



POWERTECH REACHES A NEW LEVEL OF COMMERCIAL MATURITY BY POSTING SIGNIFICANT REVENUE GROWTH

PowerTech has just reached a new level of commercial maturity by posting major sales growth this past quarter. This marked increase in our revenues is a direct result of the commercial development initiatives undertaken by the Company over the last year, which have led to the signing of several promising partnership agreements. Today, we are starting to reap the fruits of our efforts and we are confident that this is only the beginning.

It is especially satisfying to see that our OEM (original equipment manufacturer) agreement concluded with NPK Construction Equipment “NPK” last February has already resulted in the sale of several PicBucket demonstration units and accessories. These demonstration units, which are being showcased by NPK in the United States and Latin America, are powerful new weapons in our marketing arsenal that we expect will support significant growth in our future revenues. NPK is a world leader in the construction equipment industry with a network of more than 300 points of sale.

Furthermore, we have also started training NPK’s sales teams on PowerTech’s technology in accordance with the terms of our partnership agreement. With respect to production, PowerTech has given itself a very strict delivery schedule to be able to effectively meet NPK’s needs. The commercialization of our technology under the NPK private brand name is already well underway and all the pieces are in place for a successful take-off: proven, high value-added, technology, a renowned partner with an extensive distribution network, a well prepared sales team, and a production schedule aligned to commercial needs.

Other major achievements

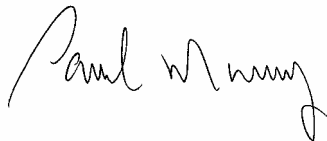
We have also made major progress on other fronts in recent months. The distribution agreement concluded last March with the French company Bergerat Monnoyeur is a new milestone. This agreement will enable us to begin building the foundation for our European commercial strategy and gain a foothold in a market that offers PowerTech significant commercial potential. Bergerat Monnoyeur has distributed Caterpillar products for 100 years and now does business in nine regions of France via a network of 50 branches. In addition, these efforts have allowed PowerTech to make our first sale in Europe to the Swedish company Degeberga Grus & Schakt. This enterprise will serve as a credible reference within the European construction industry and will help us to create and generate demand for our products in this region of the world. Other partnerships are

also being explored and could be formed in the near future. By following the proven model set up in the United States over the last year, we are preparing the groundwork to develop a strong commercial presence in Europe.

PowerTech has also made a promising breakthrough into the rental market. The CAT Rental Store network, a wholly owned division of Finning Canada, recently purchased PicBucket units for its Calgary and Edmonton branches. The quickly expanding equipment rental market allows entrepreneurs to access supplementary tools and equipment to complete projects on time, or meet specific needs. In addition to opening doors to high-potential new commercial opportunities, CAT Rental Store's decision to add our PicBucket and its accessories to its product line is a wonderful vote of confidence on the quality and effectiveness of our technology from a leading industry player.

In terms of financing, last April PowerTech concluded a new private financing that enabled it to raise gross proceeds of \$3.2 million. The Company now has the necessary resources to continue implementing its commercialization strategy and technological development plan. In this regard, last April the Company launched a new more powerful version of the PicBucket called the 3000 Series. This version is designed for 8.5 to 16 ton excavators. PowerTech, which already markets the 1000 and 2000 Series, is aiming to also serve the larger excavator market by developing increasingly powerful, higher capacity buckets. The 3000 Series is a first, significant step in this direction.

Today, PowerTech is showing concrete, tangible results flowing directly out of the commercial development efforts we have made, as well as from the development of innovative and quality products. We are more confident than ever as to the Company's future success. Over the months to come we will continue to demonstrate the same determination that has taken us this far and in doing so, transform our goals into reality.

A handwritten signature in black ink, appearing to read "Carol Murray". The signature is fluid and cursive, with a large initial "C" and "M".

Carol Murray

President and Chief Executive Officer
Power Tech Corporation Inc.



Management's Discussion and Analysis

Quarterly Report to our shareholders
2nd quarter ended March 31, 2007

This analysis focuses on the financial position and analysis of the results of operations for Power Tech Corporation Inc. (TSX-V: PWB) ("the Company") for the three month period from January 1, 2007 to March 31, 2007. This report should be read in conjunction with the information provided in the company's interim consolidated financial statements and notes for the three month period ending March 31, 2007.

The audited and unaudited consolidated financial statements of the company have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and reported in Canadian dollars. They are also consistent with the accounting policies set forth in the Company's audited consolidated financial statements for the year ended September 30, 2006.

The interim consolidated financial statements and accompanying notes should be read in conjunction with the Company's audited consolidated financial statements for the year ended September 30, 2006.

For more information on the company, please consult the company's SEDAR filings at www.sedar.com.

Company Overview

PowerTech is the only company in the world that manufactures and commercializes a percussion technology that combines the power of a hydraulic hammer with the stripping force and maneuverability of a conventional excavation bucket. The company owns the intellectual property behind this technology that is commercialized under the PicBucket and PicHammer brand names.

The PicBucket is an excavation bucket integrated with a hydraulic cell that holds tools that are interchangeable depending on the desired application. This innovative combination has the opportunity to revolutionize the excavation industry where, up until now, no product could offer the combined performance characteristics offered by this unique technology. The PicHammer exploits the same percussion technology but in the form of a hydraulic hammer including a nose piece at the tip that permits the use of interchangeable demolition tools for cutting, ripping and compaction. The technology permits both the PicBucket and PicHammer the capability of working with any one of the

accessories at all angles of attack with the ability at all times of using the percussion power while prying, ripping, backfilling, demolishing, excavating and compacting.

General Overview and Recent News

Completion of Private Placement

On February 28, 2007, the Company announced that Northern Securities Inc. agreed to act as the agent on a private placement for a maximum of \$4.0M. On April 5, 2007 the Company completed a first closing for this private placement for gross proceeds of \$1,510,000 and the second close on April 16, 2007 generated gross proceeds of \$1,733,509.

The Company raised total gross proceeds of \$3,243,509 by issuing 5,897,290 units of the Company at a price of \$0.55 (the "Offering"). Each unit is comprised of a common share of Power Tech and a half-warrant entitling the holder to subscribe to one common share of the Company at a price of \$0.70 for a period of 24 months following the date of closing.

The Agent received a cash commission of \$259,480 equal to 8% of the gross proceeds from the sale of units to purchasers. In addition, the Company issued to the Agent 589,729 broker warrants which equals 10% of the total number of units sold to purchasers. These warrants have the same features as those issued in connection with the Offering.

Announcement of partnership with NPK Construction Equipment ("NPK") and Sales Progress

On February 27, 2007, Power Tech announced a non-exclusive partnership with one of the world's leading attachment equipment manufacturers, NPK Construction Equipment. The deal is Power Tech's first partnership where its products will be commercialized under the brand name of a third party. The PicBucket and PicHammer will be commercialized by NPK in their colours and under their name and sold directly to them for sales through their distribution channels.

The company's distribution model, through existing deals with partners like Finning and Toromont, allows Power Tech to promote its technology, establish credibility for the company name and technology, and generate short term revenues.

We are convinced that deals with well known, credible industry players, such as the one signed with NPK, are of great importance in generating significant revenues for Power Tech. A private label partnership with a company with a reputation of a company like NPK eliminates or mitigates a large number of the barriers that most new technologies will face without having a commercial support like this.

Included in the second quarter of the 2007 fiscal year, PowerTech delivered and invoiced 9 demonstration units to NPK as per the details of the agreement signed in February. These units will be used in the coming months by NPK to promote their private labeled version of the PicBucket leading up to its commercial launch in the fall of 2007.

Currently, the company remains at the beginning of its commercialization phase and, as a result, sales remain relatively erratic. We are encouraged by the growth in sales opportunities and the potential of the NPK deal and others in the future, and as more and more sales opportunities are added to the growing backlog, the growth in revenue should stabilize and become more predictable. Future sales growth will be the result of more and more agreements with distributors and other partners who can present Power Tech to much larger audiences.

Selected Financial Information

For the 3 month period ended March 31,

	2007	2006
	\$	\$
Revenues	386,651	39,500
Net Loss	(925,013)	(654,001)
Basic and Diluted loss per share	(0.03)	(0.02)
Total Assets	2,208,165	1,957,603
Total long term liabilities	2,961,992	1,545,000
Cash on Hand	100,883	325,090

Results of Operations

The second quarter of 2007 resulted in a record number of units sold and revenue in a quarter. This revenue growth is coupled with a continued focus on significant investment in developing the company's distribution network and continuing the deployment of its commercialization plan.

Sales

\$386,651 of sales was generated during the quarter from the sale of 15 PicBucket units and related accessories. 9 of these units were sold to NPK as demonstration units for their initial sales and marketing efforts as part of our agreement signed in February, 2007.

Sales revenue during the first six months of the fiscal year totaled \$422,589 compared to \$139,640 last year. The strong second quarter of 2007 is the largest factor in this increase.

Gross Margin

Gross margin for the current quarter totaled \$78,703 which represents 20.4% of revenues. The direct cost of sales was \$233,654 for the quarter which is 60.4% of revenues. This percentage is in the range of management's expectation of direct cost margins going forward and as volumes grow, the relative importance of the indirect cost of goods sold on the gross margin will diminish as sales volumes increase.

The margins realized in this quarter are virtually identical, in percentage terms, to that of the first quarter in 2007. In total, for the first six months of 2007, gross margins totaled \$85,962 versus \$37,791 in 2006.

Administrative expenses

Administrative expenses totaled \$376,120 for the three month period ended March 31, 2007 versus \$298,951 for the same period last year. Significant portions of this expense include salaries and wages of \$90,660, legal fees of \$71,913 and the administrative compensation cost associated with company stock options of \$27,723.

For the first six months of 2007, administrative expenses totaled \$658,803 versus \$500,741 in 2006.

Selling and Commercialization Expenses

Selling and commercialization expenses totaled \$331,403 versus \$270,372 for the same three month period last year. The sales team has been in place for a full year now. Following the signature of the deal with NPK, management initiated a reorganization during the last three months. With NPK deploying through their distribution network throughout the United States and South America, we have consolidated our activities through our territory managers exclusively in Canada. This required eliminating the one territory manager position in the United States that had been in place since June, 2006. The severance costs associated with this change (\$14,538) are included in the \$141,146 of salaries and wages, a significant portion of the \$331,403 total sales and marketing expenses for this period.

Sales and commercialization expenses for the first six months of 2007 totaled \$629,920 versus \$410,919 for the same period in 2006.

In addition, this is the second quarter where we have depreciated the demonstration units. They are being amortized over a period of 24 months to reflect the declining resale value resulting of the utilization of these units by potential clients. A depreciation of \$41,169 was taken in the second quarter of 2007. These units are still classified as inventory, remaining held for sale.

Financial expenses

Financial expenses totaled \$92,132 for the three month period ended March 31, 2007 compared to \$47,143 for the comparative period in 2006. The increase of financial expenses is explained primarily by the completion of a convertible debenture financing for an amount of \$1 million completed September 29, 2006.

For the six month period ended March 31, 2007, financial expenses total \$182,534 versus \$107,174 last year.

In addition, as a result of adopting the new accounting standards of section 3855 – Financial Instruments, the amortization of the deferred financing costs under the effective interest rate method is now recorded as a financial expense.

Amortization of property, plant and equipment

Amortization of the company's property, plant and equipment totaled \$21,469 for the three months ended March 31, 2007 versus \$13,501 for the same period last year. For the first six months of the fiscal year the total was \$42,744 versus \$21,881. The increased base of fixed assets, mostly attributed to moving into our new facility in March, 2006, and therefore the correlating amortization of these assets, explains the increase in expense for the current period.

Amortization of other Assets

The amortization of other assets, comprised of development costs and patents, totaled \$182,974 for the current quarter versus \$47,544 for the same period last year. For the six month period ended March 31, 2007 amortization totaled \$289,5233 compared to \$58,759 last year.

The vast majority of this change is related to development costs that are amortized on a straight-line basis over a period of three years from the beginning of commercialization activities. The most significant projects are now fully amortized as of March, 2007 which will result in significantly less amortization expense in future periods for deferred development costs.

Fine-tuning of currently commercially available product series continues and the development costs associated with these products will be expensed directly in future periods.

Other Revenues and Expenses

Other revenues totaled \$9,910 for the second quarter of 2007, moderately more than the same period last year. Interest revenue of \$5,097 was earned from cash deposits made in interest-bearing short term investments in Canadian financial institutions. In addition, \$4,813 was earned as rental revenue for a portion of the company's building being subleased to a third party.

For the first six months of the year, other revenues totaled \$19,636 versus \$17,613 last year. These revenues come from the same sources described above.

In addition, the company realized a loss on the disposal of property, plant and equipment was realized for \$6,895 during the quarter. The company disposed of some molds used during the manufacturing of some of the key components of its products. These molds became obsolete in the wake of new designs being introduced.

Net Loss

The net loss for the quarter ended March 31, 2007 is \$925,013 compared to \$654,001 for the same period in 2006. This loss is an accumulation of all the expenses already explained above and influenced heavily this quarter by the amortization of deferred development costs. Increased amounts invested in business development and marketing efforts in addition to the ongoing administrative expenses of the business were significant components of this loss.

For the first six months of the fiscal year, the total net loss was \$1,709,333 versus \$1,047,708 for the same period last year.

Summary of Quarterly Results

Quarter ended	Revenues \$	Net Loss \$	Net loss per share	
			Basic \$	Diluted \$
March 31, 2007	386,651	(925,013)	(0.03)	(0.03)
December 31, 2006	35,938	(784,320)	(0.03)	(0.03)
September 30, 2006	48,770	(690,168)	(0.02)	(0.02)
June 30, 2006	231,477	(481,819)	(0.02)	(0.02)
March 31, 2006	39,500	(654,001)	(0.02)	(0.02)
December 31, 2005	99,960	(393,707)	(0.01)	(0.01)
September 30, 2005	0	(450,412)	(0.02)	(0.02)
June 30, 2005	0	(511,357)	(0.02)	(0.02)

Equity Information

As of March 31, 2007, Power Tech has 30,119,866 outstanding common shares and an additional 1,658,900 options and 5,787,114 warrants outstanding. Therefore, the total number of fully diluted shares outstanding is 37,565,880. However, these options and warrants were not included in the computation of diluted loss per share because the effect would be anti-dilutive.

During the quarter, the Company amended its stock option plan to increase the number of stock options from 2,462,500 to 3,011,986 that can be granted under the plan. In addition, the Company extended the expiration date of 4,837,000 warrants with an exercise price of \$0.60 by an additional year, from February 11, 2007 to February 11, 2008.

The changes made to these warrants were accounted for as a new issuance with a calculated value of \$879,850. These warrants were accounted for as a financing cost in the statement of deficit.

Subsequent to March 31, 2007, Power Tech realized the following transactions that affected its equity:

- PowerTech completed a private placement in April, 2007 generating gross proceeds of \$3,243,509 through the issuance of 5,897,290 units at a price of \$0.55. Each unit is comprised of one common share and one half of one warrant. As a result, a total of 5,897,290 common shares and 3,538,374 warrants were issued in the placement. In addition, the company issued 589,729 warrants to the agent as compensation.
- On May 8, 2007, the company issued 50,000 common shares to a supplier under the terms of the company's stock option plan.

As of the publishing date of this report, Power Tech has 36,017,156 outstanding common shares and an additional 1,708,900 options and 9,325,488 warrants outstanding resulting in a total number of fully diluted shares outstanding of 47,051,544.

Balance Sheet

Cash

At March 31, 2007, cash and cash equivalents was \$100,883 compared to \$1,278,686 at September 30, 2006. The cash allocated to further business development and product commercialization accounted for this decrease.

As mentioned previously, the company completed a private placement in April, 2007 resulting in gross proceeds of \$3,243,509 which substantially improves the company's cash position.

Current Assets

Current assets have decreased to \$1,736,281 at March 31, 2007 from \$2,763,511 at September 30, 2006. The decrease is driven almost exclusively by the reduction in cash and cash equivalents. Accounts receivable has increased to \$446,533 from \$263,083 at year end due to customers' receivables from revenues generated during the quarter. Inventory remains a significant portion of current assets, an investment required to perform product demonstrations and to support future sales growth.

Current Liabilities

Current liabilities have increased from \$400,444 at year end to \$1,151,945 at March 31, 2007. The main reason explaining this increase comes from the issuance, by the company, of a note payable for an amount of \$200,000 during the quarter and, in addition, by the due date of another note payable that was previously classified as a long term liability for an amount of \$447,206.

These two notes payable were reimbursed with the private placement financing completed in April.

Property, plant and equipment

Investment in fixed assets was minimal during the three month period ending March 31, 2007. The capitalized value of fixed assets has decreased from \$244,918 to \$241,446.

One of the reasons explaining the decrease was the disposal of the obsolete molds that have been described previously.

Intangible Assets

The company's intangible assets are the intellectual property, specifically patents related to the intellectual property behind the PicBucket and PicHammer. In recent months, the company has begun a formal demand in a number of countries for its third, and most recent, patent. Beginning in the second quarter of 2007, we began paying the fees associated with these formal applications for a total of \$50,831 which will be amortized over the useful life of the new patents (expiration in July of 2025).

Deferred Charges

Deferred development costs totaled \$82,556 at March 31, 2007 which represents a significant decrease of \$147,244 from September 30, 2006. As previously mentioned, the major development projects focusing on the currently commercially available Series 1000 and 2000, and their associated tools, are now fully amortized. Currently, development efforts continue to focus primarily on the development of new product lines.

Long-Term Debt

The majority of the long-term debt is made up of the two convertible debentures and the liability component of these debentures is valued at \$2,450,845 as of March 31, 2007.

Long term debt is also composed of a an interest free loan from Economic Development Canada of \$46,962 as well as a term loan for a vehicle purchase for \$13,417.

Statement of Cash Flows

Cash used for Operating Activities

Cash used for operating activities for the three month period ended March 31, 2007 was \$546,795. The majority of these cash outflows are explained by the ongoing sales, marketing and business development activities as well as the company's administrative expenses.

For the first six months of the 2007 fiscal year, operating activities used \$1,134,501 compared to \$856,361 for the same period last year.

Cash used by Investing Activities

Investing activities for the first quarter of 2007 consumed \$137,541. The most significant investment is an amount of \$85,461 spent in development expenses which was capitalized on the balance sheet as a deferred charge. In addition and as previously discussed, \$50,831 was spent on the development of the third patent that has been capitalized as an intangible asset.

Investing activities for the first six months of 2007 used \$239,783 compared to \$322,655 for the same period last year. The most important utilization of funds in 2006 stems from the fixed asset purchases for our new facility occupied in the second quarter of 2006.

Cash provided by Financing Activities

Financing activities for the three month period ended March 31, 2007 generated \$198,226 compared to \$28,336 last year. During the most recent quarter, the company issued a note payable for \$200,000 and \$1,744 was used to reimburse a vehicle loan.

For the first six months of 2007, financing activities generated \$196,481 compared to \$127,730 for the same period of 2006.

Financial Position

As of March 31, 2007, the corporation has working capital of \$584,336 including \$100,883 of cash and cash equivalents. This represents a significant decrease compared to previous periods. However, Power Tech has addressed the short term requirement for additional financial resources by completing a private placement financing in April, 2007 for gross proceeds of \$3,243,509. The company expects these funds are sufficient to deploy its business plan for the next 12 to 18 months.

While the company expects to generate an increasing amount of revenue in the short and medium term, it must be considered that the corporation has incurred significant losses since its inception. The corporation's future ability to generate sufficient medium and long-term capital depends on various factors, including general economic conditions, technological advancements, market acceptance of its technologies and competition over and above other risks described in the section "risks and uncertainties".

Contractual Obligations

As of March 31, 2007, the Company has three contracted obligations – one for an equipment lease, another for a vehicle lease and one for a building lease. The company also has obligations for its long term financings.

The Company's commitments call for the following *remaining* minimum payments in the coming fiscal years:

	Total \$	2007 \$	2008/2009 \$	2010/2011 \$	Subsequent Years \$
Equipment Lease	5,480	996	3,986	498	0
Vehicle Lease	16,656	3,997	12,659	0	0
Building Lease	2,696,340	114,669	446,885	425,114	1,709,673
Convertible Debentures	2,500,000	0	0	2,500,000	0
Long Term Debt	102,555	3,634	40,289	34,106	24,527
TOTAL	5,321,031	123,296	503,819	2,959,718	1,734,200

Related Party Transactions

Commitment

The building lease agreement is with 6316123 Canada Inc., a company which is 20% owned by Carol Murray, President and Chief Executive Officer (C.E.O.) of Power Tech Corporation Inc and Pierre Gagnon, Vice President Operations of Power Tech Corporation Inc. For the quarter ended March 31, 2007 a total of \$58,242 was paid by PowerTech to this company this quarter (\$116,936 for the first six months).

In addition, the company has guaranteed, to a maximum of 25%, the mortgage loan contracted with 6316123 Canada Inc. for the above mentioned building totalling \$1,200,000.

Administrative Expenses

An amount of \$15,000 for general legal services and guidance in investment securities was paid during the second quarter of the 2007 fiscal year (\$30,000 for the first six months) with an amount of \$17,093 outstanding as payable as at March 31, 2007 to a company controlled by a shareholder and director of the company.

All of these transactions were in the normal course of business and were measured at the exchange amount, which is the amount of consideration established and agreed upon by the related parties.

New Accounting Policies

During the first quarter of 2007, the Company adopted three new accounting standards issued by the Canadian Institute of Chartered Accountants (CICA): Section 1530, Comprehensive Income; section 3855, Financial Instruments – Recognition and Measurement; and section 3865, Hedges. These sections establish standards for recognizing and measuring financial instruments, namely financial assets, financial liabilities and derivatives and require the company to account for those financial instruments at fair market value and to determine their appropriate classes. With the exception of the reclassification of deferred financing costs, the adoption of the recommendations has no effect on the company's financial statements.

Significant accounting policies and estimates

The preparation of financial statements in accordance with Canadian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the 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. These estimates are based on management's experience and other assumptions considered reasonable under the circumstances. Readers are encouraged to refer to the notes of the audited annual financial statements as of September 30, 2006 for a description of significant accounting policies. More precisely, the management of Power Tech has identified the following critical accounting policies:

Going Concern Concept

The financial statements were prepared by management in conformity with Canadian generally accepted accounting principles based on the going concern concept, which assumes the Company will be able to generate sufficient funds to discharge its obligations during normal business operations for the foreseeable future.

The Company incurred a net loss of \$925,013 during the three month period ended March 31, 2007 and has an accumulated deficit of \$7,190,877 as at March 31, 2007. The Company expects to have future capital requirements, specifically for technology development, marketing initiatives, debenture and long-term debt servicing and to service its obligations in the normal course of business. The Company wishes to fund its future capital requirements through additional financing and cash flows from operations. The Company's future ability to generate sufficient short-term and long-term capital depends on their ability to raise capital to finance its operations and also on various factors, including general economic conditions, technological advancements, market acceptance of its products and competition.

On February 28, 2007 the Company announced that Northern Securities Inc. agreed to act as the agent on a Private Placement financing for a maximum amount of \$4,000,000. On April 5, 2007, an initial amount of \$1,510,000 was completed in the private placement financing and on April 16, 2007 an additional amount of \$1,733,509 was completed for total gross proceeds of \$3,243,509. *[See note 10a)]*

This financing provides the Company the opportunity to attain its commercial objectives and discharge its obligations for a minimum of twelve months. These financial statements contain no restatement or reclassification of assets or liabilities that would be necessary if the Company demonstrated an inability to continue its operations.

Fixed Assets depreciation

Fixed assets are reviewed for impairment when events or circumstances indicate that costs may not be recoverable. Impairment exists when the carrying value of the asset is greater than the undiscounted future cash flows expected to be provided by the asset. The amount of impairment loss, if any, which is the excess of net carrying value over fair value, is charged to income for the period.

Actually, management estimates that no events or circumstances occurred that would support a write-down of long-live assets.

Stock-based compensation and other stock-based payments

The company has adopted a stock based compensation plan to use as a tool in effectively remunerating employees, directors, consultants and suppliers of the company.

The company recognizes a compensation expense in respect of the stock options granted under the plan that does not provide for a cash settlement. These options are measured at fair value using the Black-Scholes option pricing model at the grant date, and this fair value is expensed during the period from the grant date to the vesting date.

Management has to consider different assumptions that may affect the value of stock options. The Company has no significant historic data and accordingly has based its assumptions on industry data and other sources of available information.

Financial Instruments

The financial instruments issued by the Company are classified as liabilities if they include a contractual obligation for the Company to deliver cash at maturity. Interest and dividends are charged to income or shareholders' equity according to the balance sheet classification of the corresponding financial instrument.

The Company has used different financial instruments since its inception. The evaluation of those financial instruments requires assumptions established by management using careful judgment.

Disclosure controls and procedures

The President and Chief Executive Officer and the Chief Financial Officer assessed the disclosure controls and procedures (as defined in Regulation 52-109 respecting Certification of Disclosure in Issuers' Annual and Interim Filings) as at March 31, 2007, and concluded that the controls and procedures gave reasonable assurance that the material information with respect to the Company is communicated to management, in particular during the period where annual documents are prepared.

Internal controls over financial reporting

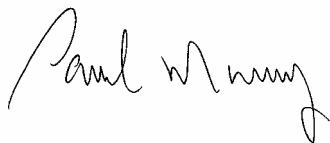
Internal control over financial reporting ("ICFR") is designed to provide reasonable assurance regarding the reliability of the Company's financial reporting and its compliance with GAAP in its financial statements. The President and Chief Executive Officer and Chief Financial Officer have evaluated whether there were changes to its ICFR during the three months ended March 31, 2007 that have materially affected, or are reasonably likely to materially affect, its ICFR. No such changes were identified through their evaluation.

Risks and uncertainties

For a complete listing of the risks and uncertainties associated to the Company, please refer to the same heading in the company's 2006 annual report on SEDAR (www.sedar.com) or downloadable from the Investors page of the company website at www.powertechci.com.

Forward-looking information

Certain sections of this management's discussion and analysis may contain forward-looking information. Statements based on current management expectations involve inherent risks and uncertainties, both known and unknown. Actual results may be different from forecasts.



Carol Murray
President and Chief Executive Officer



Matthew Blackmore
Chief Financial Officer

Terrebonne, Québec, May 22, 2007