

# FINTRY ENTERPRISES INC.

## MANAGEMENT DISCUSSION AND ANALYSIS FOR THE PERIOD ENDED JUNE 30, 2005

Report Prepared: August 10, 2005

### Description of the Business

Fintry Enterprises Inc. (the "Company") has been inactive since December 18, 2003. The predecessor company, Jenosys Enterprises Inc., had been a developer and manufacturer of products for the bingo and gaming industries until its wholly owned subsidiary was assigned into bankruptcy. Since that time, the Company has had no operations and its activities have been limited to maintaining its listing on the TSX Venture Exchange and to seeking a suitable business opportunity.

On December 9, 2004, the Company changed its name to Fintry Enterprises Inc. and consolidated its shares on the basis of 1 "new" common share of Fintry Enterprises Inc. for 10 "old" common shares of Jenosys Enterprises Inc. In addition, the Company increased its authorized share capital to 100,000,000 common shares without par value.

On July 21, 2005, the Company announced that it has entered into a letter of intent with BZU, LLC to purchase all of the mineral claims and leases owned by BZU in exchange for 15,000,000 post-consolidated common shares following a 2:1 share consolidation. For further information on the transaction, see the comments below.

### Overall Performance

Annual results for the years ending March 31,

|  | <u>2003</u>  | <u>2004</u> | <u>2005</u> |
|--|--------------|-------------|-------------|
| Net Sales  | \$4,065,147  | \$1,206,781 | \$ 0        |
| Net Loss from Operations                                     | (11,067)     | (1,625,257) | (84,212)    |
| Excess of liabilities over assets on discontinued operations | 0            | 1,183,249   | 0           |
| Gain on settlement of debts                                  | 0            | 0           | 32,212      |
| Net Loss   | (11,067)     | (442,008)   | (52,000)    |
| Net Loss per share   | \$(0.00)     | \$(0.16)    | \$(0.02)    |
| Total Assets   | \$ 1,023,570 | \$ 297      | \$ 11,433   |

Financial results for the most recent 8 quarters are:

|                            | <u>Sept./03</u> | <u>Dec./03</u> | <u>Mar./04</u> | <u>June/04</u> | <u>Sept./04</u> | <u>Dec./04</u> | <u>Mar./05</u> | <u>June/05</u> |
|----------------------------|-----------------|----------------|----------------|----------------|-----------------|----------------|----------------|----------------|
| Net Sales                  | \$420,131       | \$294,297      | \$83,477       | \$0            | \$0             | \$0            | \$0            | \$0            |
| Net Loss form operations   | (375,985)       | (306,786)      | (699,286)      | (24,710)       | (21,063)        | (14,857)       | (23,582)       | (46,968)       |
| Discontinued Operations    | 0               | 553,016        | 630,233        | 0              | 0               | 0              | 0              | 0              |
| Gain on settlement of debt | 0               | 0              | 0              | 25,065         | 0               | 0              | 7,147          | 0              |
| Net Income (Loss)          | (375,985)       | 246,230        | (69,053)       | 355            | (21,063)        | (14,857)       | (16,435)       | (46,968)       |
| Net Loss per share         | \$(0.13)        | \$0.09         | \$(0.02)       | \$0.00         | \$(0.01)        | \$(0.01)       | \$(0.01)       | \$(0.01)       |

For the periods up to December 2003, the Company, through its wholly owned subsidiary, was a developer and manufacturer in the gaming industry. The Company sold and serviced its electronic gaming equipment in Canada and the United States. In December, 2003, the Company's sole operating subsidiary was unable to continue operating and was assigned into bankruptcy and the Company has had no active operations since that time.

The operations of the Company for the past 6 quarters have been limited to maintaining its listing on the TSX Venture Exchange while it seeks a suitable business opportunity. During the current quarter ending June 30, 2005, the Company realized a loss of \$46,968 due to costs associated with continuing the Company, which were primarily legal and regulatory filing costs. The net loss for the period was \$0.01 per share compared to an operating loss of \$24,710, less a gain on settlement of debts of \$25,065, for net income of \$355, or \$0.00 in the same quarter last year. The primary increase in costs from last year to the current quarter is the financing fee of \$18,750 on a private placement of common shares.

As at June 30, 2005, the Company had cash and short investments of \$234,855 and liabilities of \$1,624,485. The holders of a total of \$1,611,861 of these liabilities have agreed to settle their amounts due in exchange for common shares at \$0.50 per share subject to the Company achieving Tier 2 status on the TSX Venture Exchange. The Company had a working capital deficiency of \$1,386,610 at June 30, 2005.

On May 31, 2005, the Company completed a private placement of 1,250,000 units at \$0.20 per unit for cash of \$250,000. Each unit consisted of one common share and one-half of one share purchase warrant; each whole share purchase warrant entitles the holder to purchase an additional common share for \$0.30 per share until May 30, 2006. The Company awarded a finder 93,750 units, on the same terms as above, as compensation for the issue. The Company believes it has sufficient funds from this private placement to complete the pending transaction as described below.

### **Letter of Intent to Acquire Uranium Assets in the Lisbon Valley, Utah**

On July 21, 2005, the Company announced that it has entered into a letter of intent with BZU, LLC ("BZU") dated July 11, 2005 pursuant to which the Company has agreed to purchase all of the mineral claims and leases owned by BZU in exchange for 15,000,000 post consolidation common shares of the Company (the "Shares") following a 2:1 share consolidation which transaction may take the form of a purchase of assets or a purchase of all of the shares of BZU from the shareholders of BZU (the "Transaction"). The Shares will be subject to escrow restrictions in accordance with the policies of the TSX Venture Exchange (the "Exchange"). The Transaction is at arm's length.

### **Information about BZU, the Mineral Claims and the Lisbon Valley District**

BZU is a Nevada corporation, the principal shareholders of which are Foster Wilson, Brian Kirwin, a Nevada resident, Giulio Bonifacio, a Vancouver resident, and James Bagwell, a Tampa, Florida resident. BZU holds mineral claims and leases in the historical Lisbon Valley uranium mining district of Utah comprising approximately 16,500 acres (6,700 hectares) or 26 square miles (the "Mineral Claims").

The Lisbon Valley uranium mining district is located in the Colorado Plateau region, in southeastern Utah in San Juan County near the border with Colorado. Over 100 million pounds of uranium were produced in the district from 1952 until the early 1990's from an arcuate belt 16 miles long by ½ mile wide along the southwestern flank of the Lisbon Valley anticline. All of the major ore bodies did not outcrop and were discovered by exploration drilling, the most famous being the Mi Vida mine discovered by Charlie Steen in 1952. The Lisbon Valley district accounted for over 80% of the uranium mined in the state of Utah and had some of the highest uranium grades in the United States ranging from 0.2 to 0.4 percent uranium.

The principal target area is the northeast flank of the Lisbon Valley anticline which has been downthrown by the Lisbon Valley fault. Immediately adjacent to the Mineral Claims is the Lisbon Mine which was the largest deposit in the district, producing over 18 million pounds of uranium from the downthrown flank of the anticline. The deposit was discovered in 1968 by wild cat drilling and was mined by Rio Algom for 16 years beginning in 1972. With the exception of the discovery of the Lisbon mine, the downthrown flank remains virtually unexplored. BZU controls approximately 13 miles of the northeast flank of the Lisbon Valley anticline and is currently establishing drill targets.

A technical report to be prepared in accordance with NI 43-101 – Standards of Disclosure for Mineral Projects has been commissioned in respect of the Mineral Claims.

### **Terms and Conditions of the Transaction**

The Transaction is subject to:

- Completion of satisfactory due diligence reviews by the Company and BZU;
- Receipt of regulatory and shareholder approvals;
- The Company completing a share consolidation on a 2:1 basis;
- The Company completing a minimum \$2,000,000 private placement (the “Private Placement”) consisting of post consolidated common shares and share purchase warrants of the Company concurrent with the closing of this Transaction (the “Closing”) a portion of which will be based upon part and parcel pricing in accordance with the rules and policies of the Exchange. The proceeds of the Private Placement will be used for, among other things, a 2005 exploration program on the Mineral Claims, acquisition of additional mineral claims and leases and for general working capital purposes; and
- The Company completing a settlement of \$1,611,950 of outstanding debt owing to existing creditors (the “Creditors”) by the issuance of 3,223,900 pre-consolidated common shares (1,611,950 post consolidated shares) of the Company, subject to approval of the Creditors.

The Company also intends to adopt a 10% rolling stock option plan which will provide for options to purchase up to 10% of the outstanding shares of the Company at the time of grant. It is intended to grant options pursuant to this new plan prior to or concurrent to Closing.

The Transaction and related matters will constitute a “reverse take-over” under the rules and policies of the TSX Venture Exchange (the “Exchange”). There are currently 4,804,903 common shares (pre-consolidated) of the Company outstanding. At Closing, assuming the completion of the share consolidation, the acquisition of the Mineral Claims and the Debt Settlement there will be 19,014,402 post consolidated common shares of the Company outstanding, excluding the shares to be issued pursuant to the Private Placement. No finder’s fees are payable in connection with the Transaction.

## **Directors of the Company at Closing**

At Closing, the directors of the Company will include:

**Foster Wilson**, resident of Nevada, USA; is a Professional Geologist and has over 25 years experience in the mining industry and has a long history working with the uranium deposits in the Lisbon Valley.

**Brian Kirwin** resident of Nevada, USA; holds a M.Sc. in Mineral Exploration and has over 23 years in the mining industry and has been involved in all aspects of international exploration and project development including uranium exploration in the Lisbon valley.

**Giulio Bonifacio**, resident of Vancouver, Canada; is a professional accountant and has over 23 years experience in the mining industry and brings an in-depth knowledge of finance, regulatory and acquisition related matters.

**Greg Andrews**, resident of North Vancouver, Canada; holds a Bachelor of Commerce degree from the University of Calgary and is currently a director and the President and CEO of the Company.

## **Conditions and Cautions**

Completion of the Transaction is subject to a number of conditions, including but not limited to Exchange acceptance and approval of the disinterested shareholders of the Company. The Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Transaction will be completed as proposed or at all.

If all of the conditions and transactions as contemplated above are completed, the Company will become a mineral exploration company trading on Tier 2 of the Exchange.

## **Additional Information**

Additional information relating to the Company may be found on [www.sedar.com](http://www.sedar.com).

Fintry Enterprises Inc.

Per: "Greg Andrews"

Greg Andrews

President and Acting CEO