

ALDRESHOT RESOURCES LTD.

FORM 51-102F1 MANAGEMENT DISCUSSION AND ANALYSIS YEAR ENDED JANUARY 31, 2007

The following discussion and analysis of Aldershot Resources Ltd. (the “*Issuer*” or the “*Company*”), is prepared as of May 23, 2007 should be read together with the audited financial statements for the year ended January 31, 2007 and related notes attached thereto which are prepared in accordance with Canadian generally accepted accounting principles. All amounts are stated in Canadian dollars unless otherwise indicated.

Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements.

The Company was incorporated on September 8, 1987 under the name “*Quattro Resources Ltd.*” pursuant to the *Company Act* (British Columbia) by the registration of its Memorandum and Articles. Effective October 31, 2001, its name was changed to “*Aldershot Resources Ltd.*”

The address of the registered and records office and the address for service of the Issuer is 10th Floor, 595 Howe Street, Vancouver, B.C. V6C 2T5. The business address of the Issuer is Suite 900, 555 Burrard Street, Vancouver, BC., V7X 1M8.

The Issuer’s principal business is the exploration and development of resource properties. The Issuer is continually investigating new exploration opportunities. Mineral exploration is carried out on properties identified by management of the Issuer as having favourable exploration potential.

Additional information related to the Company is available for view on the Company’s website at www.aldershotresources.com and on SEDAR at www.sedar.com.

Description of Business

Aldershot Resources Ltd. (the “*Company*”), which commenced operations on October 4, 1996, is engaged in the acquisition, exploration and development of resource properties. The Company has not yet determined whether their properties contain enough mineral reserves, such that their recovery would be economically viable.

Performance Summary

The following is a summary of significant events and transactions that occurred during the year ended January 31, 2007:

1. An airborne survey was undertaken over its Quebec projects. The geophysical data generated indicated favourable results which will require further exploration work.
2. On February 28, 2006, the Company declared a dividend on the preferred shares and in settlement the Company issued 905,147 common shares.
3. Entered into an option agreement on February 28, 2006 pursuant to which the Company has been granted the right to acquire a 100% interest in a group of 14 mineral claims in the Fort Coulonge Area and a group of 9 mineral claims in the Rive Uranium Prospect, all located within its Quebec project claim block in the Province of Quebec.
4. RM Resource Management conducted a spectral analysis of ASTER satellite images covering the Company’s properties in British Columbia.
5. An exploration program on the Company’s Turee Creek Uranium Project of Western Australia is awaiting regulatory clearance to allow exploration to commence.

6. An exploration program on the Company's Yuinmery Uranium Project located 480 kilometers northeast of Western Australia is awaiting regulatory clearance to allow ground exploration to commence.
7. Completed a 5,060,000 unit non-brokered private placement at \$0.30 per unit for gross proceeds of \$1,518,000. Each unit consists of one common share and one purchase warrant exercisable at \$0.35 until March 14, 2008. The Company paid finder's fees of 76,300 units, valued at \$22,890 with terms that are the same as that for the private placement units and \$6,930 in cash.
8. Held its Annual General Meeting on June 23, 2006. All proposed resolutions were passed.
9. On July 31, 2006 the Company entered into an option agreement pursuant to which the Company has been granted the right to acquire a 100% interest in a group of 50 mineral claims in the Saguenay River Area located in the Province of Quebec.
10. On August 3, 2006, the Company entered into an agreement pursuant to which the Company has been granted the right to acquire a 100% interest in a group of 6 mineral claims in the Fort Coulonge Area located in the Province of Quebec.
11. On August 16, 2006, Mr. Frank DeMarte was appointed to the board of directors. Mr. DeMarte is currently the Corporate Secretary and Chief Financial Officer of the Company.
12. On September 20 2006, the Company entered into an agreement pursuant to which the Company has been granted the right to acquire a 100% interest in a group of 40 mineral claims in the Sept Iles Area located in the Province of Quebec.
13. On October 3, 2006, the Company entered into an agreement pursuant to which the Company has been granted the right to acquire a 100% interest in a group of 20 mineral claims referred to as the Kert Uranium Prospect in Quebec.
14. On October 3, 2006, renegotiated its option agreement with International PBX Ventures Ltd ("PBX") to explore the Hornitos copper property in Chile. The renegotiation of the terms under the option agreement were agreed to by PBX when the Company surrendered its San Joint Venture in Chile with PBX. As a result, \$62,000 was written off to operations in year ended January 31, 2007.
15. On October 21, 2006, converted 498,211 preferred shares into 1,992,844 common shares and declared a 10% dividend on the preferred shares. The dividend of \$31,940 will be settled by the issuance of 127,762 common shares.
16. The Company entered into an option agreement pursuant to which the Company has been granted the right to acquire a 100% interest in a group of 33 mineral claims in the Latour Area located in the Province of Quebec.
17. On November 10, 2006, the Company reported the completion of the first phase of exploration at the Kert Uranium Prospect.
18. Completed a 2,545,248 common share non-brokered private placement at \$0.25 per common share for gross proceeds of \$636,312.

Selected Annual Information

The following table provides a brief summary of the Company's financial operations. For more detailed information, refer to the Financial Statements.

	Year Ended January 31, 2007	Year Ended January 31, 2006	Year Ended January 31, 2005
Total interest revenue	\$ 19,848	\$ 5,638	\$ 2,933
Net loss	(2,403,471)	(2,109,151)	(1,308,701)
Basic and diluted loss per share	(0.07)	(0.08)	(0.09)
Total assets	1,455,605	932,918	369,322

Results of Operations

During the year ended January 31, 2007, the Company incurred a net loss of \$2,403,471 (2006 - \$2,109,151). Some significant expenses are as follows:

Exploration expenses of \$1,016,235 (2006 - \$619,892)
 Property investigation costs \$221,797 (2006 - \$171,882)
 Stock-based compensation \$255,354 (2006 - \$441,479)
 Travel and related expenses of \$155,329 (2006 -\$152,563)

The Company incurred \$221,797 in property investigation costs during the current year. These costs are incurred to investigate properties that the Company may pursue and thus are not directly related to any specific property.

The Company incurred stock-based compensation expense of \$255,354 during the current period and \$441,479 during the previous comparative period. This is a non-cash expense that is recognized on any stock options granted using the Black-Scholes option pricing model to calculate the expense.

Summary of Quarterly Results

Three Month Period Ended

	January 31, 2007	October 31, 2006	July 31, 2006	April 30, 2006
Total assets	\$ 1,455,605	\$ 1,442,569	\$ 1,708,585	\$ 1,925,581
Resource properties	1,040,075	997,750	499,051	484,051
Working capital	153,153	393,624	1,161,457	1,368,014
Interest revenue	1,031	14,180	437	4,200
Net Loss	860,887	567,088	657,781	317,715

Three Month Period Ended

	January 31, 2006	October 31, 2005	July 31, 2005	April 30, 2005
Total assets	\$ 932,918	\$ 1,356,879	\$ 1,634,541	\$ 1,505,956
Resource properties	471,300	536,566	388,616	56,615
Working capital	341,492	776,583	1,208,437	1,355,087
Interest revenue	2,987	2,501	150	-
Net Loss	555,300	606,446	340,795	606,610

Liquidity

The Company has financed its operations to date primarily through the issuance of common shares and exercise of warrants and stock options. The Company continues to seek capital through various means including the issuance of capital stock.

The Company is in the exploration stage. These financial statements are prepared in accordance with Canadian generally accepted accounting principles on a going concern basis which assumes that the Company will be able to realize assets and discharge liabilities in the normal course of business. The ability of the Company to continue as a going concern is dependent upon the continued support from its directors, the ability to continue to raise adequate financing or achieving profitable operations in the future. The outcome of these matters cannot be predicted at this time. These financial statements do not reflect any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business. The Company's working capital and deficit position's are as follows:

	January 31, 2007	January 31, 2006
Working capital	\$ 153,153	\$ 341,492
Deficit	(8,970,669)	(6,308,971)

Net cash used for operating activities during the current period was \$2,008,599 compared to net cash used for operating activities of \$1,552,195 during the previous comparative period. Cash used during the current period consists primarily of the operating loss and a change in non-cash working capital.

Financing activities provided net cash of \$2,196,433 during the current period, compared to \$1,912,468 for the previous comparative period. Cash provided during the period consisted primarily of proceeds from the issuance of common stock.

Investing activities used net cash of \$58,739 during the current period, compared to \$536,736 in net cash used during the previous comparative period. In the current period, cash was used primarily provided by the redemption of short term investments and was used for the acquisition of mineral claims in Canada.

Capital Resources

The Company completed a 5,060,000 unit non-brokered private placement at \$0.30 per unit for gross proceeds of \$1,518,000. Each unit consists of one common share and one purchase warrant exercisable at \$0.35 until March 14, 2008. The Company paid finder's fees of 76,300 units, valued at \$22,890, with terms that are the same as that for the private placement units, to and \$6,930 in cash.

The Company completed a 2,545,248 common share non-brokered private placement at \$0.25 per common share for gross proceeds of \$636,312. The proceeds of the private placement will be used for future exploration work and general working capital.

The Company also had additional sources of capital from the exercise of 227,000 share purchase warrants for proceeds of \$91,270.

The Company has sufficient funds to meet its property maintenance payments for fiscal 2008 and cover anticipated administrative expenses throughout the year.

Related Party Transactions

The Company entered into the following transactions with related parties:

- Paid or accrued management fees of \$120,000 (2006 - \$80,000) to Jeremy Caddy, a director of the Company.
- Paid or accrued consulting fees of \$Nil (2006 - \$10,511) to a REM Pty Ltd., a company controlled by Brian Richardson, a director of the Company.

- c) Paid or accrued legal fees of \$Nil (2006 - \$9,735) to legal firms of which an officer and a director of the Company are partners.
- d) Paid or accrued geological consulting fees (part of exploration costs) of \$26,663 (2006 - \$35,004) to REM Pty Ltd., a company controlled by Brian Richardson, a director of the Company.
- e) Declared dividends on preferred shares of \$8,240 (2006 - \$76,769) held by Jeremy Caddy, a director of the Company.
- f) Paid or accrued administration fees of \$29,576 (2006 - \$7,881) to Frank DeMarte, a director of the Company.

The following amounts due to (from) related parties are non-interest bearing and have no specific terms of repayment:

	January 31, 2007	January 31, 2006
Thundelarra Exploration Ltd., a company controlled by common directors	\$ (290)	\$ 23,492
Directors	<u>4,019</u>	<u>14,237</u>
	<u>\$ 3,729</u>	<u>\$ 37,729</u>

Related party transactions are in the normal course of operations, occurring on terms and conditions that are similar to those of transactions with unrelated parties and, therefore, are measured at the exchange amount.

Outstanding Share Data

The following table summarizes the outstanding share capital as at May 23, 2007

Common shares	61,398,308
Stock options	5,110,000
Warrants	25,405,814

Preferred shares

On February 28, 2006, the Company declared a dividend on the preferred shares. In settlement of the dividend, on March 21, 2006, the Company issued 905,147 common shares which reduced the declared dividends of \$226,287, including amounts related to preferred shares that were converted during the 2006 fiscal year of \$58,943 as at January 31, 2006 to \$nil.

On October 21, 2006, the Company converted 498,211 preferred shares into 1,992,844 common shares. At October 21, 2006, dividends of \$31,940 were due to the holders of the converted preferred shares which will be settled by the issuance of 127,762 common shares. As at January 31, 2007, the Company had not issued the common shares pursuant to the conversion of the preferred shares and the dividends associated with the converted preferred shares. This is shown as an obligation to issue 2,120,606 common shares valued at \$530,151. These shares were issued subsequent to the period on February 12, 2007.

Internal Control over Financial Reporting

Management has established and maintained disclosure controls and procedures for the Company in order to provide reasonable assurance that material information relating to the Company is made known to it in a timely manner, particularly during the period in which the annual filings are being prepared. Management has evaluated the effectiveness of the

Company's disclosure controls and procedures as at the date of this report, and believes them to be effective in providing such reasonable assurance.

Management is also responsible for the design of internal controls over financial reporting within the Company in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian generally accepted accounting principles ("GAAP"). Management has evaluated the design of the Company's internal controls and procedures over financial reporting as of the end of the period covered by the annual filings, and believes the design to be sufficient to provide such reasonable assurance.

In addition, because of the size of the Company and the small number of staff, the Company must rely upon various advisers and consultants to assist with the various regulatory disclosure requirements, and as such these advisers and consultants form part of the disclosure controls and procedures.

During the reporting period, the Company made changes to its system of internal controls that did not materially affect internal control over financial reporting.

Subsequent Events

Subsequent to January 31, 2007, the Company:

- a) Received \$104,312 in proceeds that remained outstanding at January 31, 2007 related to a private placement and the exercise of warrants.
- b) Issued 1,000,000 common shares on February 12, 2007 for warrants exercised at \$0.41 per share for proceeds of \$410,000.
- c) Issued 2,120,606 common shares on February 13, 2007 pursuant to the conversion of the preferred shares into common shares and dividends on the converted preferred shares.
- d) Entered into a Tenement Swap Agreement and a royalty agreement with Thundelarra Exploration Ltd ("THX"), on February 28, 2007. The Company owned a tenement and mining information in the Ngalia Basin region of the Northern Territory and it swapped this with THX for its tenement and mining information in the Murchison region of Western Australia free from any encumbrances under the terms and conditions of this agreement. As additional consideration for the sale, assignment and transfer of the assets, the Company will pay to THX a royalty of \$1.00 per tonne of ore produced from the site acquired from THX to an aggregate maximum of \$500,000. In return, THX will also pay the Company a royalty of \$1.00 per tonne of ore produced from the site from the Company to an aggregate maximum of \$500,000.
- e) Entered into the CHR Investor Relations Agreement on March 15, 2007, which is a twelve (12) month fixed term agreement expiring on March 14, 2008 for a monthly fee of \$6,000 per month. In addition, CHR Investor Relations is granted stock options to purchase up to:
 - an aggregate of 250,000 common shares, exercisable at \$0.45 per share until March 15, 2011.
 - an aggregate of 250,000 common shares, exercisable at \$0.60 per share until March 15, 2011.
 - an aggregate of 250,000 common shares, exercisable at \$0.80 per share for four years upon completion of the private placement with Northern Securities Inc.
- g) Entered into the following mineral property option agreements:
 - i) An option to purchase a 100% interest in the Sept Iles Uranium Claims (2) in consideration for the issuance of 2,625,000 common shares and cash payments of \$375,000 over a six year period.
 - ii) An option to purchase a 100% interest in the Saguenay Uranium Project (2) in consideration for the issuance of 300,000 common shares and cash payments of \$135,000, over a three year period.
 - iii) An option to purchase a 100% interest in the Forestville Uranium Project in consideration for the issuance of 1,200,000 common shares and cash payments of \$120,000, all over a six year period.
 - iv) An option to purchase a 100% interest in the Forestville Uranium Project (2) in consideration for the issuance of 1,800,000 common shares and cash payments of \$480,000, all over a six year period.
 - v) An option agreement to purchase a 100% interest in the 22CI4 et al Latour Uranium Property Project in consideration for the issuance of an aggregate of 1,000,000 common shares over a four year period

(250,000 common shares per year) and cash payments of an aggregate of \$180,000 over a four year period.

- vi) An option agreement to purchase a 100% interest in the Lac Cassette Uranium Property Project in consideration for the issuance of an aggregate of 1,000,000 common shares over a four year period (250,000 common shares per year) and cash payments of an aggregate of \$180,000 over a four year period.

- h) Closed a private placement on April 27, 2007 brokered by Northern Securities Inc. (“Northern”). The Company issued an aggregate of 18,518,519 units at \$0.27 per unit for gross proceeds of \$5,000,000, with each unit comprising of one common share and one share purchase warrant exercisable at \$0.42 until April 27, 2009. The Company paid Northern a commission equal to 10% of the aggregate gross proceeds of the offering and issued 10% broker warrants with each broker warrant exercisable into one agent’s unit at \$0.27 per share expiring April 27, 2009. Each agent’s unit has the same terms as the units issued pursuant to the private placement. The common shares issued have a hold period expiring August 27, 2007.

- i) Scheduled its Annual General Meeting for June 22, 2007 in Vancouver, BC.