

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

PANCONTINENTAL URANIUM CORPORATION

(An exploration stage company)

For the three months ended March 31, 2008

(unaudited)

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TABLE OF CONTENTS

Notice of No Auditor Review of Interim Consolidated Financial Statements	1
Consolidated Balance Sheets	2
Consolidated Statements of Operations and Deficit	3
Consolidated Statements of Cash Flows	4
Notes to the Consolidated Financial Statements	5 – 14

**NOTICE OF NO AUDITOR REVIEW OF INTERIM CONSOLIDATED FINANCIAL
STATEMENTS**

The accompanying unaudited interim period consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor, Smith Nixon LLP, has not performed a review of these financial statements.

Pancontinental Uranium Corporation

PANCONTINENTAL URANIUM CORPORATION
(An exploration stage company)

CONSOLIDATED BALANCE SHEETS

As at	March 31, 2008	December 31, 2007
	(unaudited)	(audited)
ASSETS		
Current assets		
Cash	\$ 652,271	\$ 683,586
Term deposits	7,383,697	7,621,821
Receivables	35,689	29,577
Prepaid expenses	5,625	-
	8,077,282	8,334,984
Mineral exploration properties (note 7)	853,675	587,491
Advances to Crosscontinental Uranium Limited (note 8)	158,634	158,634
Equipment (note 9)	36,195	38,195
	\$ 9,125,786	\$ 9,119,304
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accruals (note 12)	\$ 300,150	\$ 225,646
Shareholders' equity		
Capital stock (note 10)	12,918,448	12,918,448
Contributed surplus (note 11)	1,330,161	1,115,147
Deficit	(5,422,973)	(5,139,937)
	8,825,636	8,893,658
	\$ 9,125,786	\$ 9,119,304

See accompanying notes.

PANCONTINENTAL URANIUM CORPORATION
(An exploration stage company)

CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT
(unaudited)

For the three months ended	March 31, 2008	April 30, 2007
Expenses		
Amortization	\$ 2,000	\$ -
Consulting fees (note 12)	16,783	-
Filing and transfer agent fees	3,277	11,651
General and administrative	5,584	1,942
Management fees (note 12)	31,500	12,000
Professional fees (note 12)	3,850	103,610
Rent (note 12)	5,372	2,100
Salaries and benefits	17,405	-
Shareholder relations and promotion	52,792	1,008
Stock-based compensation (note 10)	215,014	38,059
Travel	2,689	-
Loss before other items	356,266	170,370
Other items		
Interest income	72,949	2,918
Foreign exchange gain (loss)	281	(2,214)
Loss for the period	283,036	169,666
Deficit, beginning of period	5,139,937	3,682,333
Deficit, end of period	\$ 5,422,973	\$ 3,851,999
Basic and diluted loss per share (note 10(e))	\$ (0.006)	\$ (0.007)

See accompanying notes.

PANCONTINENTAL URANIUM CORPORATION
(An exploration stage company)

CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

For the three months ended	March 31, 2008	April 30, 2007
Cash provided by (used in):		
Operating activities		
Loss for the period	\$ (283,036)	\$ (169,666)
Adjustment for items not affecting cash:		
Amortization	2,000	-
Stock-based compensation	215,014	38,059
	(66,022)	(131,607)
Changes in non-cash working capital items:		
Accrued interest on term deposits	(61,876)	-
Receivables	(6,112)	(8,937)
Prepaid expenses	(5,625)	(11,140)
Accounts payable and accruals	184,767	115,016
	45,132	(36,668)
Investing activities		
Redemption of term deposit	300,000	-
Mineral exploration properties	(376,447)	(17,500)
Advances to Crosscontinental Uranium Limited	-	(55,500)
	(76,447)	(73,000)
Financing activities		
Deferred financing costs	-	(25,000)
Proceeds from warrants issued	-	987,000
	-	962,000
Increase (decrease) in cash	(31,315)	852,332
Cash, beginning of period	683,586	432,782
Cash, end of period	\$ 652,271	\$ 1,285,114

See accompanying notes.

PANCONTINENTAL URANIUM CORPORATION
(An exploration stage company)

Notes to the Unaudited Interim Period Consolidated Financial Statements

For the three months ended March 31, 2008

1. NATURE OF OPERATIONS

On September 7, 2007 the corporation's name was changed from Centram Exploration Ltd. to Pancontinental Uranium Corporation (the "Company") and the Company was continued under the Canada Business Corporations Act. During October 2007, the Company changed its fiscal year-end from April 30 to December 31.

The Company is an exploration stage company. The Company's principal business activities involve the acquisition, exploration and development of uranium mineral properties that it believes may contain mineralization that will be economically recoverable in the future.

The Company has been in the exploration and development stage since inception, as it has not yet established whether its mineral exploration properties contain reserves that are economically recoverable. The recovery of amounts capitalized for mineral exploration properties on the balance sheet is dependent upon the existence of economically recoverable mineral deposits, the ability of the Company to obtain necessary financing to complete the acquisition, exploration and development of the properties, future profitable production and proceeds from the disposition of the properties. To date, there has been no revenue from exploration activities.

The unaudited interim period consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that the Company will be able to realize its assets and discharge its liabilities in the normal course of operations. These financial statements do not include adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

2. BASIS OF PRESENTATION

These consolidated financial statements are stated in Canadian dollars and have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") and follow the same accounting policies and methods as those used in the preparation of the audited annual consolidated financial statements for the year ended December 31, 2007, with the exception to changes in accounting policies described in Note 3.

Under Canadian generally accepted accounting principles, additional disclosure is required in annual financial statements and accordingly, the unaudited interim period consolidated financial statements should be read together with the audited annual consolidated financial statements for the year ended December 31, 2007. In the opinion of management, all adjustments considered necessary for fair presentation have been included. These interim results are not necessarily indicative of the results that may be anticipated for the entire fiscal year.

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary Maya Gold Corporation S.A. de C.V., a Honduras company, as well as its proportionate share of the accounts of Crosscontinental Uranium Limited ("Crosscontinental"). All significant inter-company transactions and balances have been eliminated upon consolidation.

PANCONTINENTAL URANIUM CORPORATION
(An exploration stage company)

Notes to the Unaudited Interim Period Consolidated Financial Statements

For the three months ended March 31, 2008

As a result of the change in the Company's year end, the comparative periods for the three months ended March 31, 2008 are: December 31, 2007 for the consolidated balance sheets; and, the three month period ended April 30, 2007 for the consolidated statements of operations and deficit and the consolidated statements of cash flows.

Certain comparative figures have been reclassified to conform with the current period's presentation. The net loss previously reported has not been affected by the reclassifications.

3. CHANGES IN ACCOUNTING POLICES

Effective January 1, 2008, the Company adopted the following accounting standards recommended by the Canadian Institute of Chartered Accountants ("CICA"):

(a) Going Concern (Section 1400)

This standard was amended to include new requirements relating to the assessment and disclosure of an entity's ability to continue as a going concern. There was no effect on the interim period consolidated financial statements as a result of the adoption of this standard.

(b) Capital Disclosures (Section 1535)

This standard specifies the disclosure of: (i) an entity's objectives, policies and processes for managing capital; (ii) quantitative data about what the entity regards as capital; (iii) whether the entity has complied with any capital requirements; and, (iv) if it has not complied, the consequences of such non-compliance. Disclosures recommended by this standard are included in Note 5.

(c) Financial Instruments – Disclosure (Section 3862) and Presentation (Section 3863)

These sections replace Section 3761 – Financial Instruments – Disclosure and Presentation, revising and enhancing disclosure requirements and carrying forward unchanged, its presentation requirements for financial instruments. These sections place increased emphasis on disclosures about the nature and extent of risks arising from financial statements and how the entity manages those risks. An entity is required to provide disclosure of quantitative and qualitative information in their financial statements that 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 the financial instruments to which the entity is exposed. Disclosures recommended by these standards are included in Note 6.

4. FUTURE ACCOUNTING CHANGES

(a) Goodwill and Intangible Assets (Section 3064)

The CICA recently issued this new accounting standard which will become effective on January 1, 2009 and establishes revised standards on the recognition, measurement, presentation and disclosure of goodwill and intangible assets. This new standard also provides guidance for the treatment of pre-production and start-up costs and requires

PANCONTINENTAL EXPLORATION CORPORATION
(An exploration stage company)

Notes to the Unaudited Interim Period Consolidated Financial Statements

For the three months ended March 31, 2008

these costs to be expensed as incurred. Concurrent with the introduction of this new standard, the CICA withdrew EIC27, Revenues and Expenses during the pre-operating period. The Company is currently evaluating the impact of this standard.

(b) International Financial Reporting Standards (“IFRS”)

The Canadian Accounting Standards Board confirmed plans to converge GAAP with International Financial Reporting Standards over a transition period expected to be effective for interim and annual periods commencing January 1, 2011. Pancontinental is monitoring CICA plans to make the transition to IFRS. The Company has not yet determined the impact of the transition on its financial reporting.

5. CAPITAL MANAGEMENT

The Company’s objectives when managing capital are: to safeguard its ability to continue as a going concern; and, to have sufficient capital to be able to fund the exploration and development of its mineral properties and acquisition of other mineral resources, for the benefit of its shareholders.

The Company’s strategy is to maintain sufficient capital to enable the Company to support its expenditures and commitments. In order to maintain its capital structure, the Company, when necessary, raises capital through the issuance of equity instruments, primarily comprised of common shares. The Company reviews its capital management methods and requirements on an ongoing basis and makes adjustments, accordingly.

The Company’s capital consists of cash, term deposits, common shares and incentive stock options.

There were no changes in the Company’s management of its capital during the three month period ended March 31, 2008. The Company is not subject to any externally imposed capital requirements.

6. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair Value

The carrying value of cash, term deposits, receivables and accounts payable and accruals approximates fair value due to the relative short-term maturity of these financial instruments. The fair value of advances to Crosscontinental is not determinable as there are no specific terms of repayment.

The Company’s financial instruments are classified as follows:

Cash	Held for trading
Term deposits	Held for trading
Receivables	Loans and receivables
Advances to Crosscontinental Uranium Limited	Loans and receivables
Accounts payable and accruals	Other financial liabilities

PANCONTINENTAL URANIUM CORPORATION
(An exploration stage company)

Notes to the Unaudited Interim Period Consolidated Financial Statements

For the three months ended March 31, 2008

Risk Management

The Company's risk management activities include the preservation of its capital by minimizing risk related to its cash and term deposits. The Company does not trade financial instruments for speculative purposes. The Company does not have a risk management committee or written risk management policies. The Company's financial instruments are exposed to the risks described below.

Credit Risk

Is the risk that one party to a financial instrument will cause a financial loss for the other party, by failing to discharge their obligations. Financial instruments that potentially expose the Company to this risk consist of cash, term deposits and receivables. The Company's risk is minimal, since the majority of its cash and term deposits are on deposit with a Canadian chartered bank and receivables generally consist of the recovery of goods and service taxes from the Canadian government.

Liquidity Risk

The Company has no income from operations and relies on equity funding to support its exploration and corporate activities. Should the need for further equity funding arise, there is a risk that the Company may not be able to sell new common shares at an acceptable price. The Company has sufficient funds to discharge its current liabilities, though it may be required to raise additional funds to meet its potential future Australian dollar denominated joint venture financial commitments, currently estimated to be \$7,107,117 (approximately CAD\$6,673,583).

Currency Risk

The Company operates in Canada, Australia and Burkina Faso, West Africa, giving rise to market risks from changes in foreign exchange rates. The Company has potential future financial commitments denominated in Australian dollars. The Company periodically monitors foreign exchange rates, though it has not entered into any financial arrangements to hedge or protect the Company from unfavourable changes in foreign exchanged rates. As at March 31, 2008, the Company had the following foreign denominated balances:

	USD\$	CFA Franc	AUD\$
Cash	33,459	48,417,666	-
Accounts payable and accruals	-	418,000	249,229

A 7% change in USD foreign exchange rates will impact profitability by \$2,400, a 10% change in the CFA Franc will impact profitability by \$11,900 and a 7% change in the AUD will impact profitability by \$16,400. A 7% change in AUD foreign exchange rates will affect the amount of funds require to meet the Company's potential future joint venture financial commitments by \$467,100.

Interest Rate Risk

Excess cash is invested in financial instruments that provide safety and flexibility for early redemption. Term deposits consist of guaranteed investment certificates, which bear interest at

PANCONTINENTAL URANIUM CORPORATION
(An exploration stage company)

Notes to the Unaudited Interim Period Consolidated Financial Statements

For the three months ended March 31, 2008

floating rates based on the Canadian bank prime rate. The Company's cash and term deposits are subject to interest rate cash flow risk resulting from fluctuations in interest rates. A one percentage (1%) point change in the interest rate will affect the profitability of the Company by \$18,000 over a three month period.

Commodity Price Risk

The ability of the Company to finance the exploration and development of its properties and the future profitability of the Company is directly related to the market price of uranium. Uranium prices fluctuate on a daily basis and are affected by a number of factors beyond the Company's control. A sustained, significant decline in uranium prices could have a negative impact on the Company's ability to raise additional capital. Sensitivity to price risk is remote since the Company has not established any reserves or production.

7. MINERAL EXPLORATION PROPERTIES

	December 31, 2007	Acquisition and Property Costs	Exploration Costs	March 31, 2008
Australia				
Charley Creek	\$ 204,346	\$ 2,545	\$ 117,360	\$ 324,251
Chilling	140,186	3,132	120,312	263,630
Kalabity	202,220	11,781	10,548	224,549
	546,752	17,458	248,220	812,430
Burkina Faso, W. Africa	40,739	-	506	41,245
	\$ 587,491	\$ 17,458	\$ 248,726	\$ 853,675

	April 30, 2007	Acquisition and Property Costs	Exploration Costs	December 31, 2007
Australia				
Charley Creek	\$ -	\$ 5,498	\$ 198,848	\$ 204,346
Chilling	-	1,634	138,552	140,186
Kalabity	-	26,322	175,898	202,220
	-	33,454	513,298	546,752
Burkina Faso, W. Africa	17,500	16,319	6,920	40,739
	\$ 17,500	\$ 49,773	\$ 520,218	\$ 587,491

PANCONTINENTAL URANIUM CORPORATION
(An exploration stage company)

Notes to the Unaudited Interim Period Consolidated Financial Statements

For the three months ended March 31, 2008

Australia

On February 14, 2007 the Company entered into a letter of agreement (the "LOA") with Crossland Uranium Mines Limited ("Crossland") to earn a 50% interest in a joint venture (the "Joint Venture") formed on February 8, 2007, originally comprised of three prospective uranium projects (Charley Creek, Chilling, Kalabity) held by Crossland in Australia. Under the LOA, Crossland contributed to the Joint Venture, 100% of its interest in the three uranium properties, together with all uranium prospects in Australia that are currently or subsequently available or known to Crossland. During the three month period ended March 31, 2008, two additional uranium prospects (Crossland Creek, Mount Thomas) were added to the Joint Venture. The Company is required to spend Australian \$8 million over 4 years, with a minimum commitment of Australian \$4 million over 2 years. In order to earn any interest, the Company will be required to expend the full Australian \$8 million. Upon the Company attaining a 50% interest, all further expenditures will be shared on a proportionate basis. Crossland will act as operator of the Joint Venture. As of March 31, 2008 the Company has expended Australian \$892,883 (CAD\$812,430).

Kalabity

Crossland can earn a minimum 60% interest in the Kalabity project located in South Australia. The project area encompasses approximately 148 square kilometres.

Chilling

Crossland has a 100% interest in the Chilling project, located in the Northern Territory. The project area is contiguous and encompasses approximately 1,892 square kilometres. Crossland has received titles for 1,353 square kilometres of the total area.

Charley Creek

Crossland has a 100% interest in the Charley Creek project, located in central Australia. The project area encompasses approximately 703 square kilometres.

Burkina Faso, West Africa

As part of the LOA, the Company and Crossland established a private Canadian company, Crosscontinental, which is owned and is to be funded on a 50:50 basis. Crosscontinental conducts exploration and development of uranium prospects worldwide, outside Australia.

As at March 31, 2008, Crosscontinental incurred \$82,490 (December 31, 2007 - \$81,478) in costs related to the acquisition of exploration permits in Burkina Faso, West Africa. Accordingly, the Company's 50% share has been recorded in these financial statements.

8. ADVANCES TO CROSSCONTINENTAL URANIUM LIMITED

Amounts due from Crosscontinental are non-interest bearing and have no specific terms of repayment.

PANCONTINENTAL URANIUM CORPORATION
(An exploration stage company)

Notes to the Unaudited Interim Period Consolidated Financial Statements

For the three months ended March 31, 2008

9. EQUIPMENT

	Cost	Accumulated Amortization	Net Book Value	
			March 31, 2008	December 31, 2007
Computer equipment	\$ 2,158	\$ 670	\$ 1,488	\$ 1,672
Exploration equipment	38,274	5,541	32,733	34,447
Office equipment	2,307	333	1,974	2,076
	\$ 42,739	\$ 6,544	\$ 36,195	\$ 38,195

10. CAPITAL STOCK

(a) Authorized

Unlimited common shares
Unlimited preferred shares

(b) Issued

	Number of shares	Amount
Balance, April 30, 2007	32,330,562	\$ 5,014,755
2007:		
Shares issued by private placement (*)	12,500,000	3,834,000
Warrants exercised (*)	4,975,930	2,985,558
Fair value attributable to warrants exercised (*)	-	928,310
Fair value attributable to warrants expired (*)	-	237,690
Share issuance costs	-	(81,865)
Balance, at December 31, 2007 and March 31, 2008	49,806,492	\$12,918,448

(*) On April 10, 2007, the Company closed in trust, 12,500,000 units at \$0.40 per unit for proceeds of \$5,000,000 pursuant to a non-brokered private placement. These units and funds were held in escrow and were released on June 29, 2007, the date the Company was listed for trading on the TSX Venture Exchange as a Tier 2 mining issuer. Each unit was comprised of one common share and one-half of a common share purchase warrant. Each full warrant entitled the holder to acquire an additional share at a price of \$0.60, expiring April 10, 2009. Pursuant to the terms of each warrant's forced conversion provision, the expiration date of the warrants was accelerated to August 29, 2007, as a result of the share price of the Company's common shares having closed at \$1.00 or more for a period of twenty consecutive trading days, subsequent to June 29, 2007. Of these warrants 4,975,930 were exercised and 1,274,070 expired.

The fair value attributed to the warrants under the Black-Scholes option pricing model was \$1,166,000. The following assumptions were used to estimate the value: expected dividend yield – Nil, expected volatility – 126%, risk-free interest rate – 4% and an expected life of 2 years.

PANCONTINENTAL URANIUM CORPORATION
(An exploration stage company)

Notes to the Unaudited Interim Period Consolidated Financial Statements

For the three months ended March 31, 2008

(c) Stock option plan

Under the terms of the Company's stock option plan, the Company is authorized to issue up to a maximum of 10% of the issued common shares. All of the options granted expire five years from the date of grant and vest as follows: one-third immediately; one-third twelve months from the date of grant; and, one-third twenty-four months from the date of grant. The fair value of the options, at the time of grant, is estimated using the Black-Scholes option pricing model.

During the three month period ended March 31, 2008, the Company recognized stock-based compensation expense of \$215,014 (April 30, 2007 - \$38,059). The offsetting credit was charged to contributed surplus.

Stock option transactions and the number of stock options outstanding are as follows:

	Number of Options	Weighted Average Exercise Price
Balance, April 30, 2007	800,000	\$ 0.19
Options granted	2,950,000	0.74
<u>Balance, December. 31, 2007 and March 31, 2008</u>	<u>3,750,000</u>	<u>\$ 0.62</u>

In accordance with the terms of the Company's Stock Option Plan, the Company:

- (i) On June 5, 2006, granted 800,000 options to officers and directors of the company. The options were issued at an exercise price of \$0.19.
- (ii) On February 26, 2007, granted 800,000 stock options to two proposed directors and two proposed consultants from Crossland, subject to: the Company graduating to Tier 2 of the TSX Venture Exchange, the two proposed directors being appointed to the Company's board of directors; and, the Company engaging the services of the two consultants. On July 6, 2007 the last of these conditions was satisfied. The options were issued at an exercise price of \$0.50.
- (iii) On September 13, 2007, granted 2,100,000 stock options to directors, officers and consultants of the Company. The options were issued at an exercise price of \$0.82.
- (iv) On October 30, 2007, granted 50,000 stock options to an officer of the Company. The options were issued at an exercise price of \$0.95.

PANCONTINENTAL URANIUM CORPORATION
(An exploration stage company)

Notes to the Unaudited Interim Period Consolidated Financial Statements

For the three months ended March 31, 2008

The following table summarizes information about the outstanding options:

Expiry Date	Number	Exercise Price	Exercisable	Weighted Average Remaining Contractual Life	Unamortized Stock-based Compensation
June 4, 2011	800,000	\$ 0.19	533,333	3.18	3,758
February 25, 2012	800,000	0.50	533,333	3.91	49,399
September 12, 2012	2,100,000	0.82	700,000	4.45	556,628
October 29, 2012	50,000	0.95	16,667	4.58	18,199
	<u>3,750,000</u>		<u>1,783,333</u>	<u>4.07</u>	<u>627,984</u>

(d) Warrants

	Number of Warrants	Weighted Average Price
Balance, at April 30, 2007	-	\$ -
2007:		
Issued by private placement	6,250,000	0.60
Warrants exercised	(4,975,930)	0.60
Warrants expired	(1,274,070)	0.60
Balance, at December 31, 2007 and March 31, 2008	-	\$ -

(e) Supplemental information on weighted average number of shares outstanding:

As at ,	March 31, 2008	April 30, 2007
Basic	<u>49,806,492</u>	<u>24,620,731</u>
Diluted	<u>50,606,492</u>	<u>33,130,562</u>

The effect of the potentially dilutive options were not included in the calculation of the diluted loss per share as the result would be anti-dilutive.

11. CONTRIBUTED SURPLUS

	March 31, 2008	December 31, 2007
Balance, beginning	\$ 1,115,147	\$ 127,682
Stock based compensation	<u>215,014</u>	<u>987,465</u>
Balance, ending	<u>\$ 1,330,161</u>	<u>\$ 1,115,147</u>

PANCONTINENTAL URANIUM CORPORATION
(An exploration stage company)

Notes to the Unaudited Interim Period Consolidated Financial Statements

For the three months ended March 31, 2008

12. RELATED PARTY TRANSACTIONS

During the period ended March 31, 2008, the Company:

- (a) paid management fees of \$31,500 (Apr2007 - \$12,000) to companies controlled by or associated with officers of the Company.
- (b) accrued director consulting fees of \$13,000 (Apr2007 - \$nil) to compensate an independent director for time spent on Company activities. This amount is recorded in the consulting expense.
- (c) accrued consulting fees of \$783 (Apr2007 - \$nil). The fees are payable to a company related by virtue of a common director.
- (d) paid or accrued rent of \$5,461 (Apr2007 - \$2,100) to companies related by virtue of common directors. These amounts are included in rent expense and mineral exploration properties.
- (e) paid or accrued legal costs of \$3,463 (Apr2007 - \$nil) to a law firm in which an officer of the Company is a partner. These amounts are included in the professional fees expense.
- (f) paid legal fees of \$2,481 (Apr2007 - \$nil) to a company related by virtue of common directors. This amount is recorded in mineral exploration properties.

Included in accounts payable and accruals at March 31, 2008 is \$259,231 (Apr2007 - \$nil) payable to directors and to companies related by virtue of common directors. This amount includes a payable to Crossland of \$234,492.

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

PANCONTINENTAL URANIUM CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS (for the three month period ended March 31, 2008)

May 22, 2008

INTRODUCTION

The following management's discussion and analysis ("MD&A") of operating results, financial condition and future prospects of Pancontinental Uranium Corporation ("Pancontinental" or the "Company") should be read in conjunction with Pancontinental's: audited annual consolidated financial statements and related notes for the eight month period ended, December 31, 2007; MD&A dated, April 21, 2008; and, unaudited interim consolidated financial statements and related notes for the three month period ended March 31, 2008. Additional information related to the Company is filed electronically on the System for Electronic Document Analysis and Retrieval (SEDAR) and is available online at www.sedar.com.

Pancontinental's audited and unaudited interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). All amounts in the MD&A and in the Company's consolidated financial statements are expressed in Canadian dollars, unless otherwise noted. The Company's investment in Crosscontinental Uranium Limited ("Crosscontinental"), a company under joint control, is accounted for using proportionate consolidation. The consolidated financial statements include the accounts of its wholly-owned inactive subsidiary Maya Gold Corporation S.A. de C.V., a Honduras company.

This MD&A and the unaudited interim consolidated financial statements and related notes for the three month period ended, March 31, 2008, have been reviewed by Pancontinental's audit committee and approved by its Board of Directors.

FORWARD-LOOKING STATEMENTS

This MD&A contains forward-looking statements relating to, but not limited to, Pancontinental's assumptions, estimates, expectations and statements that describe Pancontinental's future plans, intentions, beliefs, objectives or goals, that are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those expressed or anticipated by such forward-looking statements. Factors that could cause such differences, without limiting the generality of the foregoing, include: timing of commencement of exploration activities; failure to establish resources or reserves; changes in conditions of precious and base metal markets; ability to raise capital in equity markets; cost and supply of materials, labour and equipment; environmental approvals and regulations; non-performance of project operator or joint venture partner; adverse exploration and mining conditions; unexpected or unsatisfactory geological conditions or exploration results; failure or delays in obtaining or retaining necessary permits or approvals; inability to access properties; changes in government and mining policies and regulations; currency and commodity price fluctuations; and other development and exploration risks.

Although we believe that the assumptions, estimates and expectations reflected in our forward-looking statements are reasonable, results may vary, and we cannot guarantee future results, levels of activity, performance or achievements. Readers are cautioned not to place undue reliance on these forward-looking statements. Pancontinental disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or other such factors which affect this information, except as required by law.

Pancontinental Uranium Corporation

Management's Discussion & Analysis (for the three month period ended March 31, 2008)

OVERVIEW

Pancontinental is an exploration stage company, focused on the acquisition, exploration and development of uranium properties. The Company is currently participating in uranium exploration activities in Australia and has applied for a number of uranium permits in Burkina Faso, West Africa. The Company does not earn any production revenue and has no proven reserves.

On September 7, 2007, the name of the Company was changed to Pancontinental Uranium Corporation and the Company was continued under the Canada Business Corporations Act ("CBCA"). The Company was formerly known as Centram Exploration Ltd. and was previously incorporated under the laws of Alberta. On September 10, 2007, the Company began trading as a Tier 2 issuer on the TSX Venture Exchange, under the trading symbol PUC. During October 2007, the Company changed its fiscal year end from April 30 to December 31.

JOINT VENTURES WITH CROSSLAND URANIUM MINES LIMITED ("CROSSLAND")

Australia

On February 14, 2007, Pancontinental entered a letter of agreement (the "LOA") with Crossland to earn a 50% interest in a joint venture (the "Joint Venture"), originally comprised of three prospective uranium projects (Chilling, Charley Creek and Kalabity) held by Crossland, in Australia, together with all uranium prospects that are currently or subsequently available to, or known by Crossland. During the three month period ended, March 31, 2008, two additional uranium prospects (Crossland Creek and Mount Thomas) were added to the Joint Venture. The Company is required to spend Australian \$8 million over four (4) years, with a minimum commitment of Australian \$4 million over two (2) years. To earn any interest in the Joint Venture, the Company is required to expend the full Australian \$8 million. Upon the Company attaining its 50% interest in the Joint Venture, all further expenditures will be shared on a proportionate basis. Crossland acts as operator of the Joint Venture. The formation date of the Joint Venture was February 8, 2007 and the Company is currently finalizing the documentation of a formal agreement for the Joint Venture and anticipates that the defined expenditures, together with Crossland's planned exploration activities for the upcoming year, will be sufficient to satisfy the initial expenditure commitment of Australian \$4 million.

As of the date of this MD&A, the Company has expended AUD\$892,883 (CAD\$812,430) on the Joint Venture and is required to expend an additional AUD\$3,107,117 (approximately, CAD\$2,917,583) during the first two (2) years and AUD\$7,107,117 (approximately, CAD\$6,673,583) over four (4) years to earn its interest.

Crosscontinental Uranium Limited

Pursuant to the LOA, Pancontinental and Crossland, on March 20, 2007, formed Crosscontinental, a private Canadian company owned and funded by the Company and Crossland on a 50:50 basis. Crosscontinental was formed to expand the Company's and Crossland's world-wide uranium exploration and development efforts beyond Australia. The Company and Crossland are each required to contribute Australian \$2 million to initially fund Crosscontinental's activities.

As at March 31, 2008, Pancontinental had provided Crosscontinental with advances of \$317,269 (AUD\$337,880) and Crossland had invoiced Crosscontinental for expenditures of \$99,097 (AUD\$105,535). Expenditures incurred by Crossland, during the three month period ended March 31, 2008, represent consulting fees of \$1,566 (AUD\$ 1,666), payable a director of the Company. The director manages the evaluation and development of opportunities for Crosscontinental. Crosscontinental's indebtedness to Crossland increased primarily as a result of an unfavourable change in foreign exchange rates. The Company's proportionate share of its advances to Crosscontinental is \$158,634. Advances to Crosscontinental are non-interest bearing and have no specific terms of repayment.

Pancontinental Uranium Corporation

Management's Discussion & Analysis (for the three month period ended March 31, 2008)

In April 2008, Crossland provided Crosscontinental with additional capital of \$278,250 (AUD\$300,000). Crosscontinental used these funds to reimburse Crossland for its expenditures and equalize the contributions provided to Crosscontinental by Pancontinental and Crossland. Crosscontinental expects to use the balance of the funds to finance the acquisition of uranium exploration permits and fund exploration activities in Burkina Faso, West Africa.

MINERAL EXPLORATION PROPERTIES

EXPLORATION STRATEGY

Pancontinental's and Crossland's exploration strategy is to pursue the discovery of major uranium deposits, primarily across the Northern Territory and South Australia, utilising the extensive experience of the management team. Their significant experience, together with the use of modern exploration techniques, improves the likelihood of exploration success. Properties have been selected based on a number of key factors that include choosing projects in areas with a high probability for the discovery of major uranium deposits, particularly in regions where land title issues are minimized and where the development of discoveries could be expected, if exploration proves successful. The region of Northern Australia known as the Pine Creek Orogen, hosts large uranium deposits including Jabiluka, Ranger, Koongarra and Nabarlek in the Alligator Rivers Uranium Field, in addition to Rum Jungle and the South Alligator Valley deposits. The region has a global reputation for large, high grade uranium deposits, perhaps matched only by the Athabasca Basin of Canada. Crossland has been accumulating its North Australian exploration portfolio since 2002, and commenced exploration in 2003. The Company believes Crossland has the expertise and resources to effectively manage the exploration activities from its operations base in Darwin.

EXPLORATION PROJECTS

Australia

Chilling

The Chilling project is located in the uranium-rich Pine Creek Orogen of the Northern Territory in Australia, approximately 150 kilometres south of Darwin, and encompasses an area of approximately 1,892 square kilometres. Crossland has a 100% interest in Chilling and has received titles for 1,353 square kilometres of the total area, including the additional 67 square kilometres of the Mount Thomas exploration license, acquired in early March 2008 from Aldershot Resources.

Crossland was formed in May 2006 through the merger of Crossland Mines Pty Ltd. ("CMPL") and Klondike Source Limited. The Chilling property was originally held by CMPL, a private company formed in late 2003 to evaluate a portfolio of targets across northern Australia generated with proprietary targeting methods. Chilling was a property originally selected using these proprietary targeting methods and since then, the project area has been expanded to secure a contiguous land position with prime prospectivity for unconformity-related uranium deposits. Past exploration in the area was patchy and isolated, despite several companies' efforts in the area. It is Pancontinental's and Crossland's intention to systematically and comprehensively explore for uranium covering the entire project area.

Targets at Chilling include Alligator Rivers-type large, high grade unconformity-related uranium ore bodies. The Pine Creek Orogen contains the world-class uranium deposits of the Alligator Rivers Uranium Field. These deposits include Jabiluka, Ranger, Koongarra and Nabarlek. Similar, smaller deposits have been mined in the South Alligator Valley and Rum Jungle Uranium Fields. It is the Joint Venture's hypothesis that the Chilling area mirrors the Jabiluka-Ranger-Koongarra corridor of the Alligator Rivers Uranium Field. The area is in a similar geological setting with high uranium background values and is large enough to include a repetition of the entire corridor.

Pancontinental Uranium Corporation

Management's Discussion & Analysis (for the three month period ended March 31, 2008)

The Chilling titles cover a significant portion of an arcuate unconformity between Paleoproterozoic (older than 1,850 million years old ("Ma")) metamorphic basement rocks and less deformed Mesoproterozoic (1,700 Ma or younger) platform sedimentary cover rocks. This unconformity extends north-south for approximately 130 kilometres within the Chilling area and is the most important control for the location of uranium mineralization in the Pine Creek Orogen. The source of the high uranium background values is Archean granite basement, which is exposed in the Rum Jungle and Waterhouse granites, over 20 kilometres to the north-northeast of the project area. It is likely that the Adelaide River Fault System, traversing the area, provided channelways for uranium-bearing fluids. The Depot Creek Sandstone of the Tolmer Group which form the cover rocks, is stratigraphically equivalent in age to the Kombolgie Sandstone in the Alligator Rivers Uranium Field, and the unconformity surface may contain sites for uranium deposition within Chilling. Uranium occurrences are known to outcrop within the project area.

Charley Creek

The Charley Creek project is located in central Australia, approximately 100 kilometres northwest of Alice Springs in the Northern Territory, and encompasses an area of approximately 703 square kilometres of granted exploration licenses. It is situated on the southern margin of the North Australian Craton. Crossland has a 100% interest in Charley Creek.

The Charley Creek property was selected in 2003 using proprietary targeting methods and has since been expanded to include extensive areas of the radioactive Teapot Granite, as well as drainages and sediment basins downstream of the granite. The project area has not been intensively explored, although outcropping secondary uranium mineralization is recorded from the property. Pancontinental and Crossland believe the area contains the elements necessary for the formation of sediment-hosted uranium deposits.

Targets in the Charley Creek project area include sediment-hosted uranium deposits, specifically calcrete and redox-related uranium targets, as well as uranium-enriched phases of the Teapot Granite. Past exploration has identified uranium occurrences in the Teapot Granite. The area is also considered prospective for copper, nickel and platinum deposits. Known uranium occurrences associated with secondary uranium mineralization hosted in the granite returned values up to 0.228% U_3O_8 when sampled in the 1970s. Exploration in the 1970s also measured uranium in water bores around the project area, indicating that uranium is mobile in the groundwater and a deposition site would accumulate this to form calcrete or redox deposits. Targets are either one of the two possible deposit types or a combination of the two types formed in a single deposit, as occurs elsewhere in the region.

The Teapot Granite outcrops in the western portion of the area, which should provide an ideal source rock for sediment-hosted mineralization in the surrounding fluvial channels. The Teapot Granite intrudes and assimilates older gneissic basement of the Glen Helen Metamorphics, Mesoproterozoic (1,650 – 1,680 Ma) gneisses and schists. The oldest lithology in the area is the Mt. Hay Granulite (over 1,780 Ma), a highly metamorphosed Paleoproterozoic mafic intrusive complex prospective for nickel, copper and platinum, which outcrops significantly in the eastern portion of the property. A portion of this complex lies below the channels.

Kalabity

The Kalabity project is located in South Australia, 40 kilometres north of Olary and approximately 100 kilometres west of Broken Hill, and encompasses an area of approximately 148 square kilometres. Crossland entered into a joint venture on Kalabity in late 2006 with Platsearch NL ("Platsearch") and Eaglehawk Geological Consulting Pty Ltd. ("Eaglehawk"). Crossland can earn at least a 60% interest in Kalabity through the expenditure of Australian \$500,000 over three years, beginning April 2007. As of March 31, 2008, Crossland has expended approximately AUD\$315,000.

Platsearch and Eaglehawk compiled the previous exploration data after applying for the property in 1999. The project lies within the Olary Uranium Field in the southwestern portion of the Curnamona Craton. This is a district of historic uranium and radium mining and contains a variety of known deposit types. Australia's first

Pancontinental Uranium Corporation

Management's Discussion & Analysis (for the three month period ended March 31, 2008)

uranium mine, Radium Hill, lies 50 kilometres to the south. The KR4 prospect within the Kalabity title was discovered in 1985 by prospecting, while the first uranium discoveries in the Olary Uranium Field were made at Radium Hill in 1906. The field also includes Crocker Well, Mt. Victoria, Spring Hill, Jagged Rocks, Honeymoon and Gould's Dam deposits, in the district surrounding Kalabity. Outcropping davidite mineralization, similar to ore mined at Radium Hill, has been discovered at the KR4 prospect within the Kalabity exploration license and exploration has identified several targets in the license area.

Targets at Kalabity include granite-related uranium deposits and iron oxide-copper-gold deposits. The Kalabity area was subject to extensive exploration in the past, targeting the KR4 prospect with granite-related davidite mineralization similar to the ore at Radium Hill, with values of up to 4.72% U_3O_8 from surface specimens. The KR4 target and Radium Hill share a number of similarities, including davidite mineralization associated with biotite gangue, and a northeast strike direction.

In addition to uranium exploration, recent exploration has concentrated on iron oxide-copper-gold deposits of the East Mt. Isa and Olympic Dam style.

The Kalabity project area has moderate bedrock exposure, although significant areas have thin unconsolidated alluvial, colluvial and aeolian cover, usually much less than 20 metres in depth. Calcreted soils form a large portion of the cover.

Crossland Creek

The Crossland Creek project is located in the West Kimberley region of Western Australia, 190 kilometres west of Wyndam and 150 kilometres south of Kalumburu, and encompasses an area of approximately 348 square kilometres. Crossland has a 100% interest in Crossland Creek. Additionally, another nearby exploration license, having an area of approximately 450 square kilometres and covering an apparently similar setting, is subject to an agreement with Thundelarra Exploration Ltd.

Targets at Crossland Creek include unconformity-related uranium deposits, possibly accompanied by other metals. Though past exploration focused on several other targets, Crossland recognized the promising potential for uranium on the property. The structural geology is similar to the Athabasca Basin in Saskatchewan, Canada and the McArthur Basin in the Northern Territory, Australia.

The Crossland Creek project is situated in the Kimberley Basin, a relatively undeformed Paleoproterozoic sequence of sandstone, siltstone, shale and basalt up to 5,000 metres in thickness. Basaltic rocks of the Carson Volcanics outcrop over much of the project area. This is underlain by the King Leopold Sandstone. The target for a possible source of uranium and other metals is on the basal unconformity of the King Leopold Sandstone. The basement rocks below the King Leopold Sandstone remain unexplored, as no evidence of previous drilling has been found near the prospective area, although uranium occurrences are known in areas where the basement rocks are exposed around the edge of the Kimberley Basin.

The potential for uranium at Crossland Creek was identified by Crossland through the interpretation of results from a recently completed airborne magnetic and radiometric survey. Past exploration at Crossland Creek focused on several targets including uranium, copper, diamonds and bauxite. The property was initially viewed as most prospective for copper, based on copper values from soil and rock sampling discovered from a broad area of alteration which coincided with a magnetic anomaly. This had originally been defined in regional, government-funded surveys and confirmed by Crossland during 2006. The recently completed airborne magnetic and radiometric survey was undertaken by Crossland to provide definition of this anomaly to delineate drill targets. The results identified uranium-channel anomalies along a linear magnetic structure to the east of the original magnetic anomaly.

Crossland has developed the concept that the uranium might originate from leakage along a dyke-filled fault from a deposit on the sandstone unconformity at depth. The source of the magnetic feature is likely to be a basic intrusive

Pancontinental Uranium Corporation

Management's Discussion & Analysis (for the three month period ended March 31, 2008)

that has entered a pre-existing structure. This structure would occupy a setting very similar to structures which host unconformity-related uranium deposits, such as the Athabasca Basin in Saskatchewan and the McArthur Basin in the Northern Territory. These basins are also relatively unfolded and contain younger Proterozoic rocks, with basal sandstone units, which lie over an older more folded basement terrain.

EXPLORATION ACTIVITIES

Australia

Chilling

Follow-up of radiometric anomalies revealed in the detailed airborne magnetic and radiometric survey began in April. The survey was completed in December 2007 and covered 18,875 line kilometres. The results have been processed and are still being evaluated by the geophysicists. Several previously undetected anomalies are revealed in the results. Seasonal conditions indicate an early start to field work at Chilling may be possible.

Future Plans

Interpretation of the geophysical results will form the basis for follow-up in the 2008 field season. The Mema prospect is ready for initial drill testing, though additional targets are likely to emerge from follow-up of the airborne survey. Due to seasonal conditions, access for drill testing at Chilling would not commence before approximately June 2008, and a drill rig has been reserved. Crossland has also indicated to Geoscience Australia that it will participate in a major airborne electromagnetic ("AEM") survey that is planned for the Pine Creek Orogen in 2008. This should provide valuable data on the structure of basement rocks beneath later Proterozoic cover rocks, throughout the Chilling project area. Crossland will infill the survey over areas of prime interest within the Chilling project area.

Charley Creek

The 2008 exploration program at Charley Creek began with the commencement of an air core drilling program in April. Approximately 5,000 metres of drilling over more than 100 holes is expected to be completed by mid-May. Drill targets were delineated from the analysis of the Tempest AEM survey completed in August 2007. The objective of this phase of drilling is to probe the extensive sediment accumulations beneath the flats in the Charley Creek project area to determine if they represent a viable target for calcrete or redox-related uranium deposits.

Future Plans

Ground follow-up of targets generated from the airborne radiometric and magnetic survey completed in January 2008 will proceed once the air core drilling program is complete. This analysis will help to identify areas of outcropping mineralization in the Teapot Granite. This follow-up awaits clearance of the proposed reconnaissance areas for Aboriginal sacred sites. These consultations are underway.

Kalabity

An auger drilling program was completed at Kalabity in March. 636 samples were submitted to the laboratory for analysis. These samples are from the Tabita prospect and from follow-up of an area that returned palladium values between the detection limit of 1ppb and 134ppb, from the final line of sampling at the KR4 prospect in 2007.

Future Plans

Results of the recently completed auger drilling program are pending and these results will determine the direction and amount of additional work.

Crossland Creek

Crossland has expanded its holdings by the acquisition, from Thundelarra Exploration Ltd., of E80/3854 which adds more than 450 square kilometres to the project area. The exploration license is located approximately 40 kilometres to the south of the original Crossland Creek titles and covers a similar geological setting with

Pancontinental Uranium Corporation

Management's Discussion & Analysis (for the three month period ended March 31, 2008)

associated uranium channel anomalies. Field work is expected to commence at Crossland Creek in July or August 2008 in preparation for diamond drilling in the 2008 dry season.

Future Plans

The newly-acquired area will be covered with an airborne geophysical survey with specifications similar to those of the Crossland Creek survey in 2007. Preparations will be made to commence testing the geophysical targets there as soon as access is possible.

Burkina Faso, West Africa

Crosscontinental has applied for a number of uranium exploration permits in Burkina Faso, West Africa. The permits cover a significant portion of zones that rated well for uranium prospectivity, in a 2003 study funded by the European Development Fund. Processing of Crosscontinental's applications is expected to proceed when the Government of Burkina Faso has formulated its policy on uranium mining. Burkina Faso borders Niger, Africa's leading uranium producing nation.

Qualified Person

Geoffrey Eupene, B.Sc(Hons), FAusIMM, CP(Geo), a director of Pancontinental, is the Company's in-house Qualified Person for the purposes of NI 43-101.

EXPLORATION EXPENDITURES

Exploration expenditures totalled \$266,184 for the three month period, ended March 31, 2008. During the current quarter, an additional \$265,678 was expended on the Joint Venture properties and \$506 on exploration activities in Burkina Faso, West Africa.

Pancontinental Uranium Corporation

Management's Discussion & Analysis (for the three month period ended March 31, 2008)

MINERAL EXPLORATION PROPERTIES

	Australia				West Africa	March 31, 2008
	Kalabity	Chilling	Charley Creek	Total	Burkina Faso	
	\$	\$	\$	\$	\$	
Acquisition and property costs						
Balance, December 31, 2007	26,322	1,634	5,498	33,454	33,819	67,273
Land access and sacred sites	10,915	-	-	10,915	-	10,915
Permits and tenements	866	3,132	2,545	6,543	-	6,543
	11,781	3,132	2,545	17,458	-	17,458
Balance, March 31, 2008	38,103	4,766	8,043	50,912	33,819	84,731
Exploration costs						
Balance, December 31, 2007	175,898	138,552	198,848	513,298	6,920	520,218
Assays, laboratory, metallurgy	1,048	-	-	1,048	-	1,048
Drilling	-	9,390	-	9,390	-	9,390
Field consulting and wages	-	106	2,697	2,803	-	2,803
Field expenses and consumables	8,238	-	2,981	11,219	-	11,219
General and administration	-	94	253	347	506	853
Geological and technical consulting	1,262	9,929	2,676	13,867	-	13,867
Geophysics and surveys	-	100,793	108,753	209,546	-	209,546
Reports and maps	-	-	-	-	-	-
	10,548	120,312	117,360	248,220	506	248,726
Balance, March 31, 2008	186,446	258,864	316,208	761,518	7,426	768,944
Total	224,549	263,630	324,251	812,430	41,245	853,675

RESULTS OF OPERATIONS

With Pancontinental having evolved into an active exploration company, the Company experienced increases in costs in unison with its development and increased corporate activity. During the comparable quarter, the Company was inactive (previously, the Company was a listed issuer on the NEX board of the TSX Venture Exchange) and was in the initial stages of completing a number of transactions that would result in advancing the Company to its current status.

As a result of Pancontinental changing its year end, the comparative period for the current quarter is the three month period, ended April 30, 2007 ("Apr2007F"). The net loss for the three month period, ended March 31, 2008 was \$283,036 compared to a net loss of \$169,666 for the comparable quarter. Expenses increased significantly (\$356,266 – 2008F vs \$170,370 – Apr2007F).

Pancontinental Uranium Corporation

Management's Discussion & Analysis (for the three month period ended March 31, 2008)

The primary factors contributing to the increase in the loss for the current quarter were:

- an increase in stock-based compensation (\$215,014 - 2008F vs \$38,059 - Apr2007F) due to the recognition of a portion of the unamortized fair value balance related to 3,750,000 incentive stock options granted in prior periods.
 - \$5,203 (\$38,059 - Apr2007F) represents the fair value attributable to 800,000 options granted on June 5, 2006.
 - \$30,147 represents the fair value attributable to 800,000 options granted on February 26, 2007.
 - \$174,755 represents the fair value attributable to 2,100,000 options granted on September 13, 2007.
 - \$4,909 represents the fair value attributable to 50,000 options granted on October 30, 2007.
- an increase in shareholder relations and promotion costs (\$52,792 - 2008F vs \$1,008 - Apr2007F) attributable to activities undertaken to market Pancontinental, including participation in industry trade shows, advertising and web site costs. The account includes related travel costs.
- an increase in management compensation (\$31,500 - 2008F vs \$12,000 - Apr2007F), please refer to the Related Party Transactions section for further details.
- an increase in salaries and benefits (\$17,405 - 2008F vs \$nil - Apr2007F) as personnel was added to support the growth in corporate activity.
- an increase in consulting fees (\$16,783 - 2008F vs \$nil - Apr2007F) as Pancontinental compensated an independent director for services provided at an industry trade show (please refer to the Related Party Transactions section for further details) and retained the services of an office administrator for its office in North Vancouver, B.C.

The increase in the loss for the current quarter was mitigated by:

- an increase in interest income (\$72,949 - 2008F vs \$2,918 - Apr2007F) as the amount of funds available for depositing and investing was significantly higher, as a result of the Company having, subsequent to April 30, 2007, received \$7,985,558 from a private placement and the exercise of the related warrants.
- a substantial decrease in professional fees (\$3,850 - 2008F vs \$103,610 - Apr2007F) resulting from the absence of audit costs and legal costs attributable to the LOA, the Company's efforts to graduate to the TSX Venture Exchange as a Tier 2 issuer and organization of the Company's annual and special meeting of shareholders.

For further information with respect to the components of expenses and other items for the current quarter, please refer to the Statement of Operations and Deficit included in Pancontinental's unaudited interim consolidated financial statements for the three month period, ended March 31, 2008.

Pancontinental Uranium Corporation

Management's Discussion & Analysis (for the three month period ended March 31, 2008)

		SUMMARY OF QUARTERLY RESULTS				
		Revenue	Loss before other items	Other items	Net income (loss)	Net loss per share
		\$	\$	\$	\$	\$
<u>Fiscal 2008</u>						
Q1	March 31, 2008	-	(356,266)	73,230	(283,036)	(0.006)
<u>Transition Year</u>						
2 mths	December 31, 2007	-	(272,364)	66,701	(205,663)	(0.004)
Q2	October 31, 2007	-	(870,449)	66,307	(804,142)	(0.020)
Q1	July 31, 2007	-	(320,131)	41,998	(278,133)	(0.008)
<u>Fiscal 2007</u>						
Q4	April 30, 2007	-	(170,370)	704	(169,666)	(0.007)
Q3	January 31, 2007	-	(17,160)	2,995	(14,165)	(0.001)
Q2	October 31, 2006	-	(25,923)	2,630	(23,293)	(0.001)
Q1	July 31, 2006	-	(62,937)	781	(62,156)	(0.003)

During the eight month period ended December 31, 2007 (the "Transition Year") Pancontinental evolved into an active exploration company and incurred a substantial increase in expenditures. Variances in losses in each period were primarily influenced by the amount of: stock-based compensation recognized as the Company granted 2,950,000 incentive stock options during the eight month period; shareholder relations and promotion activities undertaken to market the Company, including holding its annual and special meeting of shareholders in Q1; and, professional fees attributable to increased legal costs as the Company completed a number of transactions and the incurrence of audit costs in Q4, as a result of the new fiscal year end. The loss for Q2 was also influenced by the incursion of consulting fees related to director activities. The increase in other income in each of the periods is attributable to interest income earned on higher levels of invested cash.

For fiscal 2007, Pancontinental was an inactive exploration company. The primary factors causing significant variances in losses between the quarters were the recognition of stock-based compensation in Q1 (\$42,205) and Q4 (\$38,059), as well as a significant increase in professional fees in Q4 (\$103,610) attributable to the LOA, the Company's efforts to graduate to the TSX Venture Exchange as a Tier 2 issuer, a change in auditors and organization of the Company's annual and special meeting of shareholders.

LIQUIDITY AND CAPITAL RESOURCES

Pancontinental has no regular source of cash flow and is incurring operating costs in excess of its interest income. The Company finances its activities by raising capital in the capital/equity markets and is dependent upon its ability to obtain the necessary financing to meet its obligations and pay its liabilities.

Pancontinental's financial success is dependent on the extent to which it can discover mineralization in economic quantities and the economic viability of developing its properties or projects. Given the nature of the Company's operations, which consist of exploration, evaluation and acquisition of mineral properties or mining projects, the Company believes that the most meaningful financial information relates primarily to current liquidity and solvency.

Pancontinental Uranium Corporation

Management's Discussion & Analysis (for the three month period ended March 31, 2008)

Cash Flows

Operating activities

Cash flows provided in operating activities for the current three month period were \$45,132 compared to \$36,668 consumed in the comparable three month period, ended April 30, 2007. Cash flows consumed by operations before changes in non-cash working capital were \$66,022 (\$131,607 – Apr2007F). The decrease in the amount of cash consumed by operations was the result of higher interest income. Significant changes in non-cash working capital items included: an increase of \$61,876 (\$nil – Apr2007F) in accrued interest on term deposits as interest is paid on maturity or redemption of the term deposits; and, cash of \$184,767 was provided from accounts payable and accruals (\$115,016 – Apr2007F) as amounts payable to Crossland for mineral exploration property expenditures, incurred during the quarter, were included.

Investing activities

Cash flows used by investing activities for the current quarter were \$76,447 compared to \$73,000 used during the comparable quarter ended, April 30, 2007. To fund its cash requirements, the Company redeemed \$300,000 of term deposits. Pancontinental used its cash to fund \$376,447 of mineral exploration properties expenditures.

Financing activities

Cash flows provided from financing activities for the current quarter were \$nil compared to \$962,000 provided during the comparable quarter ended, April 30, 2007.

For the three month period ended, March 31, 2008, these activities resulted in decreasing Pancontinental's cash balance by \$31,315, compared to an increase of \$852,332 for the three month period ended, April 30, 2007.

As at March 31, 2008, Pancontinental had cash of \$652,271 (\$1,285,114 – Apr2007F). Cash of \$531,995 was held on deposit with a Canadian chartered bank and cash of \$120,276 represents Pancontinental's portion of the \$240,552 of cash held on deposit at a bank in Burkina Faso, West Africa.

Pancontinental has \$7,200,000 invested in two variable rate guaranteed investment certificates ("GIC's"). The Company can draw down on the GIC's, at any time, prior to maturity. The GIC's are scheduled to mature in July and September, 2008. Interest is paid on maturity or on redemption. Accrued interest, as at March 31, 2008, was \$183,697. The Company has no investments in asset-backed commercial paper.

Pancontinental's consolidated working capital as at March 31, 2008, was \$7,777,131. Since December 31, 2007 working capital decreased by \$332,207. As noted previously, the Company is required to expend an additional \$6,673,583 (AUD\$ 7,107,117) to earn its interest in the Joint Venture.

For the balance of fiscal 2008, Pancontinental anticipates that it will use its cash resources: to fund its Joint Venture expenditures; to make further contributions to Crosscontinental; and, for general corporate expenditures. The Company believes that its cash resources are sufficient to meet its planned expenditures for the year. The Company anticipates that its cash operating expenses, in the aggregate, will experience a moderate decrease during the fiscal year.

The Company anticipates that it will need to raise additional capital to earn its interest in the Joint Venture and to achieve its overall objectives.

SHARE CAPITAL

Common shares

As at March 31, 2008, Pancontinental had 49,806,492 common shares outstanding. There was no common share activity during the period.

Pancontinental Uranium Corporation

Management's Discussion & Analysis (for the three month period ended March 31, 2008)

Options

As of the date of this MD&A, Pancontinental has 3,750,000 incentive stock options outstanding of which 1,783,333 are exercisable. If all of the exercisable stock options are exercised, the Company would receive proceeds of \$957,833. Currently, only 533,333 of the exercisable options are "in the money" representing potential proceeds of \$101,333. There was no stock option activity during the period.

All of the stock options were: granted pursuant to the terms of the Company's Incentive Stock Option Plan; issued for a five (5) year term; and, vest as follows: one-third immediately, one-third on the first anniversary from the date of grant and one-third on the second anniversary from the date of grant. The Company uses the Black-Scholes option pricing model to estimate the fair value of the stock options. The estimated fair value is recognized over the vesting period of the options granted, with an offsetting credit charged to contributed surplus.

For further information on share capital and contributed surplus, please refer to Notes 10 and 11 of the unaudited interim consolidated financial statements for the three month period ended, March 31, 2008.

RELATED PARTY TRANSACTIONS

For the current quarter, management fees of \$10,500 (\$6,000 – Apr2007F) were paid or became payable to RJM & Associates, a company controlled by the Company's President and Chief Executive Officer, Richard Mark and management fees of \$21,000 (\$6,000 – Apr2007F) were paid or became payable to Rustle Woods Capital Inc. ("Rustle Woods"), a company controlled by an associate of the Company's Chief Financial Officer, Mark McMurdie. Mr. Mark's agreement provides for monthly remuneration of \$3,500 and Mr. McMurdie's agreement provides for monthly remuneration of \$7,000. Each of these agreements is automatically renewed on a monthly basis and continues from year to year. In addition, each agreement may be terminated by the Company upon 30 days written notice and making a lump-sum payment equivalent to one month's remuneration.

Pancontinental has a policy to compensate independent directors for their time spent on pre-approved company activities at a per diem of \$1,000 (the "Director Consulting Fees") and to reimburse directors for out of pocket expenses. For the three month period ended March 31, 2008, the Company accrued Director Consulting Fees of \$13,000 (\$nil – Apr2007F) for services rendered by Peter Walker. The Director Consulting Fees are recorded in the consulting account.

For the current quarter, consulting fees of \$783 (\$nil – Apr2007F) became payable to Crossland for services rendered by Mr. Eupene. The fees relate to services provided in the evaluation and development of opportunities for Crosscontinental.

The mineral exploration properties account includes the reimbursement of \$2,481 (\$nil – Apr2007F) for legal services provided to the Joint Venture by Mr. Walker.

Eupene Exploration Enterprises Pty. Ltd. ("Eupene Exploration"), a company controlled by Mr. Eupene, purchases supplies and employs personnel, from time to time, for the purpose of facilitating exploration activities on the Joint Venture properties. Costs incurred by Eupene Exploration are reimbursed by Crossland and where applicable, invoiced to Pancontinental. During the current quarter, the Company reimbursed Crossland for costs of \$798 (\$nil – Apr2007F).

Pancontinental subleases its office premises in Toronto, Ontario from Equinox Minerals Limited ("Equinox") at twenty percent (20%) of Equinox's cost (approximately \$1,100 per month). For the current quarter, the Company paid or accrued rent of \$3,272 (\$nil – Apr2007F). David Mosher, a director of the Company is also a director of Equinox. The term of the sublease is monthly and Equinox has the right to re-appropriate the office by providing reasonable notice.

Pancontinental Uranium Corporation

Management's Discussion & Analysis (for the three month period ended March 31, 2008)

Pancontinental subleases its office premises in Vancouver, B.C. from VMS Ventures Inc. ("VMS") at a cost of \$700 per month. For the current quarter, the Company paid rent of \$2,100 (\$2,100 – Apr2007F). The Company's President and Chief Executive Officer, Mr. Mark, also acts as Chief Executive Officer for VMS. The term of the sublease expires on April 30, 2009 and may be terminated by either the Company or VMS, upon 30 days written notice.

Crosscontinental subleases its field office premises in Burkina Faso, West Africa from a subsidiary of High River Gold Mines Ltd. ("High River") at a nominal cost. Mr. Mosher and Donald Whalen, directors of Pancontinental and Crosscontinental, are also directors of High River. The term of the sublease is for one year and may be terminated by either party. For the current quarter, Crosscontinental accrued rent costs of \$179 (\$nil – Apr2007F). Fifty-percent (50%) of these costs are recorded in the mineral exploration properties account.

Mr. David Poynton is the assistant corporate secretary of Pancontinental. Mr. Poynton is also a partner at the law firm, Cassels Brock & Blackwell LLP ("Cassels"), the Company's legal counsel. For the current quarter, legal costs incurred by the Company in relation to Cassels' services amounted to \$3,463 (\$nil – Apr2007F).

Included in accounts payable and accruals at March 31, 2008 is \$259,231 (\$nil – Apr2007F) payable to directors or companies related by virtue of common directors. Accounts payable and accruals includes payables to Crossland of \$234,492 for mineral exploration costs and the reimbursement of travel and other sundry costs. Receivables include \$4,047 (\$nil – Apr2007F) due from Rustle Woods and Crossland for the reimbursement of expenses.

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

OUTLOOK

Through the Joint Venture, Pancontinental and Crossland have established one of the strongest management teams in the uranium industry combined with a highly prospective uranium project portfolio. Australia contains the world's largest known resources of uranium, but has received little uranium exploration effort from the mid-1980s until very recently. In particular, the search for unconformity-related deposits of the type that have contributed significantly to Canada's inventory during that period, including McArthur River, Cigar Lake and Millenium, deposits buried deeply beneath younger basin cover, has been very restricted in Australia.

In Australia, all of Pancontinental's project areas contain outcropping and potential ore grades of uranium mineralization, in settings similar to those that have resulted in significant uranium accumulations elsewhere. A characteristic of these exploration projects is that while they have indications of uranium and prospectivity for defined targets. All projects, except Kalabity in South Australia, have received only sparse exploration activity, and little of this has been focused on specific deposit styles.

While Pancontinental and Crossland believe that in terms of mineral potential, Australia represents a prime destination, they understand the importance of diversification to minimize sovereign and other risks. The Company's and Crossland's uranium interests are designed to give a spread of geographic and political conditions, as well as styles of uranium deposits. Through Crosscontinental, the Company expects to enter into other opportunities around the world as these become available.

Pancontinental believes that the present buoyant market and demand for uranium is likely to continue and increase as the world copes with the issues of sustainable energy usage and greenhouse gas reduction. Many utility companies consider nuclear power as the optimum solution to these issues and an increasing number are placing orders for new plants. Nuclear power is being re-evaluated for a role in the energy mix of several countries that previously announced a phasing out of nuclear power. All of these factors are contributing to predictions of supply

Pancontinental Uranium Corporation

Management's Discussion & Analysis (for the three month period ended March 31, 2008)

shortages and strong prices for uranium into the future. The Company considers the downturn in the spot uranium price over recent months to be temporary, and already there are signs of a return to an upward trend.

PROPOSED TRANSACTIONS

Pancontinental, from time to time, reviews potential acquisitions, financings, investments and joint venture opportunities. At the current time, there are no reportable proposed transactions.

CRITICAL ACCOUNTING ESTIMATES

The significant areas requiring the use of estimates and assumptions include the carrying value of mineral exploration properties, advances to Crosscontinental and stock-based compensation. On a quarterly basis, Pancontinental's Board of Directors considers whether events or changes in circumstances related to the mineral exploration properties and funds advanced to Crosscontinental indicate that the carrying value may not be recoverable. The Company bases its estimates on historical experience, future expectations and on various other assumptions that the Company believes to be reasonable. Actual results could differ from these estimates.

CHANGE IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

On January 1, 2008, Pancontinental adopted the following new accounting standards issued by the Canadian Institute of Chartered Accountants ("CICA"). The adoption of these standards had no impact on the Company's financial statements.

Going Concern - Section 1400

This standard was amended to include new requirements relating to the assessment and disclosure of an entity's ability to continue as a going concern.

Capital Disclosers – Section 1535

This standard establishes qualitative and quantitative disclosure requirements relating to an entity's objectives, policies and processes for managing capital. Section 1535 specifies the disclosure of: (i) an entity's objectives, policies and processes for managing capital; (ii) quantitative data about what the entity regards as capital; (iii) whether the entity has complied with any capital requirements; and, (iv) if it has not complied, the consequences of such non-compliance.

Financial Instruments – Disclosure (Section 3862) and Presentation (Section 3863)

These sections replace Section 3761 – Financial Instruments – Disclosure and Presentation, revising and enhancing disclosure requirements and carrying forward its presentation requirements for financial instruments. These sections place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how the entity manages those risks. An entity is required to provide disclosure of quantitative and qualitative information in their financial statements that 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 the financial instruments to which the entity is exposed.

Pancontinental Uranium Corporation

Management's Discussion & Analysis (for the three month period ended March 31, 2008)

FUTURE ACCOUNTING CHANGES

- The CICA recently issued the following new accounting standard which will become effective for the Pancontinental's fiscal year beginning, January 1, 2009:
 - Section 3064, Goodwill and Intangible Assets, establishes revised standards on the recognition, measurement, presentation and disclosure of goodwill and intangible assets. This new standard also provides guidance for the treatment of pre-production and start-up costs and requires these costs to be expensed as incurred. Concurrent with the introduction of this new standard, the CICA withdrew EIC27, Revenues and Expenses during the pre-operating period. The Company is currently evaluating the impact of this standard.
- The Canadian Accounting Standards Board confirmed plans to converge GAAP with International Financial Reporting Standards ("IFRS") over a transition period expected to be effective for interim and annual periods commencing January 1, 2011. Pancontinental is monitoring CICA plans to make the transition to IFRS. The Company has not yet determined the impact of the transition on its financial reporting.

FINANCIAL INSTRUMENTS

Fair value

The carrying values of the following financial instruments, approximates fair value due to their short-term maturity: cash; term deposits; receivables; and, accounts payable and accruals. The fair value of advances to Crosscontinental is not determinable as there are no specific terms of repayment. The advances to Crosscontinental are non-interest bearing.

Management believes Pancontinental is not exposed to significant interest, currency or credit risks arising from these financial instruments. The Company has not entered into any specialized financial agreements to minimize its investment, currency or credit risks. There are no off-balance sheet arrangements.

Foreign Exchange Risk

Pancontinental operates in Canadian and international markets, giving rise to exposure to market risks from changes in foreign exchange rates. Certain expenditures are denominated in foreign currencies including the Australian dollar, the Central African Franc for Burkina Faso and the United States dollar. The Company does not use derivatives to mitigate its exposure to foreign currency risk and is therefore subject to gains or losses from fluctuations in the value of these currencies.

Pancontinental's Australian dollar denominated commitments and payables, United States dollar holdings and Crosscontinental's Central African Franc holdings are exposed to fluctuations in foreign exchange rates. Approximately 5% of the Company's cash is held in United States dollars and 18% is held in Central African Francs and approximately 62% of accounts payables and accruals are denominated in Australian dollars. Due to favourable changes in foreign exchange rates during the current quarter, the Company recorded a foreign exchange gain of \$281 (loss \$2,214 - Apr2007F).

DISCLOSURE CONTROLS AND PROCEDURES

Disclosure controls and procedures within Pancontinental are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, on a timely basis and to ensure that appropriate and timely decisions are made regarding public disclosures. Management believes that the controls and procedures in place provide reasonable assurance that the annual and interim filings do not contain any misrepresentations or omit any material facts.

Pancontinental Uranium Corporation

Management's Discussion & Analysis (for the three month period ended March 31, 2008)

Pancontinental's management believes that any disclosure controls and procedures or internal controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Accordingly, management does not expect that the control systems will eliminate or prevent all errors and fraud.

Internal Controls

The Chief Executive Officer and Chief Financial Officer have evaluated the effectiveness of Pancontinental's internal controls and procedures over financial reporting. Based on this evaluation, it was determined that weaknesses existed in the segregation of duties and effective risk management. As is common with many small companies, the Company does not have a sufficient number of personnel to allow for the proper segregation of duties. To compensate for these weaknesses, the Company relies on monitoring and reviews conducted by senior management. The Company's payment policy requires two signatures, comprised of the Company's officers and directors.

Pancontinental's Chief Executive Officer and Chief Financial Officer believe the Company's internal controls and procedures are effective and provide a reasonable degree of assurance regarding the reliability of the Company's financial reporting. The Company plans on enhancing its procedures and controls where relevant. Furthermore, there were no changes in the Company's internal controls over financial reporting during the interim period, that materially affected, or is likely to materially affect, the Company's internal control over financial reporting.

RISKS AND UNCERTAINTIES

Pancontinental is in the business of exploring for minerals and if successful, ultimately mining them. The mining sector is by its nature, cyclical, competitive and risky. Investment in the mining sector in general and the exploration sector in particular, involves a great deal of risk and uncertainty and Pancontinental's common shares should be considered as a highly speculative investment. Current and potential investors should give special consideration to the risk factors involved.

There is no assurance that economic deposits will be discovered and in fact, most companies are unsuccessful due to the low probability of discovering an economic deposit. Once a potentially economic deposit is identified, Pancontinental's ability to establish a profitable mining operation is subject to a host of variables, such as technical and economic factors and regulatory issues. Many of these risks are beyond the Company's control.

Acquisition Risk

Pancontinental uses its best judgment to acquire mineral properties or projects and in pursuit of such opportunities, the Company may fail to select appropriate acquisition candidates or negotiate acceptable agreements, including agreements to finance the acquisition and development of the mineral properties or projects. The Company cannot provide assurance that it can complete any acquisition that it pursues, on favourable terms, or that any acquisition will ultimately benefit the Company.

Commodity Price Risk

The ability of Pancontinental to develop its properties and the future profitability of the Company is directly related to the market price of uranium. Uranium prices fluctuate on a daily basis and are affected by a number of factors beyond the Company's control. A sustained, significant decline in uranium prices could have a negative impact on the Company's ability to raise additional capital and develop its projects.

Competition Risk

Pancontinental must compete with a number of other companies that possess greater financial and technical resources. Competition in the mining sector could adversely affect the Company's ability to acquire mineral properties or projects.

Pancontinental Uranium Corporation

Management's Discussion & Analysis (for the three month period ended March 31, 2008)

Dependence on Management and Crossland

Pancontinental is very dependent upon the efforts and commitment of its directors, management and Crossland. To the extent that if the services of the directors or management were not available or Crossland failed to perform its obligations or conduct sufficient exploration activities on the Joint Venture, a disruption in the Company's operations may occur and/or the Company may not earn its interest in the Joint Venture.

Environmental Risk

The exploration and development activities conducted on Pancontinental's mineral properties are subject to the environmental laws and regulations of the country in which the activities take place. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties, more stringent environmental assessments and a heightened degree of responsibility for companies and their officers, directors and employees. Although, the Company undertakes to comply with current environmental laws and regulations, there is no assurance that future changes in environmental laws or regulations will not adversely affect the Company's operations.

Financing Risk

Pancontinental does not have any producing properties or projects and no source of regular revenue. The Company's ability to finance its exploration and development activities and make acquisitions is highly dependent upon its ability to raise capital in the financial markets. There is no assurance that the Company will be able to raise the capital required to fund the Company's activities or opportunities.

Political and Other Risks

The Company's mineral exploration properties in Australia and Burkina Faso, West Africa, exposes the Company to different considerations and other risks not typically associated with companies in North America. Such risks are associated with the political, economic and legal environments. The Company's ability to raise and deploy capital may be adversely affected by changes in political and social conditions and by changes in government policies, laws and regulations.

Property Title Risk

Although Pancontinental takes reasonable measures to ensure proper title to its properties, there is no guarantee that title to any of its properties will not be challenged, impugned or renounced.