



MANAGEMENT DISCUSSION AND ANALYSIS

ANNUAL REPORT FOR THE YEAR ENDED DECEMBER 31st 2008

The following Management Discussion and Analysis (MD&A) is a supplement to the audited financial statements for the year ended December 31st 2008 which is deposited under Ditem Explorations, Public Documents at www.sedar.com. The present MD&A should be read in conjunction with the 2007 audited Annual Financial Statements and corresponding MD&A. This report, along with all of the recent press releases, previous financial statements and related documents are also available on Ditem's (the "Company") website at www.ditem.com.

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 2008 was completed on April 26th 2009. As required, important activities and events after December 31st 2008 are also noted.

2. CORPORATE PROFILE

Ditem is a uranium exploration and development company, incorporated in May 1993 under the *Canada Business Corporations Act* and 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 had no income or royalties from production or from production related activities in 2008 and none are anticipated in 2009. All properties and interests are at the exploration stage.

3. EXPLORATION ACTIVITIES

A summary of Ditem Exploration's properties and projects with a brief synopsis of on-going activities and exploration programs is 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. New programs may be undertaken at the Board's discretion.

PROPERTIES	INTEREST HELD	EXPLORATION PROGRAM	PROPOSED PROGRAMS
Quebec Properties			
Otish Uranium	486 claims totaling approximately 258km ² 100% Ditem owned	Detailed uranium regional review over entire Otish Basin completed, 43-101 completed; airborne magnetics, radiometrics and TEM surveys completed and reviewed, 6 hole drill program completed in 2007, follow up 4 hole drill program completed in 2008 on identified targets	Results of the previous drill program to be released in May 2009; additional drilling scheduled for 2009 on selected targets subject to financing
Otish Uranium South	100% interest in 717 claims totaling 381 km ²	43-101 completed; airborne magnetics, radiometrics and TEM survey completed on the property	All claims have been abandoned in 2009
Tichegami	48 claim cells, 205.3 km ² , 90% Ditem	5 kimberlites (uneconomical) identified in 2003	No work planned for the present year
Matoush	2% NSR	Strateco drilling program on-going	
Hemingford	4 claim cells, 100% Ditem	No work planned for the present year.	Properties will be maintained and may be subject to option
Saskatchewan Properties			
Beartooth	4 mineral dispositions totaling 237.6 km ² ; Ditem interest is at 60%; Ditem is operator	Airborne MegaTem survey completed, Magneto-Telluric survey completed and targets identified. Additional Magneto-telluric survey on northeastern sector and a 3 hole drill program completed in 2008	43-101 completed; ground geophysics completed, drilling program completed in 2008, final results to be released in May 2009; new program to be established for fall and winter of 2009
Cree Lake	100% interest (2% NSR to a third party) on mineral dispositions (claims) totaling 831 km ²	Airborne VTem and Mag surveys completed; ground and structural study completed, target drilling proposed	18 claims have been abandoned in 2009, ground geophysics are proposed for remaining 2 highly potential claims

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

2008 Highlights

- Drilling program completed on Beartooth Island in the Athabasca Basin
- Ditem operator of the Beartooth Island Project after earning a 60% interest
- Private placement financing of \$750,000 for Otish Basin Exploration Program
- Cree Lake property review completed
- Drilling program completed on the Otish Uranium Property in Q3
- Suspension of a proposed master Joint Venture Agreement with Sinosteel

The Otish Mountains Properties, Quebec

A. Otish Uranium Property

Geologically well situated in the western edge 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 a few kilometers to the East. The property encompasses the UEM block on which is 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 regional compilation was completed in 2007.

In early 2007, a 43-101 compliant technical report was completed for the property and a program outlined. Ditem's 2007 exploration program consisted of, among other things, detailed magnetometer, radiometric and TEM airborne surveys at 150 m 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 structure 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. Results of the program have produced weak uranium indications.

In January 2008, Geophysique Camille St-Hilaire undertook a new analysis and interpretation of the 2007 survey incorporating data obtained from the 2007 drill program. As a result of this and other elements, the new drill program has been prepared. In August 2008, and following the completion of a specific financing, the Company has undertaken a 4 hole drill program to test targets identified as a result of last year's drilling and recent analysis.

The Company completed 852.8 m diamond drilling project on its wholly owned Otish property between July and September 2008 as part of its uranium exploration program in Quebec. This project was undertaken to follow up on the anomalous results of the 2007 Airborne TDEM (AeroTEM II), magnetic and radiometric surveys. It is thought that some of that survey's conductive anomalies may be caused by alteration fluids that might contain uranium mineralization. Four diamond drill holes were completed into three selected conductive anomalies.

One drill hole encountered trace amounts of uranium related to a 10 cm altered gabbro dyke intersection using a RS125 Spectrometer. It is not known whether the gabbro dyke is the cause of that conductive anomaly as pyrite mineralization was encountered elsewhere in the drill hole. The core recovered from the three other drill holes completed into the two other conductive anomalies did not show evidence of uranium. These drill holes did encounter significant sulphide mineralization (pyrite and pyrrhotite) that likely explains the cause of the two anomalies.

Each drill hole was left cased and open for future down hole geophysical surveys to confirm the cause of three conductors. Selected samples recovered from all the drill holes were submitted to an accredited laboratory for uranium pathfinder, precious metal and base metal chemical analysis. Results of the analysis will be made known after the review in May 2009.

B. Otish Uranium South

Otish Uranium South property consists of 725 claims totalling 38,524 hectares staked by Ditem in 2007. The Otish Uranium South property is located approximately 20km south of the eastern edge of the Otish Basin. In early 2009, all claims related to the Otish Uranium South property were abandoned.

C. The Matoush NSR

The Company maintains a 2% NSR on the Matoush property, being explored and developed by Strateco Resources.

The Lake Athabasca Projects, Saskatchewan

D. The Beartooth Island Property

The Beartooth Island property is located approximately 72 kilometers southwest of Uranium City, Saskatchewan and approximately 10 kilometers southeast of the Maurice Bay uranium deposit (Cameco). This prospect is composed of four mineral dispositions totaling 23,760 hectares (58,712 acres) located along the north-west perimeter of the Athabasca Basin.

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 Island 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 eastern 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.

Within the first half of 2007, a successful ground Magneto-Telluric survey was completed, final data was received and subsequent targets were defined. Throughout early 2008, a Spartan MT survey compiling 18 lines, for a total of 118.2 line kilometers over one additional priority target area (coverage over the northeast section of property) was run. As well, a detailed in-fill was also completed which surveyed over selected areas of the remainder of the property and based on the definition of a series of anomalies. The determined anomalies may be a product of basement conductors that are associated with resistivity lows as outlined from the initial 2007 survey slated for drill testing.

The drilling program in 2008 totaled 2511.55 meters, testing three separate conductors as defined by the winter 2007 Spartan MT survey. Variable hydrothermal alteration (hematite, chlorite, limonite and clay) normally associated with uranium deposits in the area were intersected to the unconformity and into the basement rocks. Both of these holes also showed an increase in radioactivity above background and elevated boron values. A follow-up down-hole time domain electromagnetic survey (BHTEM) identified two off-hole conductors in two of the three holes completed. These first drill intersections on the Beartooth Island Prospect are highly encouraging in light of the evidence of hydrothermal alteration, elevated boron values and off-hole electromagnetic conductors. This may indicate a neighbouring mineralized structure. Both targets coincide with the ground magnetotelluric geophysical anomalies. Ditem's geologist Alan Davies was present on the Beartooth Island Property for the drilling and MT program.

Final assay results from the diamond drill program included: 1) anomalous uranium values above background levels; 2) evidence of hydrothermal alteration; 3) elevated boron values and 4) off-hole electromagnetic (BHTEM) conductors. The off-hole BHTEM conductors proximate to the unconformity contact represent high priority drill targets, along with remaining untested geophysical features within the property. The operator of the drill program, Golden Valley Mines, is to make the results known on completion of a review program.

Effective September 2008, Ditem became operator with a 60% interest on the completion of a \$3.5M exploration program on the property.

A Phase III work program of follow-up drilling is recommended for the 2009-10 winter exploration season.

E. The Cree Lake Property

The Cree lake Property is located in the southwest sector of the Athabasca Basin in northern Saskatchewan. The property consists of 20 claims, 19 of which form a contiguous block of about 83,030 hectares or 837 km². The property was acquired by Ditem in April 2006 and is subject to a 2% NSR. The property was partially renewed in 2009. In March 2007, V-Tem and magnetic surveys were flown over the entire property of Cree Lake at 200 meter line spacing with areas of interest flown at 100 meter line spacing. Analysis completed in 2007 indicated features on the property with strong potential and the Company has prepared a ground geophysical survey to be completed over parts of the property in addition to a potential drilling program on identified targets for 2008. Further interpretation was completed by JVX and four prominent conductors were identified. Offsets in two of these conductors occur at magnetic breaks.

From this detailed interpretation, Ditem was able to identify the highly potential zones on the property. As a result, the Company has scaled back its claims for 2009 and will continue to focus directly on the two most promising claims on the property.

F. 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 provided 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 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, outlined 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), the 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 was to be completed by Joint Venture Exploration Agreements specific to each of the properties.

In May and June, Sinosteel completed a due diligence on Ditem properties and exploration expenses. In mid-June, Sinosteel requested a 60 day delay for the negotiations in Montreal as a result of the earthquake in Szechuan Province and their participation in efforts for the area. The delay was granted. After discussions in July and early August, and as a result of activities related to the Summer Olympics in Beijing, it was decided to postpone their trip to September 16th and new visa applications and letters were reissued.

Representatives of Sinosteel flew to Montreal on September 16th and made visits to the Otish Mountains area and the Athabasca Basin. Working sessions were held in Montreal, Regina and Vancouver with Sinosteel and government representatives. The Sinosteel group returned to Beijing on September 24th after

agreements were reached on all key items. Legal consultants continued to finalise minor items and all documents were completed on October 22nd as agreed.

On November 6th, and as agreed upon, Ditem representatives went to Beijing in order to formally sign the LOI and participate jointly in the China Mining Conference. On November 10th, Ditem was officially notified that because of the “global financial crisis” proceeding with the project was “temporarily suspended.” A press release was issued by Ditem on November 11th.

There have been no further developments with Sinosteel. Ditem is presently examining other alternatives to the situation.

4. SELECTED ANNUAL INFORMATION

Selected annual data for the year 2008 compared to 2007 are as follows. Items chosen are discussed within the present MD&A.

Selected Annual Information	Results to December 31st 2008	Results to December 31st 2007
Shareholder Equity	\$8,863,588	\$10,779,084
Deficit	\$10,284,472	\$6,770,083
General Expenses	\$939,069	\$810,200
Current Assets	\$965,494	\$4,917,946
Deferred Expenditures	7,791,190	\$4,994,607

5. LIQUIDITY AND CAPITAL RESOURCES

As of December 31st 2008, the Company had current assets, including accounts receivable and prepaid expenses of approximately \$965,494 as compared to \$4,917,946 on December 31st 2007. Marketable securities at fair value as of December 2008 are evaluated at \$179,364. At the time of writing this report, the value would be lower as a result of market conditions.

Accounts receivable of \$228,043 are composed of sales tax returns for an amount of approximately \$24,856 for federal and provincial sale taxes which have since been received and with various companies and suppliers for a total of \$203,681 which have also since been received.

Accounts payable at December 31st 2008 total \$125,648 and are composed of amounts related to on-going expenses for \$97,328, accounting fees for \$20,500 and employee benefit tax of \$7,820. All amounts owing have since been paid.

Shareholder equity at \$8,863,588 in 2008 is reduced as compared to \$10,779,084 in 2007, and is the result principally of properties which have been abandoned.

6. OPERATIONS AND DEFICIT

During 2008, the Company received revenues in the form of interest payments on bank deposits for \$54,719 as compared with \$178,360 for 2007. There were no sales of marketable securities.

Overall expenses and net loss increased substantially as a result of the write-down of the major portion of the Cree Lake and the Otish Uranium South properties as well as the cost of stock based compensation to directors and officers. Net Loss for 2008 was \$3,458,139 as compared to \$1,114,281 in 2007. Consequently, the accumulated deficit increased to \$10,284,472.

Operating expenses were in keeping with the increase of the Company’s activities which included drilling operations on the Beartooth Island and Otish Uranium properties and activities related to the proposed

Sinosteel agreement. As a result, general expenses increased slightly from \$810,200 in 2007 to \$939,069 in 2008 mostly in relation to the increase in travel and professional fees. The Company has since substantially reduced operating expenses as a result of cost reduction objectives and decreased activity in 2009.

Travel expenses also increased in 2008 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 to Lake Athabasca, Saskatoon, and Toronto. As a result, Sinosteel related expenses have in 2008 been considerable involving legal, consulting and translator fees both in Canada and in China.

Revenues and Net Loss and Net Loss per Share by Quarter

Quarter	Revenues	Net Profit	Net Loss per Share	
		(Net Loss)	Issued	Diluted
31/12/2008	(693,572)	(2,909,660)	0.080	0.080
30/09/2008	4,532	(614,548)	0.014	0.014
30/06/2008	454,112	197,924	0.013	0.013
31/03/2008	24,101	(131,855)	0.006	0.006
31/12/2007	129,417	(679,110)	0.030	0.030
30/09/2007	41,385	(73,481)	0.012	0.012
30/06/2007	52,050	(229,910)	0.012	0.012
31/03/2007	43,892	(131,780)	0.003	0.003

7. FINANCING

In July 2008, the Company completed a non-brokered private placement of 1.5 million flow-through common shares at a price of \$0.50 per common share for gross proceeds of \$750,000. There were no warrants attached to the common shares. All the securities issued pursuant to the private placement were subject to a hold period of four months from the date of closing.

A summary of financings from January 1st 2006 to December 31st 2008 is given below.

Date of Financing	Shares				Warrants	
	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
July 2008	1,500,000	\$0.50	\$750,000	0	0	0
Total of Financings			\$9,100,150.50			

There were no other financings in 2008 and none to the date of writing this report.

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.

Obligations related to an option agreement with Golden Valley Mines for the Beartooth Island property have been met and Ditem has acquired a 60% interest in the property. The additional 6% is conditional to a bankable feasibility study which the Company may or may not undertake.

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

In the spring of 2008, Ditem completed exploration programs on its Beartooth Island property in the Athabasca Basin as well as compilation and review work on its Otish Uranium Property. In summer of 2008, Ditem completed a four hole drilling exploration program on its Otish Uranium property in the Otish Basin as well as compilation and review work on its Athabasca properties.

Total exploration expenses on the Otish Uranium, Beartooth Island and Cree Lake properties for 2008 were \$3,889,140 as compared to \$4,548,008 in 2007. Exploration expenses are presented below on a quarterly basis, by type of activity.

Ditem Exploration Expenditures (2008)

Quarter	Exploration Expenditures (\$)				
	Q1	Q2	Q3	Q4	TOTAL
Drilling	727,080	1,661,803	681,964	36,886	3,107,733
Geological and Geophysics Survey				233,100	233,100
Geological Works	30,041	6,287		75,209	111,537
Others	391,959	59,490	268,112	-282,791	436,770
TOTAL	1,149,080	1,727,580	950,076	62,404	3,889,140

Deferred expenditures increased from \$4,994,607 in 2007 to \$7,791,190 in 2008 and include the loss on write-down of mining properties and also less the Quebec resource tax credits.

All CEE flow-through funds have been completely spent for admissible exploration work on the Beartooth Island Property, in early 2008 and, subsequent to the July flow-through financing, on the Otish Uranium Property in Quebec.

Non flow-through and flow-through financings in 2008 and 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	\$ 0	\$2,000,000
			Total	\$4,750,150
July 2008 All shares at \$0.50	\$ 0	\$ 0	\$750,000	\$750,000
			Total	\$5,500,150

Flow-Through Exploration Reserve (from December 31st 2007 to December 31st 2008)

	CEE	CEE (Qc)	Total
Flow-Through Reserve December 31 st 2007	\$2,000,000	\$ 0	\$2,000,000
Flow-Through Exploration Expenses to March 31 st 2008	(\$823,564)	\$ 0	(\$823,564)
Flow-Through Exploration Expenses to June 30 th 2008	(\$1,176,436)	\$ 0	(\$1,176,436)
		Total	\$ 0
Flow-through Reserve on July 28 th 2008	\$ 0	\$750,000	\$750,000
Flow-through Exploration Expenses to December 31 st 2008	\$ 0	(\$750,000)	(\$750,000)
		Total	\$ 0

There were no other flow-through financings in 2008 or to the date of writing of this report.

10. RELATED PARTY TRANSACTIONS

In consideration of management, Company administration and direction, the CEO received a monthly fee of \$5,000 as approved by the Board of Directors.

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 on operations, the Company having been created solely to facilitate office administration and to reduce costs for office maintenance.

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, 2008, the Company adopted the Canadian Institute of Chartered Accountants ("CICA") Handbook Section 1535, *Capital Disclosures*, Section 3862, *Financial Instruments - Disclosures*, and Section 3863, *Financial Instruments - Presentation*.

Changes in accounting policies in conformity with these new accounting standards are listed in the note 2 of the 2008 Audited Financial Statements.

13. CERTIFICATION OF ANNUAL FILINGS

For the financial period ending December 31st 2008, the Chief Executive Officer and the Chief Financial Officer in collaboration with the Audit Committee of the Company reviewed the annual financial statements and annual MD&A (together, the “annual filings”) of the Company.

The Chief Executive Officer and the Chief Financial Officer of the Company represent that, based on their knowledge and having exercised reasonable diligence, the annual filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, for the financial period covered by the annual filings and fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of the date of and for the periods presented in the annual filings.

The Chief Executive Officer and the Chief Financial Officer are responsible for ensuring and confirming that processes are in place to provide them with sufficient knowledge to support the above mentioned representations.

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 2008, the Company has 46,773,085 shares in circulation, compared to 45,008,085 on December 31st 2007. Fully diluted the Company has 52,100,135 shares issued and outstanding.

Share Issued

Share Issuance	Note
265,000	Warrants exercised
1,500,000	Private Placements
1,765,000	Total shares issuance

Total Shares Issued

Shares Issued	Note
45,008,085	Shares issued as of January 1 st 2008
1,765,000	Total share issued since January 1 st 2008
46,773,085	Total shares issued to December 31st 2008

Warrants Not Exercised

Warrants	Exercise Price	Date of Expiry
211,550	\$0.75	2009-01-26
2,115,500	\$0.75	2009-01-26
250,000	\$0.80	2009-10-18
2,577,050	Total	

Options

Options	Exercise Price	Date of Expiry
1,500,000	\$0.97	2012-02-09
1,200,000	\$0.65	2012-12-20
25,000	\$0.56	2013-01-28
25,000	\$0.36	2013-07-28
2,750,000	Total	

17. OUTLOOK

As current market conditions have yet to improve in this difficult crisis, it is encouraging to note that uranium has maintained a relatively stable price and demand, as stated previously, shows no sign of decreasing. Although trading at slightly lower numbers than anticipated, uranium is weathering the storm quite well. These favourable indicators should prevail and will give rise to substantial opportunities in exploration and development in the uranium sector.

As a result, Ditem will continue during the present year to focus on its important uranium exploration properties as operator on its three core properties: Otish Uranium in the Otish Mountains and Beartooth Island and Cree Lake in the Athabasca Basin. Although 2008 drill results on the Beartooth Island property did not produce the desired results, our understanding of the complex geological structures of the property has increased and we are confident that new programs will give better results. Cree Lake presents considerable potential as the area susceptible of generating results was maintained. The Otish Uranium drill results should be released in Q2 of this year. Ditem fully intends to continue drill programs where warranted.

The Company will continue to seek out high-growth opportunities. Although we were not able to proceed with the signing of the final agreement with Sinosteel, we have generated interest from other third parties for participation in specific programs. Other opportunities are currently being reviewed and new opportunities will undoubtedly present themselves over the coming months.

Finally, and just as important, we continue to maintain low overhead and operating expenses. The Board and management is determined to keep these to a minimum in order to be able to undertake new opportunities and establish a balance between liquidities, exploration programs and new projects. With this in mind, only the most promising of our properties have been renewed.

The directors of Ditem wish to thank shareholders for their continued support and look forward to seeing you at the Annual Meeting of Shareholders to be held in Montreal on June 26th at the Queen Elizabeth Hotel at 14:00.

April 24th 2008

(s) Raymond Savoie

Raymond Savoie
Chairman and CEO