

# **GTECH INTERNATIONAL RESOURCES LIMITED**

(the "Company")

## **Management Discussion and Analysis**

(Form 51-102F1)

For the nine-month period ended January 31, 2007

The following Management Discussion and Analysis ("MD&A") of the results and financial position of the Company for the nine-month period ended January 31, 2007 should be read in conjunction with the information provided in the Company's Financial Statements for the period ended January 31, 2007 and the material contained herein.

Unless otherwise noted, all currency amounts contained in this MD&A and in the Financial Statements are stated in Canadian dollars. The information presented in the Financial Statements is prepared in accordance with Canadian generally accepted auditing standards.

### **DATE**

This MD&A is dated March 2, 2007.

### **OVERALL PERFORMANCE**

#### **Description of Business**

The Company realised all of its listed securities during the financial year ended April 30, 2004 and now holds the vast majority of its assets in the form of cash deposits (\$469,024 as at January 31, 2007). No securities of the Company were issued during the nine-month period ended January 31, 2007. The Company is a reporting issuer in British Columbia, Alberta and the Yukon Territory and trades on the NEX board of the TSX Venture Exchange under the symbol GCH.H:NEX.

The Company has previously announced its decision to focus its activities on identifying biotechnology opportunities for the Company to acquire. The Directors anticipate that, once they have identified a suitable biotechnology project, they may convene a Special Meeting of Shareholders to consider and vote on the change of business direction. It is likely that, once a suitable biotechnology project has been identified and approved by shareholders, further placements will be made to raise additional funds for the project. The Board has not identified any specific factors that would impact the Company's ability to acquire a project.

As at the date of this MD&A, the Company is pursuing several opportunities which may, subject to receiving any necessary Shareholder approval, result in a potential biotechnology project being acquired by the Company.

The Company incurred total expenses of \$50,163 during the nine-month period ended January 31, 2007, including stock based compensation expense of \$24,300. As at January 31, 2007, the Company had working capital of \$468,698, and believes that it has sufficient funds to pay its ongoing expenses.

Previously, the Company was a junior resource company engaged in the acquisition and exploration of mineral properties in British Columbia and the Yukon Territory. The Company still retains a 1.5% net smelter royalty on the Aurex Property which Stratagold Corporation may purchase at any time for \$1,000,000. The Company also owned 69 mineral claims, which it sold on January 16, 2002 to ATAC Resources Limited ("ATAC"). The Company agreed to accept 200,000 common shares in ATAC and a cash payment of \$5,000 in final settlement for the transfer of the project. These shares were then subsequently sold by the Company during the fiscal year ended April 30, 2004. Gtech International Resources Limited retains a 2% net smelter royalty which ATAC may purchase from the Company for \$600,000.

## Results from operations

The Company reported a net loss for the nine-month period ended January 31, 2007 of \$41,152, compared to a net loss of \$23,401 for the nine-month period ended January 31, 2006. Total expenses for the nine-month period ended January 31, 2007 were \$50,163, compared to the nine-month period ended January 31, 2006 of \$30,978. Total costs incurred during the period under review in relation to identifying biotechnology opportunities for the Company, as stated in the Description of Business section of this Report, were \$Nil. Until such time as an appropriate business opportunity is identified, the Company's results from operations are unlikely to change significantly.

Revenue for the nine-month period ended January 31, 2007 consisted of interest received of \$9,011, as compared to the previous corresponding period of \$7,577.

During the nine-month period ended January 31, 2007, \$12,710 (October 31, 2006: \$11,977) was spent on general and administration expenses.

## Accounting policies

Accounting Policies are listed in Note 2 of the Financial Statements of the Company as at January 31, 2007. There were no changes in accounting policies during the period under review.

## SUMMARY OF QUARTERLY RESULTS

The following is a comparison of revenue and earnings for the previous 8 quarters ending with January 31, 2007. Financial information is prepared according to Canadian GAAP and is reported in Canadian dollars.

Quarter ended	Total revenues \$	Net profit/(loss) <sup>(1)</sup> \$	Net profit/(loss) per share \$
January 31, 2007	2,978	(10,242)	(0.002)
October 31, 2006	3,034	(18,597)	(0.004)
July 31, 2006	2,999	(12,313)	(0.002)
April 30, 2006	2,392	(21,279)	(0.004)
January 31, 2006	2,521	(8,019)	(0.002)
October 31, 2005	2,535	(15,213)	(0.003)
July 31, 2005	2,521	(169)	(0.000)
April 30, 2005	2,434	(14,550)	(0.002)

Note 1: Profit/(loss) before discontinued operations and extraordinary items is the same as net profit/(loss) as there are no discontinued operations or extraordinary items in 2005 and 2006. Fully diluted earnings/(loss) per share are not presented as the exercise of warrants and stock options would be anti-dilutive.

## LIQUIDITY

As at January 31, 2007, the Company had cash on hand of \$469,024 (April 30, 2006: \$490,784), which is sufficient to meet its obligations as they become due. These funds will be applied towards the investigation of biotechnology opportunities and general working capital. The Company's parent, Genetic Technologies Limited ("GTG"), has indicated its willingness to subscribe for additional shares in the capital of the Company should the need for additional capital be required.

## TRANSACTIONS WITH RELATED PARTIES

With the exception of the reimbursement of minor expenses paid on behalf of the Company by GTG, there were no transactions with any related parties during the nine-month period ended January 31, 2007.

## DIRECTORS AND OFFICERS

Dr. Mervyn Jacobson	Chairman, Director and CEO
Thomas G. Howitt	President, Director, Secretary and CFO
Fred Bart	Director
Elizabeth Sy	Director

The Company is dependent on a small number of key Directors and Officers. Loss of any of those persons could have an adverse affect on the Company. The Company does not maintain “key-man” insurance with respect to any of its management.

## OTHER INFORMATION

No external investor relations activities were carried out during the period under review. The Company maintains a web site at <http://www.gtechinternational.com>, which gives shareholders the opportunity to review quarterly reports, news releases, corporate profiles, project details and other information. Other information relating to the Company may be found on SEDAR at [www.sedar.com](http://www.sedar.com).

## OUTSTANDING SHARE DATA AS AT DATE OF THE REPORT

### Authorized

Unlimited number of common shares without nominal or par value.

### Summary of shares issued and outstanding

	Number of shares	Amount
Balance as at January 31, 2007	5,168,167	\$4,852,410
Balance as at April 30, 2006	5,168,167	\$4,852,410

### Summary of options outstanding

Number outstanding	Exercise price	Expiry date
200,000	\$0.45	August 26, 2010

## FORWARD-LOOKING STATEMENTS

This discussion includes certain statements that may be deemed “forward-looking statements”. All statements in this discussion, other than statements of historical facts, that address future activities and events or developments that the Company expects, are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in forward-looking statements.

BY ORDER OF THE BOARD

*“Mervyn Jacobson”*

DR. MERVYN JACOBSON  
*Chairman, Director and CEO*

*“Thomas G. Howitt”*

THOMAS G. HOWITT  
*President, Director, Secretary and CFO*