

**XEMPLAR ENERGY CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
YEAR ENDED MARCH 31, 2008**

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A) OF THE COMPANY'S FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following MD&A with its effective date of May 29, 2008 for Xemplar Energy Corp. (the "Company") should be read in conjunction with the Company's financial statements for the three month period ended March 31, 2008. The financial information in this MD&A is derived from the Company's financial statements which have been prepared in accordance with Canadian generally accepted accounting principles.

All monetary amounts in this MD&A and in the Company's consolidated financial statements are expressed in Canadian dollars, unless otherwise stated. The Company's financial statements include the results of the operations of the Company's wholly owned subsidiary Namura Mineral Resources (Pty) Ltd. and Canadian Urnaium Corp. for the three month period ended March 31, 2008.

This MD&A may contain forward looking statements and information based on assumptions and judgments of management regarding events or results that may prove to be inaccurate as a result of factors beyond its control. Actual results may differ materially from the expected results.

Description of Business and Overall Performance

The Company was incorporated on January 12, 1979 under the laws of British Columbia. On July 11, 2005, the Company changed its name from Consolidated Petroquin Resources Limited to Xemplar Energy Corp. as it changed its business focus from development of oil and gas properties to acquiring, exploring and developing mineral properties. The Company's primary objective is to develop mineral properties to a stage where they can be operated profitably. Currently, the Company has mineral interest holdings located in Canada and Namibia, a mining friendly country in South Africa, with a view for finding uranium deposits.

Corhill Uranium Property, Northwest Territories

By an agreement dated July 7, 2005, the Company acquired a 100-per-cent interest in the Corhill uranium-gold-platinum property located north northwest of Yellowknife, Northwest Territories. Upon commencement of commercial production, the vendors will be entitled to a net smelter royalty of 2% on all minerals. The Company can buy down to a 1% net smelter royalty at a cost of \$1,000,000. The purchase price of \$185,000 was paid by issuance of 500,000 shares of the Company and payment of \$65,000 cash.

The Corhill property comprises 18 mineral claims and covers 30,628 acres. The claims straddle the NWT / Nunavut border and are approximately 312 miles NNW of Yellowknife and 90 miles SW of Kugluktuk (Coppermine). The property holds significant potential for Athabasca Basin-type unconformity uranium deposits and the genetically related Coronation Hill (Australia) type mineralization with associated gold and platinum group metals. The property geology is structurally controlled and shows the results of unconformity-related mineralization processes. The Company's objective is to discover world-class, high-grade uranium deposits, similar to those found in the Athabasca Basin in Saskatchewan.

In July 2006, the Company farmed out 70% interest of the Corhill Property to Garuda Capital Corp. ("Garuda") The Company had received \$50,000 and 2,000,000 common shares of Garuda pursuant to the property option agreement. Garuda was required to incur \$1,500,000 exploration expenditures over a three-year period, \$300,000 of which must be incurred before January 7, 2007. The Company retains a 2% NSR in the property. In this manner, the Company reduces its exploration expenditure on the Corhill property, at the same time the Company acquires securities (shares and cash) from its partner in addition to the exploration funding. This allows the Company to focus on other early-stage 100% owned properties. In 2006, Garuda paid \$100,000 in cash as part of its exploration expenditures.

Under the terms of the agreement, Garuda is required to incur \$300,000 exploration expenditure on the property before January 7, 2007 as its first year commitment. During the year ended December 31, 2006, Garuda paid \$100,000 in cash towards the exploration costs incurred by the Company. In 2007, Garuda did not make further contributions towards the exploration expenditures. Essentially, Garuda failed to meet their expenditure obligations and the parties had been negotiating a new agreement. In June 2007, the Company and Garuda entered into an initial agreement to transfer the Corhill property rights to Canadian Uranium Corp. ("CUC"), the Company's newly created subsidiary. This agreement would supersede the earlier property option agreement with Garuda should it be successfully concluded. As date of report, the agreement had not closed.

Otish Uranium Property, Quebec

By an agreement dated September 28, 2005, the Company acquired a 100-per-cent interest in the Otish Uranium Property located north of St-Jean, Otish Basin of Quebec. Upon commencement of commercial production, the vendors will be entitled to a net smelter royalty of 2% of all minerals. The Company can buy down to a 1% net smelter royalty at a cost of \$1,000,000. The purchase price of \$1,185,000 was paid by issuance of 3,000,000 shares of the Company and payment of \$375,000 cash.

The Otish Property is located in Central Quebec, 310 km northeast of the City of Chibougamau. The property consists of 1159 claims in three contiguous blocks, encompassed approximately 147,663 acres. The property is within the Otish Basin that has a rich history of Uranium exploration starting in the late sixties and lasting until 1985. Past exploration for uranium in the Otish Basin, because of its many similarities with the uranium rich Athabasca Basin in Saskatchewan, focused on finding unconformity associated with uranium deposits. The Company has started a data compilation of all previous exploration work. They will be used to prioritize existing drill targets and to generate new drill targets. The Company will use modern exploration methods to search for Athabasca-type unconformity uranium deposits in a classic setting, where uranium concentrating process works. In May, 2006, the Company staked an additional 166 claims contiguous to the Otish properties at a cost of \$19,397.

The Company completed an airborne geophysical survey on the property in 2006. The airborne survey was flown by Aeroquest Ltd. The survey covered 1,740 km on 200m spaced lines. The survey detected a 20 km² Archean greenstone belt under shallow cover of proterozoic sediments of the Otish Basin. This belt features long linear magnetic and conductive trends and an historic uranium showing (Lorenz Gully) on Xemplar's properties. The airborne survey also mapped long linear fault zones. This includes a 6km long fault zone with an historic drill intercept of 0.45% U₂O₈ over 1 m. The Company is reviewing the data collected from the survey and any decision on further exploration plan shall be contingent on the result of the review.

Currently, exploration activity on the Otish Property is related to maintaining the titles in good standing. For the first three months 2008, the Company incurred \$9,796 claim renewal fees.

The Company is considering alternative strategies with respect to these properties. The Company intends to transfer its mining property rights to Canadian Uranium Corp. ("CUC"), the Company's newly created subsidiary, for the purpose of forming joint venture exploration partnerships with other companies. The Company has entered into preliminary discussions with interested parties and will continue its efforts in 2008.

Namura Uranium Properties, Namibia

On March 22, 2006, the Company acquired 100% of the issued and outstanding shares of Namura Mineral Resources (Pty) Ltd. ("Namura"), a private company incorporated in the Republic of Namibia, South Africa. At the date of acquisition, Namura was the beneficial holder of three exclusive reconnaissance licenses (ERL) covering uranium exploration properties in Namibia. It is also the registered holder of a fourth pending ERL application. These ERLs cover various uranium occurrences and uranium mineralization types, which include Rossing, Langer Heinrich and sandstone-conglomerate and siltstone hosted epigenetic/diagenetic type deposits. The Rossing uranium mine has been in production for more than 30 years has produced

between 2,000 and 4,000 tonnes/annually. Paladin's Langer Heinrich deposit has begun pre-selling future mining production and in January 2006 announced two contracts of more than 2 million pounds of uranium oxide. The Company hopes to take the opportunity to repeat that winning formula with its uranium deposits. Consideration for the purchase is payment of \$600,000 cash and issuance of 6,000,000 shares of the Company. Each property is subject to a 3% net smelter return royalty. The Company has the right to reduce the royalty to 1.5% on each property by paying \$3,000,000 per property.

Through its subsidiary in Namibia, the Company was awarded six exclusive prospecting licenses (EPL) covering the Cap Cross Uranium project, Aus Uranium project and Warmbad Uranium project. In addition to the six EPLs, the Company was also awarded an exclusive reconnaissance license (ERL) over the Engo Valley Uranium Deposit in Namibia. This licence covers an area of approximately 1,239 Km² (123,904 ha or 306,172 acres). An ERL entitles the holder to an exclusive right and a preferential right over the area held. The Engo Valley uranium deposit lies within a Permo-Triassic age Karoo sediments. These sediments are quite extensive in this part of Namibia and little work has been done to explore for this type of occurrence. It is the Company's intention to explore all of these occurrences within the licence area.

Now, the Company holds a 100% interest uranium properties in the Engo Valley, Cape Cross, Aus-Garub and Warmbad regions of Namibia, whose combined licensed and pending licensed area covers nearly 10,100 km², making it the largest uranium exploration license holder in the country.

The key focus of Xemplar's work is the Warmbad project in southern Namibia. In October 2007, the Company commenced drilling at Warmbad. Preliminary results are encouraging. As reported in its press release dated November 6, 2007, the company believes it has effectively discovered a new uranium province in the Warmbad area, with over 14 large mineralised alaskitic bodies that outcrop in an area of approximately 40 kms by 28 kms. Ground truthing of over 1200 sites on all 14 of these bodies has shown clear evidence of visual surface uranium mineralisation. Over 100 outcrop samples have been collected and sent for analysis. Helicopter radiometric data collected over these bodies show distinct uranium channel anomalies.

On completion of the preliminary drill program at Big Yellow, approximately 10 RC holes are planned for the Gaobis Alaskite. This outcropping mineralised alaskite is located some 14 kms to the west of Big Yellow. This body has a strike of approximately 4 kms and has a surface area of approximately 4 square kilometres. The body dips to the east. Helicopter radiometric data over the Gaobis alaskite shows a distinct uranium channel anomaly. On completion of these ten holes the drilling rigs will be moved to the Houms River area.

With the results from the positive airborne radiometric survey (reported, October 15, 2007) and recent drilling results (reported February 4, 2008), the Company has achieved the completion of phases 1 and 2 of its planned work programs as set out in the Company's 43-101F1 Technical Report filed on www.sedar.com, dated May 4, 2006 by Roscoe Postle Associates Inc.

These results show the existence of 14 large uraniumiferous granite (alaskitic) bodies. These bodies cover a surface area of approximately 30 square kilometres. Surface sampling has shown (reported May 7, 2007) the bodies to be mineralised. An initial drilling program (reported February 4, 2008) has shown that at least two of these bodies extend to depth, in some cases in excess of 200 metres. The analysis of the drill samples from these holes has shown (reported February 4, 2008) that wide widths are mineralised. This sampling has also shown that portions of the bodies are not mineralised or have low grades, which is not unusual for these alaskitic occurrences. It must be stressed that this recent drilling program is only the beginning of a major drilling campaign to systematically test all of the bodies discovered to date. In this respect, these recent drill results are viewed by the company as being very encouraging.

Encouraged by the foregoing results, the Company has commenced a Phase 3 exploration program which will be comprised of a 40,000 metre definition drilling program over the Company's 14 uraniumiferous (alaskitic) bodies. This will involve the deployment of some 6 drilling rigs, the radiometric logging of all holes drilled, the sampling and chemical analysis of all cores and drill chips. Results in the form of equivalent uranium grades (eU3O8) from the radiometric logging program will be released as they become available, these equivalent uranium results will be contingent on the final chemical assay results. This work is directed at defining a possible resource/reserve estimate and a possible future feasibility study. To date, nearly 8,000 meters of

drilling has been completed. The Company is awaiting the results to be delivered from its chemical assay labs in South Africa.

Contingent upon favorable results from Phase 3, the Company would then consider a Phase 4 program leading to a more targeted drilling program with which to develop a resource.

Canadian Uranium Corp.

In 2007, the Company created a wholly owned subsidiary, Canadian Uranium Corp. ("CUC") to allow it to consider alternative strategies with respect to some of its mining property interest. CUC was a shell company at the time of purchase and the purchase price paid was the cost of incorporation.

Exploration Expenditures by Property

For the first three months of 2008, the Company's exploration work has been focused on its Warmbad Project in Namibia. All costs related to the acquisition, exploration and development of mineral properties are capitalized.

A summary of capitalized acquisition and exploration expenditures on the Company's properties for the period ended March 31, 2008 is as follows:

Mineral Properties	Corhill	Otish	Namibia	Total
	\$	\$	\$	\$
Acquisition costs				
Balance, Dec 31, 2007	144,657	1,204,397	3,341,173	4,690,227
Additions during the year	-	-	-	-
Balance, March 31, 2008	144,657	1,204,397	3,341,173	4,690,227
Exploration costs				
Balance, Dec 31, 2007	148,728	589,928	2,970,791	3,709,447
Additions during the period:				
Accounting and legal	-	-	-	-
Camp, field supplies & transport	-	-	69,242	69,242
Drilling	-	-	519,318	519,318
Equipment rental and repairs	-	-	42,253	42,253
Fees, licenses and permits	-	9,796	15,211	25,007
Geological and geophysical	-	-	527,503	527,503
Survey, evaluation, mapping	-	-	168,834	168,834
Travel	-	-	14,396	14,396
Total additions during the period	-	9,796	1,356,757	1,366,553
Balance, March 31, 2008	148,728	599,724	4,327,548	5,076,000
Cumulative Mineral Property Expenditures as at March 31, 2008				
Acquisition	144,657	1,204,397	3,341,173	4,690,227
Exploration	148,728	599,724	4,327,548	5,076,000
Total:	293,385	1,804,121	7,668,721	9,766,227

Financing

During the first three months of 2008, the Company completed a bought-deal financing with Canaccord Capital Corp. as "Underwriters". The financing was closed on March 20, 2008 and the Company issued 6,555,000 units at a price of \$3 per unit for gross proceeds of \$19,665,000 (net proceeds of \$18,213,450). Each Unit consisted of one common share and one-half of one common share purchase warrant. Each whole warrant will be exercisable into one common share for two years from the closing date at an exercise

price of \$4.00. The company paid to Canaccord Capital Corp., a cash commission of \$1,376,550 equal to 7% of the gross proceeds. The company also granted Underwriter's Warrants equal to 7% of the Units issued entitling Canaccord to purchase up to 458,850 common shares of the Company at a price of \$3.75 for a period of one year from the completion of the private placement. All of the securities issued under the private placement are subject to a four-month hold period expiring on July 21, 2008. Proceeds of this private placement will be used towards funding exploration activities on the Company's exploration properties in Namibia and for general corporate purposes.

The Company also received a total of \$578,000 from the exercise of share purchase warrants and stock options in the first quarter 2008.

Balance Sheet Position

On March 31, 2008 the most recent balance sheet date, the Company had cash and cash equivalents \$24,477,121. Cash and cash equivalents represent cash on deposit and term deposits having terms to maturity of 180 days or less when acquired. To increase interest revenue, the Company has placed excess cash into short term flexible GICs. The short term investments are made with a major Canadian Bank and no asset backed investments have been entered into by the Company. The Company does not hold any non-bank asset-back commercial paper.

The Company had \$455,054 deposits and prepaid expense of which \$352,181 were paid to suppliers for the purchase of drilling rigs and field equipment for drilling on the properties in Namibia.

Results of Operations

The Company has no producing properties, and consequently no sales or revenues. Investment income consists of interest income which is earned on cash balances held on deposit with a major bank. The amount fluctuates from period to period depending on the Company's cash balance and interest rates.

For the three months ended March 31, 2008, the Company incurred a net loss of \$465,485 or \$0.004 per share as compared to a loss of \$461,279 or \$0.005 per share for the three months ended March 31, 2007.

Interest income for the quarter ended March 31, 2008 was \$79,530 compared with the quarter ended March 31, 2007 of \$32,425, an increase of \$41,105 due to increased cash balances on hand.

Operating expenditures for the quarter ended March 31, 2008 totaled \$545,015, an increase of \$51,311 from the 2007 comparable quarter. Major factors for the difference were:

- stock based compensation decreased from \$273,036 for Q1 2007 to \$nil for Q1 2008, the decrease of \$273,036 being due to no stock options were granted during the current quarter versus 400,000 options were granted at an exercise price of \$0.8 per share in the comparable quarter 2007;
- amortization expenses increased from \$379 for Q4 2007 to \$149,398 for Q1 2008, the significant increase of \$141,019 due to the purchase of drilling equipment, computer equipment, office furniture and fixtures, and motor vehicles in 2007 for use in Namibia;
- consulting fees increased by \$29,004 in the current quarter due to the engagement of a consultant to provide management and financial advisory services;
- marketing and promotion increased by \$31,762 in the current quarter as a result of more resources being allocated to increasing investor awareness of the Company, major activities were the Idaba Convention 2008 held in South Africa ;
- professional services decreased by \$70, 553 for the current quarter because a lower level of legal, audit and accounting services required ;

- transfer agent and exchanges fees for the current quarter had increased by \$11,158 as a result of the listing fees paid to the Namibian Stock Exchange;
- travel expenses in the Q1 2008 were \$85,258 higher than in the comparative quarter in 2007 due to the requirements for the president, certain directors and consultants to travel between the head office and Namibia office to attend corporate issues, to attend conventions and to meet investors in Europe;
- wages and benefits for Q1 2007 were \$nil compared to \$10,200 in Q1 2008 as no administrative staff was recruited in the Namibia office during Q12007;
- office and general expenses were much higher in the current quarter because an amount \$72,786 in foreign exchange loss had been included in this category.

Summary of Quarterly Results

The following tables summarize information derived from the Company's financial statements for each of the eight most recently completed quarters:

Quarter Ended	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30
Year	2008	2007	2007	2007	2007	2006	2006	2006
Total Revenues	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ Nil	\$ Nil
Net Income (Loss)	(465,485)	(18,624,927)	(1,552,349)	(2,230,295)	(461,279)	(280,633)	(654,934)	(954,983)
Basic Income(Loss) per share	(0.00)	(0.19)	(0.01)	(0.01)	(0.01)	(0.00)	(0.00)	(0.00)

Significant variances in the Company's report loss from quarter to quarter are largely due to the granting of stock options, which results in the recording of amounts for stock-based compensation expense. The stock-based compensation expenses for the quarters commencing from the second 2006 were Q2 2006- \$736,660, Q3 2006 -\$565,125, Q4 2006 - \$250,446, Q1 2007 -\$273,036, Q2 2007-\$1,951,093, Q3 2007 - \$595,870,Q4 2007 - \$18,715,760,Q1 2008 - \$Nil.

Other than the impact of the granting of stock options, the level of operating expenditures represents the ongoing corporate activities as discussed above.

Liquidity and Capital Resources

At March 31, 2008, the Company reported a net working capital of \$24,983,263 compared to a net working capital of \$10,042,039 as at December 31, 2007, representing an increase in working capital by \$14,941,224. The increase was mainly due to receiving \$18,735,821 cash proceeds from the completion of a private placement, the exercise of warrants and stock options. The Company held \$24,477,121 in its cash account. The amount is sufficient to fund the Company's exploration and administrative expenses through 2008.

The Company has been successful in raising the funds to enable it to meet the working capital requirements. However, there is no assurance that equity funding will be accessible to the Company at the times and in the amounts required to fund the Company's activities. The Company is dependent on investor sentiment remaining positive towards the mining exploration sector so that funds can be raised through the sale of its securities. Many factors have an influence on investor sentiment, including a positive climate for mineral exploration, a company's track record and the experience of a company's management. The other sources of funds potentially available to the Company are through the exercise of outstanding warrants and stock options. The Company remains dependent on management and its shareholders to ensure that sufficient funds are obtained.

Off-Balance Sheet Arrangements

The Company has no long term debt, does not have any used lines of credit or other arrangements in place to borrow funds, and has no off-balance sheet arrangements.

Transactions with Related Parties

During the three months ended March 31, 2008, the Company entered into the following transactions with related parties:

- a) Professional fees of \$7,500 (2007 - \$4,500) incurred for accounting services provided by a company owned by one of the directors of the Company.
- b) Consulting fees of \$83,000 (2007 - \$15,000) were paid to the companies owned by one of the director of the Company.
- c) Rental fees of \$3,000 (2007 - \$3,000) were paid to a company owned by one of the directors of the Company.
- d) Marketing, promotion and travel expenses pf \$33,342 (2007 – \$Nil) were paid to directors and to companies owned by directors.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Changes in accounting policies including initial adoption

Effective January 1, 2007, the Company adopted CICA Handbook Section 1530, Comprehensive Income, CICA Handbook Section 3855, Financial Instruments – Recognition and Measurement, and CICA Handbook Section 3865, Hedges. These new Handbook Sections provide comprehensive requirements for the recognition and measurement of financial instruments, as well as standards on when and how hedge accounting may be applied. Handbook Section 1530 also introduces a new component of equity referred to as comprehensive income.

As at January 1, 2007, there was no effect on the Company's Balance Sheet from adopting these standards. As prescribed by these standards, prior periods have not been restated. The adaptation of these new standards had no impact on the Company's consolidated net income. The unrealized gains and losses included in "Accumulated other comprehensive income" were recorded net of taxes, which were nil.

Recent Accounting Pronouncements

The CICA has issued five new standards which may affect the financial disclosures and results of operations of the Company for interim and annual periods beginning January 1, 2008. The Company will adopt the requirements commencing in the interim period ending March 31, 2008 and is considering the impact this will have on the Company's financial statements.

CICA Handbook Section 1535 – Capital Disclosures

This Section establishes standards for disclosing information about an entity's capital and how it is managed to enable users of financial statements to evaluate the entity's objectives, policies and procedures for managing capital. The adoption of this standard has no material impact on the financial statements as the standard relates to disclosures which are included in the notes to financial statements.

CICA Handbook Section 3031 - Inventories

This Section prescribes the accounting treatment for inventories and provides guidance on the determination of costs and its subsequent recognition as an expense, including any write-down to net realizable value. It also provides guidance on the cost formulas that are used to assign costs to inventories. The Company does

not expect the adoption of this standard will have a material impact on the financial statements as the Company does not hold inventories at this time.

CICA Handbook Section 3862 – Financial Instruments – Disclosures

This Section requires entities to provide disclosure of quantitative and qualitative information in their financial statements to enable users to evaluate (a) the significance of financial instruments for the entity's financial position and performance; and (b) the nature and extent of risks arising from financial instruments to which the entity is exposed during the period and at the balance sheet date, and management's objectives, policies and procedures for managing such risks. Entities will be required to disclose the measurement basis or bases used, and the criteria used to determine classification for different types of instruments. The adoption of this standard has no material impact on the Company's financial statements as the standard related to note disclosure.

Convergence with International Financial Reporting Standards ("IFRS")

In 2006, Canada's Accounting Standards Board ratified a strategic plan that will result in Canadian GAAP, as used by public companies, being converged with International Financial Reporting Standards over a transitional period currently expected to be approximately five years. In February 2008, The AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own generally accepted accounting principles. 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 December 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.

CICA Handbook Section 1400 – Going-concern

In June 2007, the CICA Amended Handbook Section 1400, "General Standards of Financial Statement Presentation", which requires management to make an assessment of a company's ability to continue as a going concern. When financial statements are not prepared on a going-concern basis, that fact shall be disclosed together with the basis on which the financial statements are prepared and the reason why the Company is not considered a going-concern. This new section is effective for the years beginning on or after January 1, 2008. Going-concern disclosures are included in the notes to the financial statements.

Financial Instruments

The Company's financial instruments consist of cash, receivables and accounts payable. 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 statements. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

Outstanding Share Data as at May 29, 2008

The Company is authorized to issue unlimited common shares without par value. As at May 29 2008, there were 119,572,469 issued and outstanding common shares compared to 112,357,469 issued and outstanding shares at December 31, 2007. The increase resulted from the issuance of shares pursuant to the completion of a private placement, exercise of share purchase warrants and stock options.

There were a total of 3,736,350 warrants outstanding that had a conversion price of ranging from \$3.75 to \$4.00. If these warrants were to be converted, it would put an additional \$14,830,687 into the Company's Treasury. There were 10,390,000 stock options outstanding under the Company's incentive stock option plan. These stock options are exercisable at prices ranging from \$0.2 to \$6.5, with expiry dates ranging to December 18, 2012.

Disclosure Controls and Procedures

The Company has established and maintained disclosure controls and procedures and internal control over financial reporting. The certifying officers carried out an evaluation of the effectiveness of the design and

operation of the Company's disclosure controls and procedures as of March 31, 2008. The Company has very limited administrative staffing. As a result, internal controls which rely on segregation of duties in many cases are not appropriate or possible. Management has implemented certain controls such as frequent reviews and regular preparations of reconciliations of transactions to ensure absence of material irregularities. Based on that evaluation, the CEO and CFO have concluded that the Company's disclosure controls and procedures are effective in recording, processing, summarizing and reporting, on a timely basis, information required to be disclosed by the Company to satisfy its continuous disclosure obligations, and are effective in ensuring that information required to be disclosed in the reports that the Company files is accumulated and communicated to management as appropriate to allow for timely decisions regarding required disclosure. There is no change in the Company's internal control over financial reporting that occurred during the most recent interim period that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Risk Factors relating to the Company's business

The Company is in an industry that is dependent on a number of factors including environmental, legal and political risks, the existence of economically recoverable reserves, the ability of the Company and its subsidiaries to obtain necessary funds to complete the development and future profitable production or the proceeds of disposition thereof.

The Company is exposed to a number of risks, including the financial risks associated with the fact that it has no operating cash flow and must access the capital markets to finance its activities. The Company has been successful in raising the funds. However, there can be no assurance it will continue to be able to access the capital markets for the funding necessary to acquire and maintain exploration properties and to carry out its desired exploration programs.

There is intense competition within the minerals industry to acquire properties of merit, and the Company competes with other companies possessing greater technical and financial resources than itself. Even if desirable properties are secured, there can be no assurance that the Company will be able to execute its exploration programs on its proposed schedules and with its cost estimates, whether due to weather conditions in the areas it operates, increasingly stringent environment regulations and other permitting restrictions, or other factors related to exploring in areas that lack infrastructure, such as the availability of essential supplies and services.

Many of the professional technical services, materials and supplies used in uranium exploration are not unique to this sector, but are also required in exploring for base and precious metal. Over the past several years, the prices of these commodities have increased substantially, stimulating a rapid growth in exploration expenditures and intensifying the competition for talent and services. These conditions are leading to increased costs and difficulties in scheduling contractors that are optimal from the Company's perspective.

Mineral exploration and development is a speculative business. It involves substantial expenses and a high degree of risks, which even a combination of experience, knowledge and careful evaluation may not be able to mitigate. There is no certainty that the expenditures made or to be made by the Company in the exploration and development of the mineral properties in which it has an interest will result in the discovery of mineralized materials in commercial quantities. While the rewards to an investor can be substantial if an economically viable discovery is made, few properties which are explored are ultimately developed into producing mines.

Even if the Company discovers uranium deposits, the marketability of the products, will be affected by numerous factors beyond the control of the Company. These factors include, but are not limited to, market fluctuations, the proximity and capacity of natural resource markets, processing equipment and government regulations, including regulations relating to price, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection.

The Company, through its subsidiary, is involved in mineral exploration in Namibia, South Africa. There are a number of associated risks over which the Company will have no control, including changes of laws affecting foreign ownership, government participation, taxation, royalties, duties, rates of exchange, repatriation of earnings and civil unrest. There are no assurances that the economic and political conditions in Namibia will continue as they are at the present time.