



MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Six Months Ended January 31, 2007

The following discussion and analysis has been prepared on March 29, 2007 by management and should be read in conjunction with the unaudited consolidated financial statements for the six months ended January 31, 2007 and the audited financial statements for the year ended July 31, 2006 and the related notes thereto.

This MD&A contains statements and other forward-looking information about potential future circumstances, results and developments. Such statements and information are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations generally and may differ materially from the Company's actual future results or events. See "Forward-Looking Statements".

The financial information presented herein has been prepared on the basis of Canadian generally accepted accounting principles ("GAAP"). Throughout this discussion, percentage changes are calculated using numbers rounded to the decimal to which they appear. All dollar amounts are in Canadian dollars.

Overall Performance

During the first half of the current fiscal year, the company continued to develop the company's strategic options for exploration, focusing on nickel projects. The arbitration proceedings in Raglan with Novawest Resources Inc. were completed. In response to the final award, Cascadia has filed an appeal on the rulings from the arbitrator based on errors in law.

Northern Ontario Properties - Norton Lake

During the second quarter, the working interests and joint venture agreement for the Norton Nickel Project were finalized. Cascadia has started the evaluation of the next exploration program for Norton.

Northern Ontario Properties - Midway

The Company proceeded with line cutting and pad preparation in the fall of 2006, and will schedule the drilling program to later in 2007.

Northern Quebec Properties – The Raglan Assemblage

The arbitration proceedings between Novawest Resources Inc. (“Novawest”) and Cascadia was completed. The arbitration ruling award has been posted with the courts, until further notice on the appeal that Cascadia has filed on the outcome of three disputed rulings from the arbitration.

Results of Operation – Second Quarter

Investment income for the three months ended January 31, 2007 was \$8,400 compared to \$412 recorded for the same quarter in 2006. General and administrative expenses were \$322,891 for the first half of this year compared to \$ 324,121 for the same half last year. The fees for both years were primarily attributable to legal costs related to the arbitration. During 2006 and 2007 these expenses were offset by a reduction of consulting fees, and stock-based compensation by management.

Capital expenditures for the first half of the past three years are summarized in the table below.

For The Six Months Ended	January 2007	January 2006	January 2005
Raglan / Thunder	433,013	5,549	346,100
Raglan – True North properties	14,921	-	76,398
Norton Lake	-12,113	263,018	97,601
Midway	450	65-	40,565
Havoc	-	387	-
Total Resource Expenditures	437,346	269,019	560,664

Summary of Quarterly Results

The following table sets out, for each of the previous eight quarters, information relating to the Company’s revenue, net (loss) and (loss) per Common Share:

	2nd Quarter Jan 2007	1st Quarter Oct 2006	4th Quarter Jul 2006	3rd Quarter Apr 2006
Revenues	\$ 8,400	\$ 5,508	\$ 9,185	\$ 63
Net loss	(176,347)	(134,007)	(119,042)	(271,679)
Net loss per share	(0.004)	(0.003)	(0.003)	(0.006)

	2nd Quarter Jan 2006	1st Quarter Oct 2005	4th Quarter Jul 2004	3rd Quarter Apr 2004
Revenues	\$ 71	\$ 341	\$ 732	\$ 1,828
Net loss	(213,958)	(176,314)	(134,104)	(181,005)
Net loss per share	(0.005)	(0.004)	(0.004)	(0.005)

Related party transactions

During the first half, the Company had a net payable of \$5,000 to Yangarra Resources Ltd. (“Yangarra”) for rent and office services. Yangarra is a public oil and gas company based in Calgary, Alberta. James G. Evaskevich, the President and a director of the Company is also the President, Chief Executive Officer and a director of Yangarra Resources Ltd.

The above transactions were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Liquidity and Capital Resources Operations

At January 31, 2007 the Company had a working capital surplus of \$ 37,794 compared to a working capital deficit of \$798,689 at January 31, 2006.

Subsequent to quarter end, the Company has announced the intention to complete a non-brokered private placement of 3,000,000 units at \$0.12 per unit, on March 15, 2007 and increased the size of the offering to include an additional 750,000 units. Each unit will consist of one common share on a flow through basis and one half of a one common share purchase warrant at \$0.15 exercisable anytime up to December 31, 2007.

Share Capital

As of March 29, 2007 there were 41,932,121 basic common shares issued and outstanding; and stock options to acquire an aggregate of 4,189,538 common shares outstanding.

Outlook

The addition of technical and exploration expertise to Cascadia’s team, has refocused the Company on nickel exploration. The Company has the opportunity to develop its nickel exploration plays, and has added further exploration opportunities.

The Norton property has a joint venture agreement in place to govern future exploration programs. Cascadia, as operator of the project, has started work with its consultants to develop the next step of work needed to continue to prove up Norton’s potential.

Cascadia is excited to gain another nickel project in the Baker Lake region of Nunavut. The Company plans to fly a geophysical survey of the Baker Lake nickel project this summer.

Cascadia has posted the payable resulting from the award from the arbitration proceedings in BC, and is pursuing the appeal process. The leave to appeal was heard in early March 2007, with the decision outstanding. Raglan will remain an area of focus, once these issues are finalized, Cascadia intends to return to the property to explore for nickel.

Subsequent Events

On March 15, 2007, Cascadia announced it had entered into a letter of intent with Tanqueray Resources Ltd. to earn 50% interest in the Mum claims in the Baker Lake region of Nunavut. Cascadia will issue cash payment of \$50,000 and 100,000 common shares to Tanqueray Resources Ltd. and pledge to spend a minimum of \$200,000 on exploration in the first year. In the second year, Cascadia will issue 200,000 common shares to Tanqueray Resources Ltd., and complete a minimum 1,000 metre drill program.

Cascadia announced its intention to complete a non-brokered private placement of 3,000,000 units at \$0.12 (Cdn funds) per Unit, which was extended to 3,750,000 units. Each unit will comprise of one common share on a flow through basis and one half of one common share purchase warrant, with each whole warrant being exercisable at \$0.15 (Cdn funds) anytime up to December 31, 2007.

The Company announced on the appointment of Steve Balch to its board of directors. Mr. Robert Middleton resigned from the board of directors, and joined the advisory board for the Company. On February 2, 2007 the Company granted a total of 2,200,000 options at a price of \$0.10 per share, vesting over two years.

On March 12th, 2007, the Company posted the arbitration funds ruling award with the BC Court to be held until further order of the court, due to the appeal process proceedings.

Risks and Uncertainties

The Company's principal activity is mineral exploration and development. Companies in this industry are subject to many and varied kinds of risks and uncertainties, including but not limited to, environmental, metal prices, political and economical. The industry is capital intensive and subject to fluctuations in metal prices, market sentiment, foreign exchange and interest rates. The source of future funds for further exploration programs, are by the sale of equity capital or the offering by the Company of an interest in its properties to be earned by another party carrying out further exploration or development. The Company is subject to the laws and regulations relating to environmental matters and various licenses and permits in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters.

The Company has no significant source of operating cash flow and no revenues from operations. None of the Company's mineral properties currently have reserves. The property interests the Company has an option to earn an interest are in the exploration stages at this time.

Forward-Looking Statements

This Management's Discussion and Analysis of financial condition and operating results contains forward-looking statements concerning the future prospects of the Company's exploration, development and production. Forward-looking statements include statements of plans, objectives, strategies and expectations. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

The Company considers the assumptions on which these forward-looking statements are based to be reasonable, but caution the reader that these assumptions regarding future events, many of which are beyond our control, may ultimately prove to be incorrect since they are subject to risks and uncertainties that affect us. All statements other than those of a historical nature are 'forward-looking statements' that may involve a number of unknown risks, uncertainties and other factors. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. For additional information with respect to risks and uncertainties which could affect the company's business and operations, reference should be made to the 2006 Annual MD&A and to the Company's continuous disclosure materials filed with Canadian securities regulatory authorities. 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.