



MANAGEMENT'S DISCUSSION AND ANALYSIS FORM 51-102F1

For the Period Ended March 31, 2008

The following discussion and analysis of the results of operations and financial condition ("MD&A") for PetroWorth Resources Inc. ("PetroWorth" or the "Company") should be read in conjunction with the Company's interim unaudited financial statements and accompanying notes for the period ended March 31, 2008 and the audited financial statements for the year ended December 31, 2007.

This discussion and analysis of the operating results and financial position of the Company may contain forward looking statements about the future prospects of PetroWorth, but the Company provides no assurances that actual results will meet the expectations of management. This MD&A is prepared in conformity with National Instrument 51-102 F1 and has been approved by the Board of Directors. The Company's auditors have NOT reviewed this MD&A prior to release.

DATE

This management discussion and analysis is as at May 20, 2008

OVERALL PERFORMANCE

PetroWorth continued to be active during the first quarter ending March 31, 2008. The Company focused its activities on corporate and strategic planning. A strategy planning session held in mid January was well attended by directors, senior officers and technical consultants. The Company planned a \$1,500,000 seismic program in Nova Scotia and a four-well drilling program in New Brunswick in 2008.

In January, PetroWorth announced the appointment of Mr. Alan Graham to the board of directors. Mr. Graham was first elected as a Member of the New Brunswick Legislative Assembly in 1967. He served more than 31 years in public office until his retirement in 1998. Subsequent to the quarter end, the Company announced the appointment of Christopher Mothersele as Vice President, Operations. Mr. Mothersele has over 33 years of experience in the oil and gas industry, including 19 years with Gulf Canada Resources Inc. as Senior Staff Engineer and Senior Petroleum Engineer.

There were no financing activities during the quarter. Instead, PetroWorth took advantage of the lower share price and announced a normal course issuer bid in February to purchase up to 1,980,190 shares (5%) of its own shares.

During the quarter, PetroWorth reviewed the drilling results of the two exploration wells on its New Brunswick property, and commenced perforation and testing of the two best zones in E-08. A fracture simulation of well E-08 is planned for early June. Corridor also completed testing operations of the New Harmony #1 well in mid January. In Alberta, two wells continued to generate cash flow during the quarter. A fracture simulation was conducted on one of the wells in March 2008 to improve the flow rate. Subsequent to the quarter, the Company commenced permitting process for its four-well drilling program in New Brunswick.

Natural Gas Exploration Activities

PetroWorth was founded as an oil and gas exploration company in 2003. PetroWorth is engaged in the acquisition and exploration of natural gas properties in eastern Canada. The Company has extensive properties onshore in Eastern Canada with 100% working interests in approximately 960,000 acres in Prince Edward Island, Nova Scotia and New Brunswick. The company has drilled two exploration wells on its Rosevale license in New Brunswick, and via a farm-out agreement with Corridor Resources Inc., has had one exploration well drilled on its licensed property in Prince Edward Island. The Company also has 7 farm-in wells in Alberta of which 2 are in commercial production.

Prince Edward Island

In mid-January 2008, Corridor Resources Inc. (“Corridor”) completed testing operations in one zone in New Harmony #1 well. The test did not result in the generation of commercial hydrocarbons. Pursuant to the data exchange and farm-in option agreement with respect to certain of the Company’s exploration licences on PEI, Corridor must drill two more wells on this property before October 1, 2008 in order to earn a 50% interest on Exploration License 03-02 which comprises of 175,985 acres.

New Brunswick

In New Brunswick, Petroworth completed the petrophysical analysis of the West Stoney Creek E-08 well and calculated a total of 40 metres of net gas pay in five sandstone intervals with an overall average porosity of 10.1%. In March and April 2008, the E-08 well underwent a perforation and testing program aimed at providing the Company with vital information in preparation for fracture stimulation. Based on encouraging results at the E-08 well, PetroWorth plans to commence a four-well drilling program on its Rosevale license. The drilling program will include a test of the deeper shale gas opportunities and is scheduled to commence in June. As of the date of this MD&A, two of the four drilling sites have already been permitted.

Nova Scotia

In Nova Scotia, PetroWorth is in the final stages of preparation for a 105-kilometre seismic program, which is expected to commence in early June 2008. The program is expected to cost \$1.5 million which will satisfy its minimum commitment requirements. PetroWorth is required to expend a total of \$4.5 million over a period of 3 years on the property of which \$1.5 million has to be expended before July 15 2008 and additional \$1.5 million for the next 2 years totaling \$4.5 million.

Alberta

The Bruce well 15-21-46-13 (50% working interest to PetroWorth) and Ferrybank well 8-32-44-27 (55% working interest to PetroWorth) continued to generate cash flow in during the first quarter of 2008. Total revenue generated by those two wells in Q1 2008 was \$25,171 (2007 - \$Nil). Operating loss during the quarter net of royalties of \$5,924 (2007 - \$Nil) and operating expenses of \$19,643 (2007 - \$Nil) was \$396 (2007 - \$Nil). In March 2008, fracture stimulation was conducted on the Ferrybank well 8-32-44-27, which is expected to improve the flow rate to approximately 250,000 cubic feet per day. A workover was conducted on the Bruce well 15-21-46-13 well, which is expected to improve the flow rate to more than 100,000 cubic feet per day.

The following is a summary of oil and gas reserves as of December 31, 2007 based on forecast prices and costs as evaluated by Sproule in their reserve evaluation report dated April 17, 2008.

Reserve Category	Natural Gas (non-associated & associated)		Natural Gas Liquids	
	Gross (Mcf)	Net (Mcf)	Gross (Mbbbl)	Net (Mbbbl)
Proved				
Developed Producing	116	91	0.9	0.6
Developed Non-Producing	0	0	0.0	0.0
Undeveloped	70	59	0.2	0.1
Total Proved	186	149	1.1	0.7
Probable	191	152	1.3	0.8
Total Proved Plus Probable	377	302	2.4	1.6

Financing Activities

After raising in excess of \$16 million last year, Petroworth has been inactive in financing activities during the first quarter in 2008. Instead, the Company took advantage of the lower share price to commence a normal course issuer bid. The Company commenced share repurchase in March 2008 and has purchased 1,294,800 shares (3.4%) to date.

Corporate Governance and Compliance

During the first quarter, PetroWorth continued to improve its corporate governance and compliance by the appointment of an additional independent director. The board now consists of 3 independent directors (50%) and 3 non-independent directors. Both the Audit Committee and the Corporate Governance and Compensation Committee are consisted of 100% independent directors. The Corporate Governance and Compensation Committee have regularly scheduled meetings consisting of in camera sessions without the presence of members from management.

RESULTS OF OPERATIONS

Three Month Period Ended March 31, 2008

Total operating revenue for the three month period ending March 31, 2008 was \$25,171 (2007 - \$Nil) from 2 wells in Alberta. Net operating loss to PetroWorth after royalty and production expense is \$394 (2007 - \$Nil). The Company incurred a loss before income taxes during the first quarter of 2008 in the amount of \$585,662 (2007 - \$929,743) after interest income of \$59,124 (2007 - 1,077). Salaries and management fees during the quarter were \$226,367 (2007 - \$136,183), an increase of \$90,184 as the Company becomes more active and increased the number of employees. Professional fees during the quarter were \$23,058 (2007 - \$82,154) as new employees took over some of the responsibilities in-house. The Company also incurred consulting fees of \$241,666 (2007 - \$Nil) of which \$218,000 were paid in shares at a deemed value of \$2.18 per share, in an effort to preserve cash and used its shares as a currency to finance its operations. Total corporate expenses for the period were \$644,392 (2007 - \$928,666), a decrease of \$284,274 largely due to stock based compensation of \$Nil (2007 - \$592,950). The increase in expense during the year reflects the increase in activities of the Company.

Net loss for Q1 2008 was \$396,263 (2007 - \$822,743) which was \$426,480 lower than the same period last year mostly due to the lack of stock-based compensation this quarter \$Nil (2007 - \$592,950). The Company commenced its first drilling program in New Brunswick in October 2007. Total cash expenses not including stock-based compensation, impairment of oil & gas properties, depletion, amortization and

accretion for Q1 2008 was \$621,242 (2007 - \$334,368), an increase of \$286,874. Natural gas exploration for Q1 2008 was \$372,166 (2007 - \$948,053) a decrease of \$575,887 from the same period last year.

During year first quarter of 2008, PetroWorth recorded a total of \$_____ (2007 - \$948,053) in natural gas exploration expenditures which is summarized by province as follows:

Province	March 31, 2008	March 31, 2007
Alberta	\$ 20,905	\$ 767,246
New Brunswick	298,519	102,847
Nova Scotia	33,836	13,000
PEI	18,906	6,561
General Exploration	0	58,399
Total Exploration	\$ 372,166	\$ 948,053

During the three months ended March 31, 2008, no general and administrative expenses, and no travel expenses relating to general corporate purposes were capitalized. Natural gas exploration expenditure can be summarized as follows:

Exploration Expenditures	March 31, 2008	March 31, 2007
Drilling	\$ 225,289	\$ 767,246
Geological & Environmental Consulting	73,267	30,809
Seismic	21,036	88,599
Rental	38	3,000
Insurance	0	1,687
Travel	2,366	0
Surface Lease & Licence Fee	0	0
Community Relations	0	0
Completion Test/Frac	36,361	0
General Exploration	13,810	56,712
Total Natural Gas Exploration	\$ 372,166	\$ 948,053

The following summarizes the natural gas production from the two producing wells in Alberta for the quarter ended March 31, 2008:

	2008	2007
	March 31	March 31
Average Daily Production		
Natural Gas (mcf/d)	24.7	0
Average Price Received		
Natural Gas (\$/mcf)	11.19	0
Royalties Paid		
Natural Gas (\$/mcf)	\$2.63	0
Operating Expenses		
Natural Gas (\$/mcf)	\$8.73	0
Netback Received		
Natural Gas (\$/mcf)	(\$0.17)	0

Selected Annual Information

	Year Ended December 31, 2007 (Audited)	Year Ended December 31, 2006 (Audited)	Year Ended December 31, 2005 (Audited) (Restated)
	\$	\$	\$
Net income (loss) before taxes	(8,389,423)	(1,026,888)	(1,072,127)
Net income (loss) after taxes	(7,347,423)	(1,026,888)	57,873
Basic and diluted income (loss) per share	(0.22)	(0.05)	0.01
Total Assets	23,700,217	9,329,311	9,736,098
Total long-term liabilities	Nil	Nil	Nil
Dividends declared per share	Nil	Nil	Nil

The financial statements have been prepared in accordance with Canadian GAAP and amounts are reported in Canadian Dollars.

SUMMARY OF QUARTERLY RESULTS

	March 31, 2008 Unaudited	December 31, 2007 Audited	September 30, 2007 Unaudited	June 30, 2007 Unaudited
	\$	\$	\$	\$
Revenue	25,171	140,788	163,293	31,833
Net gain (loss) for the period	(396,263)	(1,571,978)	(1,324,627)	(3,628,075)
Net gain (loss) per share - basic	(0.01)	(0.03)	(0.04)	(0.12)
Number of shares outstanding	38,263,806	38,163,806	36,418,273	35,293,273

	March 31, 2007 Unaudited	December 31, 2006 Audited	September 30, 2006 Unaudited (Restated)	June 30, 2006 Unaudited (Restated)
	\$	\$	\$	\$
Revenue	1,077	9,720	34,272	24,805
Net gain (loss) for the period	(822,743)	(654,184)	(108,315)	(146,131)
Net gain (loss) per share	(0.03)	(0.03)	(0.01)	(0.01)
Number of shares outstanding	28,215,190	21,938,720	21,938,720	21,938,720

LIQUIDITY AND CAPITAL RESOURCES

At March 31, 2008 PetroWorth had working capital of \$8,442,562 (2007 – \$3,254,142), excluding future income tax liability, as a result of active financing activities in 2007 totaling in excess of \$16 million. As of the date of this MD&A, the Company had approximately \$6.3 million in cash and has sufficient funds to carry out its exploration commitments on its various exploration licenses. PetroWorth is an exploration stage company and continued to rely on continuous equity offerings and possible joint ventures and farm-outs to fund its exploration activities. There is no guarantee that the Company's exploration projects will be successful. The availability of funds is subject to market conditions and there is no guarantee that funds will be available to fund its projects, commitments and plans.

In order to maintain the Company's oil and natural gas permits in good standing, the Company must pay a yearly rental and incur certain exploration costs. Minimum annual rentals on PetroWorth's property leases are as follows:

2008	\$ 123,473
2009	96,610
Total	\$ 220,083

PetroWorth has satisfied all exploration working commitment under its exploration licenses and agreements except for \$4,500,000 in Nova Scotia. Under the Exploration Agreements 04-07-15-01 and 04-07-15-03 in Nova Scotia, PetroWorth has to complete exploratory work commitment of a total of \$4,500,000 over a three year period of which \$1,500,000 must be completed prior to July 15, 2008. Plans to carry out seismic work on the Company's Nova Scotia properties are underway and the Company has sufficient working capital to complete this commitment.

The Company will conduct its operations in a manner consistent with environmental regulations as stipulated in applicable legislation. The Company is committed to meeting its responsibilities to protect the environment wherever it operates and anticipates making increased expenditures of both a capital and expense nature as a result of the increasingly stringent laws relating to the protection of the environment. The Company does not anticipate, however, that it will be subject to any increases in such expenditures which, as a percentage of cash flow, will be greater than those expected, on average, by other industry operators. The Company will maintain insurance coverage where available and financially desirable in light of risk versus cost factors. Unforeseen significant changes in such areas as markets, prices, royalties, interest rates and government regulations would have an impact on the Company's future operating results or financial condition.

The oil and gas industry has been subject to considerable price volatility, and while such risks can be hedged, a material decline in the price of oil or natural gas could result in a significant decrease in the Company's future anticipated revenues. The oil and gas industry has inherent business risks and there is no assurance that products can be produced at economical rates or that produced reserves will be replaced. Fluctuations in currency and exchange rates and changes in production volumes are daily risks in the oil and gas industry.

OFF-BALANCE SHEET ARRANGEMENTS

As at December 31, 2007 the Company has no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

- a) Included in travel and promotion and general and administration were \$35,266 (2007 - \$Nil) that was paid to directors and officers as disbursements for expenses incurred on behalf of the Company.
- b) Included in consulting fees was \$Nil (2007 - \$40,340) that was paid to directors and management of the Company.
- c) Included in salaries and management fees were \$60,585 (2007 - \$Nil) that were paid to either a company that is owned by a director and officer of the Company or personally.

These transactions are in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

CRITICAL ACCOUNTING ESTIMATES

PetroWorth has no critical accounting estimates other than the carrying value of deferred natural gas exploration expenditures, determination of reserves, depletion expenses, impairment test calculation and the estimated value of stock-based compensation.

Reserves

All Petroworth's reserves are evaluated and reported by independent petroleum consultants in accordance with National Instrument 51-101. Sproule Associates Limited ("Sproule") evaluated and reported on PetroWorth's natural gas reserves in all seven farm-in wells in Alberta.

Reserve estimates have a material impact on depletion expenses and impairment test calculation, all of which could have a material impact on net earnings and deferred natural gas exploration expenditures.

Depletion

Deferred natural gas exploration expenditures are depleted based on the proportion of estimated proved natural gas reserves produced during the year compared to total proved natural gas reserves produced during the year compared to total proved reserves. Changes in proved reserve estimates could materially impact depletion expense.

Impairment

Impairment assessments are based on fair value assessments. Impairment exists if the undiscounted future net cash flows from proved reserves at future commodity prices plus the cost of unproved properties are less than the carrying value. If an impairment is identified a write-down to fair value is required. The fair value is calculated based on future net cash flows from proved plus probable reserves, discounted at a risk-free interest rate using future commodity prices, plus the cost of unproved properties. There is a significant uncertainty regarding future commodity prices and reserves. Impairment could result in a material loss for a particular period, however future depletion expense would also be reduced.

CHANGE IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

Effective January 1, 2008, the Company adopted the Canadian Institute of Chartered Accountants ["CICA"] Handbook Sections 1535 Capital Disclosures, Section 3862 Financial Instruments Disclosures and Section 3863 Financial Instruments - Presentation. Sections 3862 and 3863 replace Section 3861 Financial Instruments - Disclosure and Presentation, revising and enhancing its disclosure requirements, and carrying forward unchanged its presentation requirements. The principal changes in the Company's financial statements due to the adoption of these accounting standards are described below.

a) Section 1535 Capital Disclosures

This Section specifies the disclosure of: (i) an entity's objectives, policies and processes for managing capital; (ii) summary quantitative data about what the entity regards as capital; (iii) whether the entity has complied with any externally imposed capital requirements; and (iv) if it has not complied with such requirements, the consequences of such non-compliance.

b) Section 3862 Financial Instruments – Disclosures

This Section places increased emphasis on disclosures that enable the user to evaluate: (i) the significance of financial instruments or the entity's financial position and performance and (ii) the nature and extent of risks arising from financial instruments the entity is exposed to during the period and at the balance sheet date, and how the entity manages those risks.

International Financial Reporting Standards

Effective January 1, 2011, the accounting framework under which financial statements are prepared in Canada for all publicly accountable enterprises is scheduled to change to International Financial Reporting Standards ("IFRS"). Generally accepted accounting principles ("GAAP") in Canada will cease to apply and will be replaced by IFRS. The Accounting Standards Board plans to implement changes to Canadian generally accepted accounting principles between now and the implementation date to smooth the transition; however, it is expected that IFRS implementation will significantly impact current financial statement presentation and disclosure. An IFRS convergence strategy is planned for creation during fiscal 2008 with disclosure of a more detailed plan in 2009. Commencing in fiscal 2010, the Company will need to prepare accounts in March 31, 2008.

OUTSTANDING SHARE DATA

During the first quarter, PetroWorth issued 100,000 shares to a consultant for services provided subsequent to the year end. No options were granted and no warrants were issued during the first quarter. As of March 31, 2008 and the date of this MD&A the Company had 38,263,806 common shares issued and outstanding and 43,227,880 shares on a fully-diluted basis.

As of March 31, 2008, PetroWorth had 3,814,074 stock options outstanding exercisable at prices ranging between \$0.50 and \$2.65 per share. The Company also has 1,250,000 warrants outstanding of which 1,000,000 is exercisable at \$1.00 and 250,000 is exercisable at \$2.50.

As of the date of this MD&A, the Company has 43,327,880 shares issued on a fully-diluted basis.

CERTIFICATION – INTERNAL CONTROLS

The Company has concluded that its disclosure controls and procedures for the period ended March 31, 2008 were adequate given the Company's small size. The President and Chief Financial Officer are responsible for certifying that they have designed, or caused to be designed under their supervision, internal controls to a standard which provides reasonable assurance on the reliability of financial reporting and the preparation of financial statements.

The Company's objective is to continue to work towards best practice. During the three months ended March 31, 2008 the Company has appointed a new independent director. Accordingly, the board is now comprised of 50% of independent directors and both the Audit Committee and the Corporate Governance and Compensation Committee are comprised of 100% independent directors, who meet regularly without the presence of management.

Additional Information on the Company is available on the Company's website at www.petroworth.com and on SEDAR at www.sedar.com.

Forward Looking Statements

This discussion and analysis of the operating results and financial position of the Company may contain forward looking statements that involve a number of risks and uncertainties including statements regarding the outlook for the Company's business and operational results. By nature, these risks and uncertainties could cause actual results to differ materially from what has been indicated. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to, the ability to commence and complete exploration programs on a timely and cost effective basis, the opportunity to acquire other exploration properties or valuable assets, competition for technical resources and equipment, capital and operating costs varying significantly from estimates, delays in or failure to obtain governmental, environmental or other project approvals and other factors including those risks and uncertainties identified above. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking information as a result of new information, future results or other such factors which affect this information, except as required by law. The reader is cautioned not to place undue reliance on this forward-looking information.