

VALDOR TECHNOLOGY INTERNATIONAL INC.
(Formerly VALDOR FIBER OPTICS INC.)
 (the "Company")

MANAGEMENT DISCUSSION & ANALYSIS
(U.S. Dollars)
SIX MONTHS ENDED JUNE 30, 2008

1.1 Date of this Report

August 29, 2008

1.2 Overall Performance

During the second quarter ended June 30, 2008, the Company's working capital deficiency was \$1448,991 an increase of \$331,053 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 \$177,150 as compared to a net loss of \$225,992 for the corresponding quarter ended June 30, 2007. The revenues decreased to \$122,026 as compared to \$183,285 for the quarter ended June 30, 2007. This is a result of a decrease of activity in the fiber optics industry. Expenses for the quarter were \$170,557 as compared to \$226,191 for the quarter ended June 30, 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

	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007
Revenues	\$122,026	\$140,888	\$115,096	\$179,160
Net Income (Loss)	(177,150)	(214,163)	(\$464,302)	(\$198,259)
Per Share – Basic	(\$0.02)	(\$0.00)	(\$0.01)	(\$0.01)
Diluted	(\$0.02)	(\$0.00)	(\$0.01)	(\$0.01)

FOR THE THREE MONTHS ENDED

	June 30, 2007	March 31, 2007	December 31, 2006	September 30, 2006
Revenues	\$183,285	\$257,695	\$369,077	\$241,469
Net Income (Loss)	(\$200,816)	(\$219,796)	(\$113,219)	\$1,769,342
Per Share - Basic	(\$0.01)	(\$0.01)	\$0.03	\$0.03
Diluted	(\$0.01)	(\$0.01)	\$0.03	\$0.03

The Company had revenues of \$122,026 during the second quarter of 2008 from sales of its fiber optics products against \$91,291 in direct costs of sale for a gross profit of \$30,735. A further \$170,557 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 \$139,822 for the quarter.

1.6 Liquidity

The Company's working capital deficiency as at June 30, 2008 was \$1,448,991 as compared to a working capital deficiency of \$642,980 as at June 30, 2007, an increase of \$806,011.

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 June 30,		Six months ended June 30,	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Revenue	\$ 7,082	\$ -	\$ 7,082	\$ -
Management fees	\$ 8,911	\$ 8,178	\$ 17,870	\$ 15,859
Office and miscellaneous – secretarial services	3,123	999	4,765	1,938
Rent	1,485	83	2,978	2,643
Salaries, wages and benefits	<u>19,039</u>	<u>20,250</u>	<u>39,808</u>	<u>41,712</u>
	<u>\$ 32,558</u>	<u>\$ 29,510</u>	<u>\$ 65,421</u>	<u>\$ 62,152</u>

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

Included in prepaid expenses at June 30, 2008 is \$490 (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 adopted 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 adopted 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.

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

The carrying value of cash, accounts receivable, accounts payable and accrued liabilities, promissory notes, due to related parties and loans payable approximate their fair values due to the short maturity of those instruments. Unless otherwise noted, it is management’s opinion that the Company is not exposed to significant interest, currency, or credit risks arising from these financial statements.

1.15 Other

Legal Matters - None

Capitalization as at June 30, 2008 and August 29, 2008

Capital Stock	Number
Common Shares	10,585,220
Options	781,924 @ \$0.65
Warrants	NIL

Subsequent Events

On July 8, 2008 Valdor Fiber Optics Inc. reported that at the Annual and Special Meeting of Valdor Fiber Optics Inc. held on June 20, 2008 shareholder approval, by special resolution, was received for the consolidation of the 68,804,547 issued common shares on the basis that up to seven (7) of the issued shares of Valdor before consolidation will be consolidated into one (1) new share. Subsequent to the approval of shareholders, the Board of Directors has determined that the consolidation ratio will be set at six and one-half (6.5) old shares for every one (1) new share issued, resulting in 10,585,220 issue and outstanding shares following the consolidation. Shareholder approval by special resolution was also received for a change of name to Valdor Technology International Inc. The consolidation and name change, intended to facilitate a corporate reorganization necessary for future financing and development of Valdor's business, is subject to the approval of the TSX Venture Exchange.

On July 18, 2008, Valdor Fiber Optics Inc. received approval from the TSX Venture Exchange for the consolidation of its capital on the basis of 1 new for 6.5 old shares and the change of name to Valdor Technology International Inc. trading symbol VTI-V effective July 21, 2008. The consolidation of share capital has been reflected in the June 30, 2008 quarterly financial statements.

On July 28, 2008 Valdor Technology International Inc. ("Valdor") (TSX: VTI-V) report that Valdor has negotiated a non-brokered private placement of 10,585,000 Units at a price of \$0.10 per Unit with certain investors for gross proceeds of \$1,058,500. Each Unit is comprised of one common share of Valdor and one non-transferable share purchase warrant. Each warrant will allow the holder thereof to purchase one additional common share of Valdor at a price of \$0.125 per share for a period of two years from the date of closing of the private placement. The warrants issued with the units sold will be subject to an acceleration provision. After four months have elapsed from closing, if Valdor's shares trade above \$0.80 for 20 consecutive trading days Valdor has the option to provide notice to the warrant holders that their warrants will expire if they are not exercised within 30 days. A finder's fee may be paid in respect to this private placement pursuant to the policies of the TSX Venture Exchange. The proceeds from the private placement will be used for marketing of Valdor's new line of fiber optic products and for general working capital

On July 29, 2008 Valdor Technology International Inc. granted 2,100,000 incentive stock options exercisable at \$0.10 per share to certain directors, officers, employees and consultants of Valdor for a period of five years pursuant to the terms and conditions of Valdor's Stock Option Plan.