



MANAGEMENT DISCUSSION AND ANALYSIS

ANNUAL REPORT FOR THE YEAR ENDED DECEMBER 31st 2007

The following Management Discussion and Analysis (MD&A) is a supplement to the audited financial statements for the year ended December 31st 2007 which is deposited under Ditem Explorations, Public Documents at www.sedar.com. The present MD&A should be read in conjunction with the 2006 audited Annual Financial Statements and corresponding MD&A.

This MD&A represents views and comments of management on the Company's current activities and contains a brief outlook of activities and objectives for the coming months.

1. DATE

This MD&A for the year ended December 31st 2007 was completed on April 24th 2008. As required, important activities and events after December 31st 2008 are also noted.

2. CORPORATE PROFILE

Ditem Explorations (the "Company") is a uranium exploration and development company. It was incorporated in May 1993 under the Canada Business Corporations Act and is listed on the TSX Venture Exchange (DIT, TSX-VX). The Company has been publicly listed since August 24th 1995. Ditem also trades on the Frankfurt Stock Exchange under the symbol D8X since January 2007.

The Company's principal properties are situated in the Otish Mountains region of north-central Quebec (principally in the Otish Basin) and in the Lake Athabasca Basin in Saskatchewan. Other properties and exploration projects in Quebec and in Canada are currently being reviewed as part of on-going activities.

The company has no income or royalties from production or from production related activities and none were anticipated for 2007. None are anticipated in 2008. All properties and interests are at the exploration stage.

3. EXPLORATION ACTIVITIES

A summary of Ditem Explorations properties and projects with a brief note of on-going activities, exploration programs and program costs are presented in the following table. A more detailed text follows. All programs are subject to review and modification by the Board of Directors until final approval.

PROPERTIES	INTEREST HELD	EXPLORATION PROGRAM	NOTES
Quebec Properties			
Otish Uranium	486 claims totaling approximately 258 km ² 100% Ditem owned; Beaver Lake and Beaver Lake South totaling less than 9 claims are 95% Ditem and 5% Pure Gold.	Detailed uranium regional review for all of Otish Basin completed; 43-101 completed; airborne magnetics, radiometrics and TEM surveys completed and reviewed; 6 hole drill program in 2007; new drill program on targets in early summer of 2008 for \$600,000	Additional drilling planned for 2008 on targets; program review completed; results of previous drill program to be released in May
Otish Uranium South	100% interest in 717 claims totaling 381 km ² .	43-101 completed in early May; airborne magnetics, radiometrics and TEM surveys and 300m test drilling now scheduled for 2008 for \$500,000	Total exploration expenses estimated at \$100,000 for 2007
Tichegami	48 claim cells; 205,3 km ² 90% Ditem	No work planned for the present year	5 kimberlite discoveries in 2003
Matoush	2 % NSR	Strateco drilling program on-going	
Temiscaming	30 staked claims 4.8 km ² , 100% Ditem	No further work planned at this time; properties will be abandoned	Peridotite ring complex with phlogopite. Discovery of 32 diamonds, but not economic
Hemingford	4 claim cells, 100% DITEM	No further work planned at this time	Properties will be maintained and may be the object of an option
Lake Athabasca Basin Projects (Saskatchewan)			
Beartooth	4 mineral dispositions totaling 237.6 km ² ; option to acquire a 60% interest over a 4 year work program and an additional 6% with a BFS; properties renewed until the end of 2008	Airborne MegaTem survey completed. Magneto-Telluric survey completed and targets identified. Additional Magneto-Telluric survey on north-eastern sector; 3 hole drill program undertaken in Q1 of 2008 on Beartooth Island and on Lake Athabasca; estimated cost is \$1.5 M	43-101 report completed; ground geophysics completed during Second Quarter; drilling program undertaken in early 2008 with additional ground geophysics; awaiting lab analysis, reports and results
Cree Lake	100% interest (2% NSR to a third party) on 20 mineral dispositions totaling 831 km ² ; complete renewal in early 2008.	Airborne VTem and Mag surveys completed; ground geophysics and structural study to be undertaken in fall of 2007 and possible drilling on ice in late 2008; program review completed; target drill proposed	VTem and Mag surveys of \$460,000 completed in March 2007; ground target geophysics may be undertaken. Initial drill program in estimated at \$250,000

A description of the properties, maps and exploration programs is available at the Company's web site at www.ditem.com

2007 Highlights

- Acquisition of Uranium South Property, program established, detailed review undertaken;
- NI 43-101 reports on Otish Uranium and Otish Uranium South
- Magnetic, TEM and Radiometric Surveys of Otish Uranium Property, V-TEM survey on Cree Lake; Magneto-Telluric and ground geophysics on Beartooth
- Detailed review of all uranium indications and geology of the Otish Basin by InnovExplo for Ditem
- Completed financings for \$4,750,000
- 6 hole drill program on Otish Uranium during Summer and Fall of 2007, to be continued in 2008
- 3 hole drill program on Beartooth Project and program to be continued in 2008
- 50% interest earned on Beartooth Project which should be increased to a 60% interest in 2008
- MOU with Sinosteel in December of 2007 and LOI on properties in early April 2008

The Otish Mountain Properties, Quebec

a. Otish Uranium Property

Geologically well situated in the western wedge of the Otish Basin, the property consists of 486 contiguous claims totalling 258 km² including Ditem's Beaver Lake properties. The Otish Uranium Property is bordered to the south by the Cameco Otish block and extends northward to the 52° parallel with the Matoush Property to the East. The new property encompasses the UEM block on which are reported uranium leached surface assays grading from 0.23% up to 2.46% of U₃O₈. In 2006, Ditem mandated InnovExplo to compile relevant existing data on the entire Otish Basin. This compilation was completed in early 2007.

Regional mapping shows that the property is underlain by the Indicateur Formation of the Otish Group (about 1.7 Ga). The Indicateur Formation consists of conglomeratic arkoses, sandstones with local interlayering of quartz pebble conglomerates and, near the unconformity, polymictic conglomerates. The basement is composed of gneisses with metavolcanics and ultramafic horizons intruded by pegmatites and granites. The total thickness of Otish Group sediments within the property varies and may not exceed 800m. Uranerz Exploration and Mining Ltd. conducted several exploration programs for uranium in the area from 1974 to 1985. Otish Uranium is perhaps the best located property in the Otish Basin being the farthest away from the Grenville front and likely the least deformed. The uranium equivalent anomalies in the northwest are broader and stronger where the basement is perhaps more exposed. Very strong and wide uranium equivalent anomalies occur in the vicinity and southwest of the Beaver Lake (4 km long) and Pierre (3 km long) uranium prospects.

In early 2007, a 43-101 was completed. Ditem's 2007 exploration program consisted of, among other things, detailed magnetometer, radiometric and TEM airborne surveys at 150m line spacing which were completed. The airborne radiometric survey identified many targets for ground investigation. In the deeper section on the eastern half, over 70 anomalies (uranium equivalent) have been identified. These are either uranium rich outcrop or boulders close to source. All are expected to be ground checked.

From this data and already available structural and drill reports from previous work, targeted areas were selected for detailed exploration and drilling. Drilling began in mid-June and 6 holes have been drilled to target unconformity deposits. Drilling was completed in late November 2007.

A summary of the Otish drill program will be made known as soon as the program has been completed. Results of laboratory core and sample analysis are expected to be available and made known in the First Quarter of 2008.

Ditem plans to undertake further drilling and ground surveys as soon as weather conditions permit in early 2008. New and significant EM targets were identified during a review in January 2008.

b. Otish Uranium South Property

Otish Uranium South Property consists of 725 claims totalling 38,524 hectares staked by Ditem in early 2007 and later in the summer of 2007. The Otish Uranium South property is located approximately 20 km south of the eastern edge of the Otish Basin. Although the property is not part of the Otish Basin, it is composed of the same sedimentary units and appears to be a remnant of a much larger basin that was once united. The Otish Uranium South Property is underlain by the Indicateur Formation of the Otish Group consisting of conglomerates and sandstones (about 1.7 Ga).

Little exploration work was done on this area in the past. The property is near the Grenville Front and some preliminary data suggests a highly deformed and fractured environment with substantial metamorphism. Gabbro intrusions are also notably described in basic geological maps of the area. A key feature of this property is its vertical distance to the unconformity which is probably in the range of 200 to 300m as suggested by preliminary data.

In early May 2007, the 43-101 was completed and presented to the Board. The exploration program was reviewed and priorities established. The proposed exploration program including airborne magnetics, radiometrics and TEM surveys at 150m line spacing which was scheduled for June 2007 has been postponed to 2008 as a result of reduced costs and in light of activities on Otish Uranium. A 300m test drilling of two holes will be undertaken upon completion and will be helpful for defining a new exploration model for the area in 2008.

c. The Matoush NSR

The Company has a 2% NSR on the Matoush Property, now being explored by Strateco Resources.

The Lake Athabasca Projects

a. The Beartooth Property

On January 20th 2006, Ditem signed a letter of intent with Golden Valley allowing Ditem to earn up to a 66% interest in the Beartooth Island Prospect, composed of four mineral dispositions totaling 23,760 hectares (58,712 acres) located along the northwest margin of the Athabasca Basin. The property is located approximately 72 km southwest of Uranium City, Saskatchewan and approximately 10 km southeast of the Maurice Bay uranium deposit (Cameco).

Ditem may earn an initial 50% interest by incurring aggregate exploration expenditures of \$1,000,000 over three years. In the fourth year of the agreement or before, Ditem may then elect to increase its interest by 10% (to an aggregate 60% interest) by incurring an additional \$2,000,000 in exploration expenditures. Finally, Ditem may then enhance its position by acquiring an additional 6% interest (aggregate 66%) in the property provided that it deliver a bankable feasibility study within 10 years from the signing of the final agreement. Golden Valley will be operator during the initial option period.

In 2006, and for the first phase of the exploration program, a \$200,000 Megatem II survey was completed. The Megatem II survey consisted of 1,156 line km and covered the entire property, including the island and surrounding portions of Lake Athabasca. The property-scale, high-resolution and deep-penetrating electromagnetic-magnetic survey conducted at the Beartooth Property has been completed and preliminary reports received. The M II system appears to have outlined several north-south-trending lineaments in the western portion of the property and northeast-trending lineaments in the eastern part of the property all thought to potentially represent fault zones. In the east portion of the property, these are considered of interest due to their proximity to the Black Bay fault zone which is associated with uranium mineralization closer to the Uranium City and Beaverlodge areas to the northeast.

During the first half of 2007, a successful ground Magneto-Telluric survey was completed, final data received and targets defined. Plans for a summer barge-mounted diamond drill were abandoned by the operator as a result of excessive costs and other logistic considerations. The drilling program was undertaken in early 2008 as well as additional Magneto-Telluric survey on the north-east section and the 3 hole drill program has now been completed. Results of the drill program will be made known as soon as the information has been received.

At the time of writing this report, Ditem has completed the first year obligations and part of the second and third year obligations. As a result of the exploration and drill program, it is estimated that Ditem will have earned an interest equal to a 50% interest in the property, a full year in advance and is now working to obtain the 60% interest.

b. The Cree Lake Property

The Cree Lake Property is located in the southeast sector of the Athabasca Basin in northern Saskatchewan. It consists of 20 claims, 19 of which form a contiguous block of some 83,070 ha or 837 km². The property was fully acquired by Ditem in April 2006 and is subject to a 2% NSR in favour of the prospectors. The properties were renewed for 2008.

In March of 2007, V-Tem and magnetic surveys were flown over the entire property of Cree Lake at 200m line spacing with areas of interest flown at 100m line spacing. Analysis undertaken during the Second Quarter indicates features with strong potential and the Company is now preparing a ground geophysical survey over parts of the property and a drilling program on identified targets. Further interpretation was completed by JVX and 4 prominent conductors were identified. Offsets in 2 of these conductors occur at magnetic breaks.

A limited ground geophysics program to be followed by exploration drilling is scheduled for late 2008.

D. Agreements with Sinosteel

In the fall of 2007, the Company signed an MOU with Sinosteel concerning joint exploration activities with Ditem. Sinosteel Mining Company Ltd, a subsidiary of Sinosteel Corporation, is responsible for several mining operations and mining interests of Sinosteel in China and in several other countries including notably a uranium mine in Australia. Sinosteel is an important mining and related business company, mainly engaged in developing and processing metallurgical mineral resources.

The MOU provides the background for, notably, exploration and development work on the Company's uranium properties as well as new properties in the Athabasca Basin. The MOU is a result of several meetings held in Beijing, Montreal and Saskatoon, and a property visit in the Athabasca Basin.

According to the terms of the MOU, the partners will undertake to negotiate and, subject to agreement, sign Letters of Intent specific to exploration and development programs, a proposed equity financing by Sinosteel in Ditem, as well as other mineral projects and other ventures that both companies may seek to develop.

In April 2008, the Company announced that it signed a Letter of Intent with Sinosteel Mining Company Ltd, a wholly owned subsidiary of Sinosteel Corporation, establishing the conditions for joint venture agreements on Ditem exploration properties and projects in Canada.

The LOI, subject to Joint Venture Agreements, outlines the creation of a joint-operating committee responsible for exploration and development programs on Ditem's uranium properties in Saskatchewan (Athabasca Basin) and Quebec (Otish Mountains Basin), amounts to be paid by Sinosteel for the acquisition of a 50% interest in specific Ditem properties, the purchase by Sinosteel of an initial interest of Ditem shares and various other provisions for continued development. The LOI will be completed by Joint Venture Exploration Agreements specific to each of the properties. Sinosteel and Ditem will undertake to complete the first Joint Venture Agreement, which is to be signed within 90 days of the signing of the present LOI.

This first LOI sets out the framework for the initial collaboration between Sinosteel and Ditem on exploration and development. Ditem believes that the ability and experience of Sinosteel combined with Ditem activities in Canada will generate very several successful projects in the near future.

4. SELECTED ANNUAL INFORMATION

Selected annual data for 2007 compared to 2006 are as follows. Items chosen are discussed within the present MD&A.

	Results to December 31 st 2007	Results as of December 31 st , 2006
Shareholder equity	\$10,779,083	\$ 5,968,589
Deficit	\$6,770,084	\$ 4,560,978
Mining Properties	\$1,433,602	\$ 1,392,848
General Expenses (less stock compensation)	\$810,200	\$ 318,285
Current Assets	\$4,917,947	\$ 3,590,268
Deferred Expenditures	\$4,994,607	\$996,599

5. LIQUIDITY AND CAPITAL RESOURCES

The Company, on December 31st 2007 had a working capital, including accounts receivable and prepaid expenses of approximately \$4,917,947 as compared to \$3,590,268 on December 31st 2006. Marketable securities at fair value as of December 2007 are evaluated at \$444,910 as indicated. At the time of writing this report, the value would be slightly higher.

Accounts receivable of \$1,336,310 are composed of sales tax returns for an amount of approximately \$420,063 for federal and provincial sale taxes which have since been received. An amount estimated at \$550,000 is due for the Quebec exploration program by the provincial government. An amount for a loan to a director is payable in May. Other items and amounts are related to on-going expenditures and office costs which have since been received.

Accounts payable at December 31st 2007 total \$461,247 and are composed of amounts related to on-going exploration programs (helicopter, drilling and geological consulting services) in the Otish as well as minor amounts related to accounting and legal services, fees, and other related expenses. All amounts owing have since been paid, save and except those under discussion in the normal course of business.

6. OPERATIONS AND DEFICIT

For 2007, the Company received revenues in the form of interest payments on bank deposits for \$178,360, the sale of a number of shares in other companies for \$76,173 for a total of \$266,744.. No shares have been sold to date in 2008.

Operating expenses were in keeping with the increase of the Company's activities. Overhead expenses were generally much higher in 2007 as compared with 2006 as a result of investor relations expenses, promotional materials, and participation in mining and exploration conferences in Toronto, Saskatoon, Vancouver and Quebec.

Travel expenses also increased and involved two distinct trips to Beijing (in May and November) for meetings with the government representatives and Sinosteel officers as well as other mining companies. Ditem representatives and translators were required. Other travel expenses involved trips with Sinosteel representatives when in Canada to Lake Athabasca, Saskatoon, and Toronto. As a result, Sinosteel related expenses have in 2007 been considerable as involving legal, consulting and translators fees both in Canada and in China.

Ditem has augmented office, legal and accounting space in order to meet and properly control exploration programs. Expenses related to increase in office space incurred an increase in expenses to \$71,346 in 2007 from \$27,685 in 2006. However, within these costs are renovations and additional furniture and equipment.

To date, and generally, operations are within the proposed budget as established and reviewed during preparation of exploration programs. Substantial non-exploration costs are related to costs of financings, travel.

Revenues and Net Loss and Net Loss per Share by Quarter

Quarter	Revenues	Net Profit (Net loss)	Net Loss per Share	
			Issued	Diluted
31/12/2007	266,744	(1,114,281)	0.030	0.030
30/09/2007	137,327	(435,171)	0.010	0.010
30/06/2007	52,050	(229,910)	0.000	0.000
31/03/2007	43,892	(131,780)	0.000	0.000
31/12/2006	302,173	(16,112)	0.010	0.010
30/09/2006	86,984	50,226	0.000	0.000
30/06/2006	71,484	(213,854)	0.017	0.017
31/03/2006	19,219	(106,953)	0.011	0.011

7. FINANCING

Two financings were undertaken in 2007.

In the First Quarter of 2007, Ditem Explorations completed a brokered private placement and issued an aggregate of 4,231,000 Units at a price of \$0.65 per Unit for gross proceeds of approximately \$2,750,150. There were no flow-through funds raised in this financing. On October 19th 2007, the Company closed a

brokered private placement of 2.5 million flow-through common shares at a price of 80 cents per share for gross proceeds of \$2-million. There were no warrants attached to the shares.

A summary of all financings from January 1st 2006 to December 31st 2007 is given below.

Shares					Warrants	
Date of Financing	Number of Shares	Cost	Amount before Expenses	Non Flow-Through	Number	Cost
Apr. 2006	5,777,776	\$0.1125	\$649,999.80	\$320,812.43	5,777,776	\$0.15
Nov. 2006	7,000,000	\$0.25	\$1,750,000.00	\$875,000.00	1,750,000	\$0.35
Dec. 2006	2,666,666	\$0.45	\$1,199,999.70	\$1,199,999.70	1,333,333	\$0.60
Jan. 2007	4,231,000	\$0.65	\$2,750,150.00	\$2,750,150	2,115,500	\$0.75
Oct. 2007	2,500,000	\$0.80	\$2,000,000.00	0	0	0
Total of Financings			\$8,350,149.50			

No financings have been undertaken to date in 2008.

8. FINANCIAL COMMITMENTS

Financial commitments of the Company are related only to on-going exploration expenditures and normal operating expenses. The Company has no long term obligations save and except those related to an option agreement with Golden Valley Mines for the Beartooth Property.

According to the Beartooth Option Agreement, obligations for the first year (2006) of \$200,000 have been met and obligations for the second and third year are on-going and discretionary to Ditem. Total exploration expenses to maintain the option are now at \$800,000 over two years : 2007 and 2008. As of the date of this report, Ditem has incurred expenses in 2007 for ground geophysical surveys and other work for a total of more than \$600,000 and Ditem has proceeded with the Beartooth Project by participating and financing the drilling of three holes as of February 2008 as well as additional geophysical surveys on the property. Total amount spent has not yet been confirmed but will be made known shortly.

There are no other financial commitments of any kind other than those from normal and on-going exploration programs, which Ditem may or may not continue, depending on financial resources, new exploration programs and development opportunities.

9. EXPLORATION EXPENSES AND USE OF PROCEEDS

During 2007, the Company undertook exploration important programs on its properties in both the Otish Basin and the Athabasca Basin.

In the Otish Basin on the Otish Uranium property, the Company has completed airborne magnetic, radiometric and TEM surveys in July and has begun its drilling program. On the Otish Uranium Property 6 holes were drilled, the last being completed in December 2007. Results of the drill program are expected to be made known in May. Total cost for the Otish Uranium program in 2007, including an airborne magnetic survey, radiometrics, the TEM survey and the drill program total \$3,517,938. Exploration work on the Otish Uranium South property previously scheduled for June and July has been postponed to 2008 in light of drilling and other work on the Otish Uranium property.

Work on the Beartooth and Cree Lake properties in the Athabasca Basin is continuing. In 2007, ground geophysics were completed on the Beartooth property and targets identified. Drilling originally proposed to be undertaken using a barge-mounted drill rig has been postponed by the operator until 2008 due to, among other things, exorbitant costs related to barge operations. Drilling was undertaken on Lake Athabasca in

early winter of 2008 (February) and the proposed drill program of 3 holes was completed. Laboratory core analysis should be forthcoming. On the Cree Lake property, the V-Tem airborne survey was completed and reviewed. Ground geophysics will be undertaken as soon as possible and are scheduled for 2008.

Total exploration expenses on the Otish Uranium, Beartooth and Cree Lake for 2007 was \$4,548,008. A credit of \$550,000 is expected for tax credits from the Quebec government.

The Company's Quebec flow-through reserve was spent for admissible exploration expenses on the Otish Uranium properties. Similarly, flow-through funds for admissible exploration work on the Athabasca Basin have also been completely spent in 2008.

Flow Through Exploration Reserve

	CEE	CEE (Qc)	
Flow Through Reserve December 31, 2006	\$ 502,931	\$ 483,705	\$ 986,636
Admissible Flow Through exploration expenses during 2007 on the Otish Mountains, Quebec	\$ 502,931	\$ 483,705	\$ 986,636
Flow Through Reserve September 30, 2007	\$ 0	\$ 0	\$ 0
Flow Through Reserve in October 2007	\$2,000,000		\$2,000,000
		Total	\$2,000,000

As of October 2007, the Company has a flow-through reserve of \$2,000,000, of which a part was used to finance admissible exploration work in the Otish in November and December 2007 and the exploration program on the Beartooth Project (a Magneto-Telluric survey and the 3 hole drill program) undertaken in early February 2008.

Ditem has sufficient liquidities to carry out planned exploration programs in 2008.

Non flow-through and flow-through financings in 2007

	Non Flow-Through	Flow-Through		Total
		CEE	CEE (Qc)	
January 2007 All shares at \$0.65 and half warrant at \$0.75 for non flow-through	\$ 2,750,150	\$ 0	\$ 0	\$2,750,150
October 2007 All shares at \$0.80	0	\$2,000,000		\$2,000,000
	\$ 2,750,150	\$ 0	\$ 0	\$4,750,150

There were no financings to date in 2008.

10. RELATED PARTY TRANSACTIONS

In consideration of management, Company administration and direction, the CEO received a monthly fee of \$4,000 approved by the Board of Directors. As of May 1st 2007, the monthly fee was increased from \$4,000 to \$5,000 as approved by the Board of Directors. This increase is explained by the increase in the Company's activities and managements needs.

Since 2001, the Company has its offices at 1155 University St., suite 805 in Montreal and pays its share of the cost of the lease, taxes, office insurance, telephone and fax leasing contract and other related and similar costs to 3915671 Canada Inc. The sole shareholder of the latter is Raymond Savoie, a Ditem director. 3915671 Canada Inc. does not charge fees of any kind for this service nor does it produce any profit of any kind on operations, the Company having been created solely to facilitate office administration and to reduce costs for office maintenance.

A loan for \$348,931 was made to a director and will be repaid in May with interest at 5%.

11. CRITICAL ACCOUNTING POLICIES

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of estimates relate to assessing the realizable values of mining and exploration assets. Consequently, actual results could differ from those estimates.

Properties include rights in properties and deferred exploration expenses. Exploration expenses are deferred until the economic viability of the project has been established, at which time the expenses are added to properties. Expenses are written off when properties are legally abandoned, or when expense recovery is uncertain. Management has defined uncertainty as either there being no financial resources available for development over a period of three consecutive years or results from exploration work not warranting further investment.

12. CHANGES IN ACCOUNTING POLICIES

Effective January 1, 2007, the Company adopted the Canadian Institute of Chartered Accountants (CICA) Handbook Section 1530, Comprehensive Income, Section 3251, Equity, Section 3855, Financial Instruments – Recognition and Measurement and Section 3865, Hedging. The adoption of these new accounting policies is standard in the industry and will have relatively low impact on the Company's financial statements. A detailed description of the changes in the accounting policies is included in the audited Annual Financial Statement of the Company.

13. INTERNAL CONTROLS OVER FINANCIAL REPORTING

For the period ending on December 31st 2007, an evaluation was conducted under the supervision of the President and the Vice President Finance in collaboration with the Management of the Company in regards to the efficiency of the internal accounting and administrative controls of information communication within the Company. Relying on this evaluation, the President and Vice President Finance concluded that the design and utilization of these internal accounting and administrative controls were efficient at year's end in order to provide reasonable assurance that the material financial information of the Company is

disclosed to them by other persons in the Company, particularly during the period when in reports are being prepared.

Management is responsible for and has designed internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian GAAP. There were no changes in the Company's internal control over financial reporting that occurred during the year that have materially affected, or are reasonably likely to materially affect the Company's internal control over financial reporting.

14. OTHER

Public Company information is available on SEDAR at www.sedar.com or at the Company's web site at www.ditem.com.

All expenses related to properties and exploration programs were financed by Ditem and paid with Ditem funds.

15. RISKS AND UNCERTAINTIES

Exploration and development in the mining sector involve significant financial risks. The success of the Company will be influenced by a number of factors including financing, exploration risks, and environmental and other regulations. The Company will periodically have to raise additional funds to continue operations, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future.

16. SHARES, WARRANTS AND OPTIONS

As of December 31st 2007, the Company has 44,584,985 shares in circulation, compared to 33,952,405 on December 31st 2006. Fully diluted the Company has 52,675,660 shares issued and outstanding.

Share Issued

Share issuance	Note
3,616,580	Warrants exercised
285,000	Option exercised
6,731,000	Private Placements
423,100	Exchange for services
11,055,680	Total shares issuance

Total Shares Issued

Shares issued	Note
33,952,405	Shares issued as of January 1 st 2007
11,055,680	Total share issued since January 1 st 2007
45,008,085	Total shares issued to December 31st 2007

Warrants not exercised

Warrants	Exercise Price	Date of Expiry
554,776	\$0.15	2008-04-05
67,500	\$0.48	2008-30-06
526,583	\$0.35	2008-12-11
1,366,666	\$0.60	2008-12-12
2,327,050	\$0.75	2009-01-26
4,842,575	Total	

Options

Options	Exercise Price	Date of Expiry
125,000	\$0.35	2008-04-29
1,500,000	\$0.97	2012-07-18
1,200,000	\$0.65	2012-12-20
2,825,000	Total	

17. OUTLOOK

In 2007, Ditem undertook major exploration programs on three of its four properties, signed an LOI with Sinosteel Mining, and is preparing additional drilling programs for 2008. Further work and drilling will be required in 2008 on targets identified during the Fall and Winter of 2007 in the Otish. On the Beartooth Project, drilling was completed in early April 2008 and we are awaiting laboratory reports. The Company is encouraged by the result of the programs and its progress on its properties.

Over the coming months in the Otish Mountains, the company will focus on continuing its drilling program on the Otish Uranium Property, undertake an airborne magnetic survey on the Otish Uranium South Property and, finances permitting, drill an initial hole to obtain stratigraphic information and detailed geological.

In the Athabasca Basin, Ditem intends to continue with the program on Beartooth in order to increase its interest in the Project. The program will be established in conjunction with Golden Valley Mines and will be finalized with the results from the drilling during February and March of 2008. The Company will also undertake to drill Cree Lake later this year.

Developments with Sinosteel Mining have been favourable and we are now awaiting for their representatives to make their way to Montreal in late May or early June for due diligence sessions and the preparation of the Joint Venture Agreement on the properties. It is felt that future joint efforts not only on existing properties will be stimulating but that future properties will also be of considerable importance. The participation with Sinosteel will guarantee additional exploration funds for Ditem as well as expertise in uranium programs and development. The Company is confident that other Letters of Intent and Joint Venture Agreements will be signed with Sinosteel.

As indicated previously, an arm's length environmental committee has been formed and is now preparing exploration program guidelines for both Saskatchewan and Quebec.

In spite of the recent decline in the price of uranium, demand for uranium continues to increase and it is reasonable to believe that the price will increase in the coming months. There will undoubtedly be continued fluctuations in market value in uranium exploration companies, but the overall trend should be positive.

Ditem, focused on highly promising properties and solid exploration programs, not to mention its future association with Sinosteel Mining, is convinced that shareholder value will increase in the coming months.

The directors of Ditem look forward to seeing you at the Annual Meeting of Shareholders to be held in Montreal on June 27th at the Queen Elizabeth Hotel at 14:00.

April 24th 2008

(s) Raymond Savoie
President