

Form 51-102F1

VALDOR FIBER OPTICS INC.
(the "Company")

MANAGEMENT DISCUSSION & ANALYSIS
(U.S. Dollars)
THREE MONTHS ENDED MARCH 31, 2008

1.1 Date of this Report

May 29, 2008

1.2 Overall Performance

During the first quarter ended March 31, 2008, the Company's working capital deficiency was \$1,272,443 an increase from \$154,505 as compared to the working capital deficiency of \$1,117,938 as of December 31, 2007.

1.3 Selected Annual Information

N/A

1.4 Results of Operations

During the quarter the Company had a net loss of \$214,163 as compared to a net loss of \$226,384 for the corresponding quarter ended March 31, 2007. The revenues decreased to \$140,888 as compared to \$257,695 for the quarter ended March 31, 2007. This is a result of a decrease of activity in the fiber optics industry. Expenses for the quarter were \$230,175 as compared to \$259,582 for the quarter ended March 31, 2007.

1.5 Summary of Quarterly Results

The quarterly financial statements are prepared in accordance with Canadian GAAP but are stated in U.S. Dollars.

FOR THE THREE MONTHS ENDED

	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007
Revenues	\$140,888	\$115,096	\$179,160	\$183,285
Net Income (Loss)	(214,163)	(\$464,302)	(\$198,259)	(\$200,816)
Per Share – Basic	(\$0.00)	(\$0.01)	(\$0.01)	(\$0.01)
Diluted	(\$0.00)	(\$0.01)	(\$0.01)	(\$0.01)

FOR THE THREE MONTHS ENDED

	March 31, 2007	December 31, 2006	September 30, 2006	June 30, 2006
Revenues	\$257,695	\$369,077	\$241,469	\$239,940
Net Income (Loss)	(\$219,796)	(\$113,219)	\$1,769,342	\$212,473
Per Share - Basic	(\$0.01)	\$0.03	\$0.03	\$0.00
Diluted	(\$0.01)	\$0.03	\$0.03	\$0.00

The Company had revenues of \$140,888 during the first quarter of 2008 from sales of its fiber optics products against \$85,739 in direct costs of sale for a gross profit of \$55,149. A further \$230,175 was expended during the quarter for general and administrative expenditures, marketing, research and development, amortization and interest charges resulting in a loss from operations of \$175,026 for the quarter.

1.6 Liquidity

The Company's working capital deficiency as at March 31, 2008 was \$1,272,443 as compared to a working capital deficiency of \$454,505 as at March 31, 2007, an increase of \$817,938.

At present the Company believes it has sufficient funds available from revenues and financing to cover basic overhead expenses for the next twelve months. The Board of Directors is reviewing potential business opportunities for the Company's patented HeptoPort™ and Impact Mount™ technology and other options available relating to utilization of the potential financing by the Company. Readers are cautioned that a number of factors beyond the control of the Company could result in the Company not being able to sustain its current position or not being able to find appropriate opportunities for the HeptoPort™ and Impact Mount™ technology or securing a financing necessary to pursue such opportunities. Such factors could include adverse economic conditions, political and regulatory concerns and key individual staffing problems amongst others.

1.7 Capital Resources

During the reporting period the Company remains dependant upon funds provided by directors, business associates and equity markets for financing. However, assuming that the company continues to maintain its current level of sales and administrative and general expenditures, it should be able to cover its normal overhead expenses for the next twelve months.

1.8 Off Balance Sheet Arrangements

None.

1.9 Transactions with Related Parties

The Company incurred the following revenues and expenses with directors and officers of the Company and companies with common directors:

	Three months ended March 31 ,	
	<u>2008</u>	<u>2007</u>
Management fees	\$ 8,959	\$ 7,681
Office and miscellaneous - secretarial services	1,643	939
Rent	1,493	2,560
Salaries, wages and benefits	<u>20,769</u>	<u>21,462</u>
	<u>\$ 32,864</u>	<u>\$ 32,642</u>

These transactions were measured by the exchange amount which is the amount agreed upon by the transacting parties.

Included in prepaid expenses at March 31, 2008 is \$498 (December 31, 2007: \$495) of rent prepaid to a company with a common director.

Fourth Quarter

Not Applicable.

1.10 Proposed Transactions

None at this time.

1.12 Critical Accounting Estimates

None

1.13 Changes in Accounting Policies including Initial Adoption

As of January 1, 2008, the Company will be required to adopt two new CICA standards, Section 3862 “Financial Instruments - Disclosures” and Section 3863 “Financial Instruments - Presentation”, which will replace Section 3861 “Financial Instruments - Disclosure and Presentation”. The new disclosure standard increases the emphasis on the risks associated with both recognized and unrecognized financial instruments and how those risks are managed. The new presentation standard carries forward the former presentation requirements. The new financial instruments presentation and disclosure requirements were issued in December 2006 and the Corporation is assessing the impact on its consolidated financial statements.

As of January 1, 2008, the Company will be required to adopt the new CICA Section 1535 “Capital Disclosures”, which will require companies to disclose their objectives, policies and processes for managing capital. In addition, disclosures are to include whether companies have complied with externally imposed capital requirements. The new capital disclosure requirements were issued in December 2006 and the Company is assessing the impact on its financial statements.

In January 2006, the CICA Accounting Standards Board (“AcSB”) adopted a strategic plan for the direction of accounting standards in Canada. As part of that plan, accounting standards in Canada for public companies are expected to converge with International Financial Reporting Standards (“IFRS”) by the end of 2011. The Company continues to monitor and assess the impact of convergence of Canadian GAAP and IFRS.

1.14 Financial and Other Instruments

None

1.15 Other

Legal Matters - Nil

Capitalization as at March 31, 2008

Capital Stock	Number
Common Shares	68,804,547
Options	5,092,500 @ \$0.10
Warrants	NIL

Disclosure Controls and Procedures

In connection with Exemption Orders issued in November 2007 by each of the British Columbia Securities Commission and Ontario Securities Commission, the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the interim consolidated financial statements for the three months ended March 31, 2008, and this accompanying MD&A.

In contrast to the certificate under Multilateral Instrument 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings) ("MI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in MI 52-109. For further information the reader should refer to the Venture Issuer Basic Certificates filed by the Company on SEDAR at www.sedar.com.