FORM 51-102F1

MANAGEMENT DISCUSSION AND ANALYSIS
For the quarter ended March 31, 2005

The following is a discussion of the operating results and financial position of Dejour Enterprises Ltd ("Company") for the quarter ended March 31, 2005. It should be read in conjunction with the consolidated financial statements and notes for the related periods.

Company Overview

Dejour Enterprises Ltd (the "Company") is a junior resource company trading on TSX Venture Exchange, under the symbol ("DJE-V"). The Company's objective is to acquire and develop early stage energy projects. In November 2004, the Company was reactivated to Tier 2 Issuer status at the TSX Venture Exchange.

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History of Uranium Exploration in Athasbasca Basin

Dejour's Properties are situated along the southern and eastern margins of the Athabasca Basin. The Athabasca Basin became the focus for uranium exploration following the discovery in 1968 of a new, unconformity-related, high-grade type of uranium deposit along the eastern edge of the Basin at Rabbit Lake. This marked the beginning of the uranium exploration boom in the Athabasca Basin. Major discoveries were made in the 1970's (Collins Bay, Key Lake and Midwest) and the 1980's(Cigar Lake, McArthur, Eagle Point, and Dominique-Peter).

The main exploration focus was on the definition of sub-Athabasca basement graphitic rocks, recognizable as electromagnetic conductors, because of the role they played in controlling the locations of the unconformity-type uranium deposits at or near the Athabasca –basement contact.

The basin has been explored sporadically from the late 1960's through to the present day with most of the work being carried out in the late 1970's and 1980's. The main companies involved were Saskatchewan Mining Development Company, now Cameco Corp, Cogema, and Uranerz Exploration and Mining Limited. These and numerous other exploration companies flew airborne electromagnetic, magnetic and radiometric surveys, carried out prospecting, ground geophysics, till and lake water and lake sediment sampling and diamond drilling.

The majority of the work was carried out on the east side of the basin. The exploration work carried out to date on and in the vicinity of Dejour's has not been exhaustive. New and improved exploration technologies which have been successful in defining anomalies elsewhere In the Athabasca Basin have not been used on Dejour's properties.

Property Geology

The Dejour properties are underlain by metamorphosed Aphebian sedimentary rocks, which contain graphitic horizons, and felsic intrusive rocks. These in turn are overlain by the flat lying late Proterozoic Athabasaca Sandstone Formation which consists primarily of coarse sandstone with pebbly and conglomeratic layers. The thickness of the Sandstone varies considerably from property to property.

On the Virgin River Trend South property the sandstone has been completely eroded, on the Virgin River North property the sandstone is 800m to 1500m thick and on the remaining thirteen properties the sandstone is 100 to 800m thick. On several properties the sandstone is cut by thin diabase dykes. Pre-Athabasca and post-Athabasca faulting is common on all the properties.

On the Maybelle and Gartner properties on the very west side of the Athabasca Basin the sandstone also has a thin cover of Cretaceous clastic sediments.

All of the properties have been glaciated and have a thin veneer of glacial sediments covering the sandstone and basement rocks.

On all of the Dejour properties the information available from government and exploration sources indicates that the properties have geological features comparable to those found in the vicinity of uranium mineralization.

Current Uranium Holdings

The Company currently has the fifth largest mineral holdings in the Athabasca Basin.
The Company currently has 100% interest in the following properties:

Virgin Trend	164,207 ha.	405,756 acres
R-Seven	49,996 ha.	123,540 acres
Sand Hill Lake	29,262 ha.	72,307 acres
Fleming Island	27,354 ha.	67,592 acres
Gartner Lake	24,157 ha	59,692 acres
Maybelle River	16,473 ha	40,704 acres
Meanwell Lake	11,416 ha.	28,209 acres
Thorburn Lake	2,802 ha	6,924 acres
Hoppy North	1,924 ha	4,754 acres
Hoppy Sorth	1,271 ha	3,141 acres
Umpherville Lake	1,095 ha	2,706 acres
Sheila Project	759 ha	1,875 acres
Umpherville West	321 ha	793 acres
Bozo Project	154 ha	380 acres
Total	331,191 ha.	818,373 acres

2005 Activities

Since acquiring the properties in 2004 and early 2005 Dejour has concentrated on compiling the historical uranium exploration data This was done in order to properly assess the work that was done on the properties so as to determine how best to follow up on existing anomalies and to determine which exploration techniques should be used to further explore the properties. Two of the properties, Meanwell and Sandhill have recently been flown with state of the art electromagnetic equipment and results are expected shortly.

During the summer of 2005 Dejour is planning to carry out airborne geophysical surveys on their properties on the west side of the Athabasca Basin to better define basement graphitic horizons. Also planned is lithogeochemical sampling of sandstone boulders in order to define geochemical anomalies which may help define areas of alteration associated with uranium mineralization. Lithogeochemistry has been used with success in the eastern part of the basin.

Oil & Gas Exploration

The Company currently holds interests in two oil and gas properties and has not yet determined if these properties contain an economic resource. The Company has written these properties to a nominal value. In the future, once additional data on the property is reworked, the Company intends to expend further funds on the exploration of these properties. The company is also seeking new resource exploration projects of merit.

By agreement dated August 15, 2001 the Company entered into an option to acquire a working interest in the Turtle Bayou #16 well in Terrebonne Parish, Louisiana, from a private company controlled by a Director. The Company determined that the well was not commercially productive and wrote down its investment to a nominal carrying value in 2003. Should the Company wish to retain its interest in the well, it will be required to fund its proportionate share of future drilling costs, which are currently not determinable.

In 2004, the Company acquired the rights to participate in an oil and gas exploration joint venture, initially targeting 9.25 sections of prospective Jurassic oil lands known as the Golden Prairie Prospect. This prospect was developed using new exploration techniques proprietary to the operator. In 2004, the Company acquired the rights to participate in an oil and gas exploration joint venture, initially targeting 9.25 sections of prospective Jurassic oil lands known as the Golden Prairie Prospect. At its option, the Company can extend the joint venture beyond the Golden Prairie Prospect to further cover a total of 288 sections of prospective oil and gas lands referred to as the Fox Project. The Company may earn a 32.5% interest by reimbursing the vendor for 32.5% of exploration expenditures previously incurred and paying 32.5% of the costs of drilling and completing each development well. The Company also entered into a farm-out agreement pursuant to which a third party can earn 10% of the 32.5% interest the Company acquires, thereby reducing the Company's interest to 22.5%.

The Company completed initial drilling on the Golden Prairie Prospect, determined that the well was not commercially productive and wrote down its investment to nominal carrying value which resulted in a loss on impairment of $102,016.

However, at its option, the Company has earned the right to participate up to 50% in the joint-venture beyond the Golden Prairie Prospect to further cover a total of 288 sections of prospective oil and gas lands referred to as the Fox Project, if and when the operator's exploration technology proves of merit.

Financing and Share Capital

As at March 31, 2005, the Company had $6.3 million in cash. This strong financial position allows the Company to carryout its exploration plan. It is also actively pursuing revenue generating projects of merit in the energy sector.

Authorized:

Unlimited common shares
Unlimited first preferred shares, issuable in series
Unlimited second preferred shares, issuable in series

	Shares	Value
Common shares issued:		
Balance at December 31, 2003	9,595,962	880,059
Common shares issued during 2004:		
- private placement	6,000,000	1,796,760
- bridge loan financing fee	200,000	50,000
Balance at December 31, 2004	15,795,962	2,726,819
- private placement	9,912,714	5,741,705
Balance at March 31, 2005	25,708,676	8,468,524

In December 2004, the Company issued 3,000,000 flow-through common shares at $0.35 per share, and 3,000,000 common shares units at $0.30 per unit. Each unit consisted of one common share and one half of a flow-through share purchase warrant, exercisable at $0.45 per share by December 31, 2005. As at December 31, 2004, 1,500,000 share purchase warrants were outstanding. Proceeds from the exercises of flow-through warrants can only be spent on Canadian Exploration Expenditures ("CEE"), as defined in the Income Tax Act.

Gross proceeds from the issuance of flow-through common shares and common shares were $1,050,000 and $900,000 respectively.

During 2004, the Company issued 200,000 shares, valued at $0.25 per share to a company controlled by a director as part of the considerations for a $250,000 bridge loan.

In January, 2005, the Company completed two private placements and issued a total of 1,650,000 common shares at $0.50 per share for gross proceeds of $825,000.

In March 2005, the Company issued 8,076,923 common shares unit at $0.65 per unit for gross proceeds of $5,250,000. The Company also issued 185,791 common shares units to Agents as finders' fees. Each unit consisted of one common share and one half of a share purchase warrant, exercisable at $0.80 per share by March 17, 2007.

In the first quarter of 2005, through these three private placements, the Company raised total gross proceeds of $6,075,000, through the issuance of 8,262,714 common share units and 1,650,000 common shares.

Stock Options and Contributed Surplus

In November 2004, the Company granted a total of 950,000 options to its insiders, consultants and advisors. All options vest on a quarterly basis over three years. The vested options can be exercised to October 31, 2009 to purchase common shares of the Company at $0.275 per share. The granting of these options will result in a stock based compensation expense of $181,600 being recorded over the vesting period representing the fair value of the options. In accordance with the new accounting recommendations effective January 1, 2003, the Company is required to expense the fair value of all stock options granted.

In February 2005, the Company granted a total of 569,192 options to its insiders and consultants. These options vest on a quarterly basis over three years. The vested options can be exercised to February 8, 2008 to purchase common share of the Company at $0.55 per share. The granting of these options will result in stock based compensation expense of $181,700 being recorded over the vesting period representing the fair value of these options.

The following table summarizes information about stock option transactions:

	Outstanding Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life
Balance, December 31, 2003	-	-	
Options granted	950,000	$0.275	
Options exercised	-	-	
Options cancelled and expired	-	-	
Balance, December 31, 2004	950,000	$0.275	4.98 years
Options granted	569,192	$0.55	
Options exercised	-	-	
Options cancelled and expired	-	-	
Balance, March 31, 2005	1,519,192	$0.378	3.94 years

In the first quarter of 2005, 93,214 options were vested resulting in a stock-based compensation expense of $30,044 which has been recorded as contributed surplus.

5. Warrants and Agents' Options

Warrants outstanding are as followed:

# of Warrants	Exercise Price	Expiry Date
1,500,000	$0.45	December 31, 2005
250,000	$0.65	September 30, 2005
4,131,357	$0.80	March 17, 2007

As part of the private placement completed in March 2005, the Company granted the Agent 717,692 compensation options which entitles the Agent to purchase, at an exercise price to $0.70, one common share and one half of one non-transferable common share purchase warrant. The compensation options may be exercised before March 17, 2007. Each whole warrant is exercisable into one common share before March 17, 2007 at an exercise price of $0.85.

Related Party Transactions

In the first quarter of 2005, the Company reimbursed $155,504 to a private company controlled by a director for certain out of pocket uranium exploration expenditures paid by the private company to an unrelated party. Furthermore, the Company purchased $57,350 of office furniture and equipment from a private company controlled by a director.

Results of Operations – 2005 1st Quarter

The Company's net loss for 2005 Q1 was $188,525 or $0.010 per share, compared to a net loss of $19,682 or $0.002 per share for 2004 Q1.

Interest revenue in 2005 Q1 was $10,507.

In 2005 Q1, regulatory filing fees were higher than those in 2004 Q1, due to expenses related to pursuing registration with US Securities Exchange Commission (SEC). Investor relations expense also increased as management attended trade shows and upgraded the Company's website to increase the Company's market presence. Legal and professional fees increased as the Company hired consultants to search for energy related projects of merits.

In 2005 Q1, general exploration expenses not capitalized to any particular properties was $19,673. The Company recorded $30,044 stock based compensation expenses, calculated using the Black-Scholes option pricing model.

Summary of Quarterly Results

(Unaudited - Prepared by Management)

Quarter ended year	Mar 31, 2005 $	Dec 31, 2004 $	Sep 30, 2004 $	June 30, 2004 $	Mar 31, 2004 $	Dec 31, 2003 $	Sep 30, 2003 $	Jun 30, 2003 $
Revenues	10,507	Nil	Nil	Nil	Nil	2	3	15
Net Loss	(188,525)	(310,446)	(30,114)	(31,857)	(19,682)	(17,096)	(15,581)	(11,012)
Loss per share (1)	(0.010)	(0.032)	(0.003)	(0.003)	(0.002)	(0.002)	(0.007)	(0.005)
Fully diluted loss per share	(0.010)	(0.032)	(0.003)	(0.003)	(0.002)	(0.002)	(0.007)	(0.005)

Note: (1) Adjusted for 3:1 stock consolidation

Liquidity

The Company completed four separate private placements since December 2004. As a result, working capital position improved significantly.

Cash balances increased to $6,314,347 on March 31th, 2005 from $1,592,838 on December 31, 2004 and $102,127 on March 31, 2004. Working capital balances on March 31, 2005 were $6,337,453 as compared to $1,592,838 and $99,266 on December 31st, 2004 and March 31st, 2004 respectively.

Forward Looking Statements

Statements contained in this document which are not historical facts are forward-looking statements that involve risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward looking statements. Factors that could cause such differences include, but not limited to, are volatility and sensitivity to market price for uranium, environmental and safety issues including increased regulatory burdens, possible change in political support for nuclear energy, changes in government regulations and policies, and significant changes in the supply-demand fundamentals for uranium that could negatively affect prices. Although the Company believes that the assumptions inherent in forward looking statements are reasonable we recommend that one should not rely heavily on these statements. The Company disclaims any intention or obligation to update or revise any forward looking statements whether as a result of new information, future events or otherwise.