of Comprehensive Income/(Loss).

Gain on sale of equipment was $214,527 for the three months ended March 31, 2012 due to the Company's sale of logging equipment. There were no such transactions for the three months ended March 31, 2013.

Deferred income tax benefit was $227,817 for the three months ended March 31, 2012 compared to $nil for the three months ended March 31, 2013. As the Company had the option to settle its convertible promissory note through the issuance of shares rather than paying cash, this created a significant possible gain on the extinguishment of debt for the Company. As a result of the possible gain (loss), the Company recorded the potential tax impact on that transaction. During November 2012, the Company settled the convertible promissory note and determined that there will be no tax liability associated with this settlement.

FINANCING, LIQUIDITY AND CAPITAL RESOURCES

As of March 31, 2013, the Company had cash and cash equivalents of $951,115 and working capital of $240,893.

Cash outflows from operations were $86,266 and $913,281 for the three months ended March 31, 2013 and 2012, respectively. The decrease is primarily attributable to decrease in non-cash adjustments partially offset by an increase in accounts payable and accrued liabilities.

Cash outflows from investing activities was $967,751 for the three months ended March 31, 2013 compared to $3,739 for the three months ended March 31, 2012. Permitting activities at Dewey-Burdock have increased as many of the Company's permit applications have been completed and submitted, and are under review. For further discussion of the Dewey-Burdock Project, see Resource Property Interests, above. The Company sold certain equipment for proceeds of $243,000 during the three months ended March 31, 2012. There were no such transactions during the three months ended March 31, 2013.

Cash flows from financing activities such as share and debt issuances/repayments and accrued interest on said debt, (utilized)/provided cash of $1,370,048 and $(10,000) for the three months ended March 31, 2013 and 2012, respectively. During February 2013, the Company completed a private placement offering, see Share Capital section below. There was no such transaction during the three months ended March 31, 2012.

Although the Company is in the permitting stage on two of its projects, Dewey-Burdock and Centennial, it is currently focusing its efforts on obtaining the necessary permits and licenses for its Dewey-Burdock Project, as discussed in the "Resource Property Interests" section above. In order to meet its on-going obligations, the Company successfully completed a private placement transaction during February 2013, the terms of which are discussed below in the Share Capital section.

Going concern: The Company is continually evaluating additional financing opportunities to meet its operational needs. Notwithstanding previous success in acquiring financing on acceptable terms, there is no guarantee that the Company will be able to obtain funding or on what terms any such capital may be available to the Company.

The Company will require further financing in addition to the recently completely private placement in order to fund its operational and administrative plans for the next 12 months. As a result, the Company will incur future losses, which cast doubt as to the Company's ability to continue as a going concern, which is dependent upon its ability to raise the necessary funds and/or to obtain the necessary financing to meet its debt obligations and repay its liabilities arising from normal business operations when they come due.

CONTRACTUAL COMMITMENTS

Long-term Debt Obligations

The following table summarizes the contractual maturities of the Company's significant financial liabilities and capital commitments, including contractual obligations as of March 31, 2013:

	Payments Due by Period				
	Less than 1 year	**1 to 3 years**	**4 to 5 years**	**Thereafter**	**Total**
Lease obligations	$ 257,377	$ 1,194,015	$ 630,063	$ 683,297	$ 2,764,752
Accounts payable and accrued liabilities	729,801	–	–	–	729,801
Agreements payable	45,000	1,295,000	60,000	–	1,400,000
	$ 1,032,178	$ 2,489,015	$ 690,063	$ 683,297	$ 4,804,553

OFF BALANCE SHEET ARRANGEMENTS

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

LEGAL MATTERS

The Company is subject from time to time to legal proceedings and claims, either asserted or unasserted, that arise in the ordinary course of business. While the outcome of these proceedings and claims cannot be predicted with certainty, the Company's management does not believe that the outcome of any of these legal matters will have a material adverse affect on its consolidated financial position, results of operations or cash flows.

RELATED PARTY TRANSACTIONS

During the three months ended March 31, 2013, the Company entered into certain transactions with related parties, which primarily related to the payment of salaries and consulting fees. The terms and conditions of the transactions with key management personnel, directors and other related parties, were no more favorable than those available, or which might reasonably be expected to be available, on similar transactions with non-related parties on an arm's length basis. The following table sets out information about the related party transactions that the Company was party to during the three months ended March 31, 2013:

Name	Relationship to the Company	Business Purpose of Transaction	Amount
Richard F. Clement	President, CEO and Director	Salary	$60,000
		Benefits	$3,378
		Deferred compensation(1)	$15,000
Thomas A. Doyle	Chief Financial Officer, VP – Finance and Director	Consulting Fees(2)	$44,653(3)
		Deferred compensation(1)	$11,163(3)
Greg C. Burnett	Secretary, VP – Administration and Director	Consulting Fees(2)	$35,723(4)
		Deferred compensation(1)	$8,931(4)
John Mays	VP - Engineering	Salary	$37,500
		Benefits	$3,602
Jim Bonner	VP – Exploration	Salary(1)	$37,500
		Benefits	$2,821
		Deferred compensation(1)	$7,500
Richard Blubaugh	VP – Health, Safety and Environmental Resources	Salary(1)	$37,500
		Benefits	$6,519
		Deferred compensation(1)	$7,500
Malcolm Clay	Director	Director Fees	$4,465(5)
John Dustan	Director	Director Fees	$4,465(5)
Douglas Eacrett	Director	Director Fees	$4,465(5)

(1) Deferred compensation is salary/consulting fees earned but not paid per the respective deferred compensation agreements.
(2) Consulting fees were paid to a holding company, the shares of which the related party exercises control and direction over.
(3) Thomas A. Doyle earned CAD$45,000 (deferred CAD$11,250) for the three months ended March 31, 2013, which was converted to US dollars for the purposes of this table at an average exchange rate of $0.99.
(4) Greg C. Burnett earned CAD$36,000 (deferred CAD$9,000) for the three months ended March 31, 2013, which was converted to US dollars for the purposes of this table at an average exchange rate of $0.99.
(5) For the three months ended March 31, 2013, each director was paid CAD$4,500 which was converted into US dollars for the purposes of this table at an average exchange rate of $0.99.

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.

Common Shares Issued:

	Number
Balance, December 31, 2012	125,801,362
Share issuance [(a)]	15,000,000
Balance, March 31, 2013 and May 2, 2013	140,801,362

(a) On February 27, 2013, the Company completed a non-brokered private placement ("2013 Private Placement") of 15,000,000 units (the "Units") at a price of $0.09 (CAD$0.10) per Unit to raise gross proceeds of $1,463,400 (CAD$1,500,000). Each unit comprised of one common share and one share purchase warrant. One warrant entitles the holder thereof to purchase one additional common share at a price of CAD$0.20 per share for a period of three years from the closing of the 2013 Private Placement. In addition, the Company paid an aggregate $83,000 and issued 849,800 warrants to the finders in connection with the 2013 Private Placement. Each warrant entitles the holder to purchase one additional common share at a price of CAD$0.115 per common share for a period of three years from the closing of the 2013 Private Placement.

(b) Contributed surplus is comprised of the fair value of stock-based compensation and the fair value of agent's warrants.

Share Purchase Warrants:

Changes in share purchase warrants for the three months ended March 31, 2013 are as follows:

Expiration Date	Exercise Price (CAD)	Outstanding at December 31, 2012	Issued during the period	Expired during the period	Outstanding at March 31, 2013
March 15, 2013	$0.60	23,936,170	–	23,936,170	–
March 15, 2013	$0.47	3,111,702	–	3,111,702	–
November 6, 2013	$0.20	5,000,000	–	–	5,000,000
February 27, 2016[(a)]	$0.20	–	15,000,000		15,000,000
February 27, 2016[(a)]	$0.115	–	849,800	–	849,800
Totals		32,047,872	15,849,800	27,047,872	20,849,800

There have no changes to share purchase warrants as of May 2, 2013.

(a) As part of the 2013 Private Placement discussed above, 15,849,800 whole share purchase warrants were issued. Each whole warrant entitles the holder to purchase one common share as follows: 15,000,000 warrants at an exercise price of CAD$0.20 and 849,800 warrants at an exercise price of CAD$0.115 for three years following the closing of the offering under certain circumstances.

Stock Option Plan:

Under its 2011 Stock Option Plan (the "2011 Plan"), the Company is authorized to grant share purchase options to directors, employees, contractors or consultants of the Company. The Company is permitted to grant options under the Plan equal to 10% of the issued and outstanding common shares of the Company until the 10th anniversary of the effective date of the 2011 Plan. 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 such options are granted. The Company's Board of Directors specifies a vesting period and expiry on a grant-by-grant basis.

At March 31, 2013 and May 2, 2013, there were 6,250,000 options outstanding entitling the holders thereof to purchase one common share for each option held. Share options outstanding were as follows:

Grant Date	Expiration Date	Exercise (CAD)	Outstanding at December 31, 2012	Granted during period	Expired/ Forfeited during period	Outstanding at March 31, 2013	Vested and exercisable
January 14, 2008	January 14, 2013	$1.50	200,000	–	(200,000)	–	–
February 7, 2008	February 7, 2013	$1.00	400,000	–	(400,000)	–	–
June 18, 2008	June 18, 2013	$1.50	1,200,000	–	–	1,200,000	1,200,000
May 15, 2012	May 15, 2017	$0.20	5,050,000	–	–	5,050,000	5,050,000
	Totals		6,850,000	–	(600,000)	6,250,000	6,250,000
Weighted average exercise price (CAD)			$0.51			$0.45	$0.45
Weighted average life remaining (years)			3.31			3.38	3.38

As of May 2, 2013, the weighted average life of the stock options outstanding was 3.29 years with a weighted average exercise price of CAD$0.45.

SIGNIFICANT ACCOUNTING POLICIES

Significant accounting judgments and estimates

The preparation of the Company's interim condensed consolidated financial statements in conformity with IFRS requires estimates and assumptions that affect the amounts reported in such consolidated financial statements.

Significant accounting judgments that the Company has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the interim condensed financial statements are the same judgments disclosed in Note 4 of our December 31, 2012 audited consolidated financial statements.

Principles of Consolidation

The Company's 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 and guaranteed investment certificates. These investments are easily convertible to known amounts of cash, are subject to insignificant risk of change in value, and have maturities of three months or less when purchased.

Restricted Cash

Restricted cash consists of deposits held for collateral pursuant to bonds provided to State authorities in connection with mineral property activities.

Rehabilitation Provisions

The Company is subject to various government laws and regulations relating to environmental disturbances which are caused by exploration and evaluation activities. The Company records the present value for the estimated costs of legal and constructive obligations required to restore the exploration sites in the period in which the obligation is incurred. The nature of the rehabilitation activities includes restoration, reclamation and re-vegetation of the affected exploration sites.

Building and Equipment

On initial recognition, building and equipment ("B&E") are valued at cost, being the purchase price and directly attributable cost of acquisition or construction required to bring the asset to the location and condition necessary to be capable of operating in the manner intended by the Company, including appropriate borrowing costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability, as anticipated, is recognized within provisions.

B&E is subsequently measured at cost less accumulated depreciation, less any accumulated impairment losses.

When parts of an item of B&E have different useful lives, they are accounted for as separate items (major components) of B&E.

The cost of replacing part of an item of B&E is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of B&E are recognized in profit and loss as incurred.

Depreciation is provided using the double declining balance method at 40% per annum over a five year useful life for computer, field and office equipment and vehicles. Depreciation is recorded using the straight-line method over a 40 year useful life for buildings. Depreciation methods, useful lives, and residual values are reviewed at each financial year-end and adjusted as appropriate.

Mineral Properties

<u>Pre-exploration costs</u> are expensed in the period in which they occur.

<u>Exploration and evaluation expenditures</u> are capitalized in the period in which they occur once the legal right to explore a property has been acquired. This includes any acquisition costs associated with such property. These direct expenditures include such costs as materials used, surveying costs, drilling costs, contractor payments, land payments, claims maintenance and certain employee costs. Costs not directly attributable to exploration and evaluation activities, including general and administrative overhead costs, are expensed in the period in which they occur.

The Company may, at its discretion, enter into farm-out arrangements, whereby the Company will transfer part of a mineral interest, as consideration, for an agreement by the transfee to meet certain exploration and evaluation expenditures which would have otherwise been undertaken by the Company. The Company does not record any expenditures made by the farmee on its behalf. Any cash consideration received from the agreement is credited against the costs previously capitalized to the mineral interest given up by the Company, with any excess cash accounted for as a gain on disposal.

The Company assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount. Any such impairment charges will be written off to the consolidated statement of comprehensive loss.

Once the technical feasibility and commercial viability of extracting the resource has been determined, the property will be considered a mine under development and will be classified as "mines under construction." Exploration and evaluation assets will also be tested for impairment at this point prior to transferring the assets to development properties.

Mineral exploration and evaluation expenditures are classified as intangible assets.

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. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the asset's cash-generating unit, which is the lowest group of assets in which the asset belongs for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets. The Company considers each project and/or prospect to be a cash-generating unit separate from the other projects and/or prospects.

Impairment charges are recorded in statement of comprehensive loss in the period in which the evaluation was completed.

Income Taxes

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for certain temporary differences. Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. Annually, the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Share-based payments

When equity instruments are granted to employees, they are recorded at the fair value of the equity instrument granted at the grant date. The grant date fair value is recognized in net income (loss) and financial position over the vesting period, described as the period during which all vesting conditions are to be satisfied. The compensation charge directly attributable to the development and progression of the mineral properties are capitalized.

When equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in statement of comprehensive loss, unless they are related to the issuance of common shares.

Amounts related to the issuance of common shares are recorded as a reduction of share capital. When the value of goods and services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a valuation model. The expected life used in the model is adjusted based on management's best estimate, for the effects of transferability, exercise restrictions and behavioral considerations.

All equity-settled share-based payments are reflected in contributed surplus, until exercised. Upon exercise, common shares are issued from treasury and the amount reflected in contributed surplus is credited to share capital, adjusted for any consideration paid.

Where the grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

The Company uses the Black-Scholes option valuation model to calculate the fair value of share purchase options at the date of grant. Option valuation models require the input of highly subjective assumptions, including the expected price volatility. Changes in these assumptions can materially affect the fair value estimate. See Note 6 of the Company's interim condensed consolidated financial statements for discussion of the Company's stock option plan.

Basic and Diluted Income (Loss) Per Common Share

Basic income (loss) per common share is computed by dividing the loss for the period by the weighted average number of common shares outstanding during the period. Diluted income (loss) per common share reflect the potential dilution that could occur if potentially dilutive securities, such as convertible debt obligations, warrants, and stock options outstanding, were exercised or converted to common stock, only to the extent that they are not antidilutive.

Share Capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial asset or financial liability. The Company's common shares, and share warrants that have no derivative elements are classified as equity instruments. Incremental costs directly attributable to the issue of new share or options are shown in equity as a deduction from the proceeds.

The Company's functional currency is the U.S dollar and it has issued and outstanding warrants that have an exercise price denominated in Canadian dollars. The Company has determined that such warrants with an exercise price denominated in a currency that is different from the entity's functional currency are classified as a derivative liability based on the evaluation of the warrant's settlement provisions, and carried at their fair value. Any changes in the fair value from period to period are recorded as a gain or loss in the consolidated income (loss).

Foreign Currency Translation

The Company's functional currency is the US dollar. At the transaction date, each asset, liability, revenue and expense dominated in a foreign currency is translated to US dollars by the use of the exchange rate in effect at that date. Monetary items are translated at a rate in effect at period end. Non-monetary assets and liabilities that are measured at historical cost are translated into US dollars by using the exchange rate in effect at the date of initial transaction and are not subsequently restated. Non-monetary assets and liabilities that are measured at fair value or a revalued amount are translated into US dollars by using the exchange rate at the date the value is determined and the related translation differences are recognized in the statement of comprehensive income/(loss).

Financial Instruments

Financial assets and financial liabilities, including derivatives, are measured at fair value on initial recognition. Measurement in subsequent periods depends on whether the financial instrument has been classified as fair value through profit and loss, available-for-sale, held-to-maturity, loans and receivables or other financial liabilities.

Financial assets and liabilities at fair value through profit and loss are carried at fair value with changes in those fair values recognized in statement of comprehensive income/(loss). Financial assets and financial liabilities classified as held-to-maturity, loans and receivables, and other financial liabilities are measured at amortized cost using the effective interest method.

Available-for-sale financial assets are carried at fair value with changes in fair value recognized in other comprehensive income/(loss). Investments in equity instruments classified as available-for-sale that do not have a quoted market price in an active market are carried at cost. The Company does not currently have any available-for-sale financial assets or investments in equity instruments.

Derivative instruments, including embedded derivatives, are carried at fair value with any changes in the fair values of derivative instruments being recognized in profit and loss with the exception of derivatives designated as effective cash flow hedges. The Company has no such designated hedges.

Financial instruments carried at fair value on the consolidated statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

- Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Cash and cash equivalents, receivables, deposits and restricted cash are classified as loans and receivables and are carried at amortized cost. Accounts payable and accrued liabilities, long-term debt, agreements payable, and convertible debt with conversion features be presented as equity are classified as other financial liabilities and are carried at amortized cost. Convertible promissory notes with conversion features presented as liabilities, warrants that have an exercise price different than the functional currency are presented as liabilities and other embedded derivatives are classified as fair value through profit or loss and measured at fair value.

At each reporting date, the Company assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired, if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

Derivative Financial Instruments

The Company may issue compound financial instruments with embedded derivatives. An embedded derivative is separated from its host contract and accounted for as a derivative only when three criteria are satisfied:

- when the economic risks and characteristics of the embedded derivative are not closely related to those of the host contract;
- a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and
- the entire instrument is not measured at fair value with changes in fair value recognized in the statement of comprehensive loss.

The difference between the fair value of the total compound instrument and the fair value of the embedded derivative is assigned to the host contract. Subsequent to initial recognition, the host contact liability is measured at amortized cost using the effective interest method. The effective interest method calculates the amortized cost of a financial instrument and allocates interest income or accretion expense over the corresponding period. The effective interest rate is the rate that discounts estimated future cash flows over the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial liability on initial recognition.

The embedded derivative is fair valued each reporting period using an appropriate fair value valuation model with changes in the fair value being recognized immediately in net loss and comprehensive loss.

Future accounting changes

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or IFRIC that are mandatory for accounting periods beginning after January 1, 2013 or later periods. None of these pronouncements are expected to have a significant effect on the consolidated financial statements, other than what is stated below.

- IFRS 9 “Financial Instruments”: IFRS 9 is part of the IASB’s wider project to replace IAS 39 “Financial Instruments: Recognition and Measurement.” IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on the entity’s business model and the contractual cash flow characteristics of the financial asset. The standard is effective for annual periods beginning on or after January 1, 2015. The Company is in the process of evaluating the impact of the new standard on its financial position.

- IFRS 10 Consolidated Financial Statements: IFRS 10 builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. The adoption of the standard for the accounting period beginning on January 1, 2013 is expected to have no impact on the Company's consolidated financial statements.

- IFRS 11 Joint Arrangements: IFRS 11 describes the accounting for arrangements in which there is joint control; proportionate consolidation is not permitted for joint ventures (as newly defined). IFRS 11 replaces IAS 31 Interests in Joint Ventures and SIC 13 Jointly Controlled Entities — Non-Monetary Contributions by Venturers. The adoption of the standard for the accounting period beginning on January 1, 2013 is expected to have no impact on the Company's consolidated financial statements.

IFRS 12 Disclosure of Interests in Other Entities: IFRS 12 includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. The adoption of the standard for the accounting period beginning on January 1, 2013 had no impact on the Company's consolidated financial statements.

- IFRS 13 Fair Value Measurement: IFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements, which are largely aligned between IFRSs and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs or US GAAP. The adoption of the standard for the accounting period beginning on January 1, 2013 had no impact on the Company's consolidated financial statements.

Effective for annual periods beginning on or after January 1, 2014

- IAS 32 Financial Instruments: Presentation: The amendments to IAS 32 pertained to the application guidance on the offsetting of financial assets and financial liabilities, focused on four main areas: the meaning of 'currently has a legally enforceable right of set-off', the application of simultaneous realization and settlement, the offsetting of collateral amounts and the unit of account for applying the offsetting requirements. The Company is currently assessing the impact that the adoption of this standard may have on its financial statements.

Effective for annual periods beginning on or after January 1, 2015

- IFRS 7, Financial Instruments Disclosures: Amended standard IFRS 7 Financial Instruments: Disclosures outlines the disclosures required when initially applying IFRS 9 Financial Instruments.

- IFRS 9, Financial Instruments: The standard is the first step in the process to replace IAS 39, Financial instruments: recognition and measurement. IFRS 9 introduces new requirements for classifying and measuring financial assets and liabilities and carries over from the requirements of IAS 39, Financial instruments: recognition and measurement, derecognition of financial assets and financial liabilities. This standard is not applicable until January 1, 2015 but is available for early adoption. The Company is currently assessing the impact that the adoption of IFRS 9 may have on its financial statements

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

INTERNATIONAL FINANCIAL REPORTING STANDARDS

Statement of Compliance

The Company's interim condensed consolidated financial statements are unaudited and have been prepared in accordance with IAS 34 "Interim Financial Reporting" ("IAS 34") using accounting policies consistent with IFRS as issued by the International Accounting Standards Board ("IASB") and IFRIC.

The Company's interim condensed consolidated financial statements should be read in conjunction with the Company's audited condensed consolidated annual financial statements for the year ended December 31, 2012.

The Company's interim condensed consolidated financial statements were authorized for issue by the Board of Directors on May 2, 2013.

FINANCIAL INSTRUMENTS

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

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION

The Company's interim condensed consolidated financial statements are the responsibility of the Company's management, and have been approved by the Board of Directors. The interim condensed consolidated financial statements were prepared by the Company's management in accordance with international financial reporting standards. The Company's interim condensed consolidated 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 interim condensed consolidated financial statements are presented fairly in all material respects.

Internal Control Over Financial Reporting

There was no change in the Company's internal control over financial reporting that occurred during the period beginning on January 1, 2013, and ended on March 31, 2013, that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

OTHER INFORMATION

This MD&A of the financial position and results of operations of the Company for the three months ended March 31, 2013, and as of May 2, 2013, should be read in conjunction with the interim condensed consolidated financial statements of the Company for the three months ended March 31, 2013. Additional information relating to the Company, including the Company's Annual Information Form, can be accessed at the Company's website at www.powertechuranium.com or through the Company's public filings on SEDAR at www.sedar.com.

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