Form 51-102F1

VALDOR FIBER OPTICS INC.

(the "Company")

MANAGEMENT DISCUSSION & ANALYSIS
(U.S. Dollars)

YEAR ENDED DECEMBER 31, 2008

1.1 Date of this Report

April 30, 2009

1.2 Overall Performance

During the year ended December 31, 2008, the Company's working capital deficiency was $871,292, a decrease of $246,646 as compared to the working capital deficiency of $1,117,938 as of December 31, 2007.

1.3 Selected Annual Information

	2008	**2007**	**2006**
Total revenues	$488,518	$735,236	$999,887
Net (loss) income	($1,062,843)	($1,083,173)	$1,593,368
Income (loss) per share			
Basic	(0.08)	(0.10)	0.03
Diluted	(0.08)	(0.10)	0.03
Total assets	$210,160	$186,778	$794,700

1.4 Results of Operations

During the year the Company had a loss from operations of $1,011,610 as compared to a loss of $1,006,096 for the corresponding period ended December 31, 2007. The loss is primarily a result of stock-based compensation charge of $315,177 administrative and general expenses of $610,140 and a general slowdown in the fiber optic industry. For the quarter ended December 31, 2008 the revenues decreased by $2,474 to $112,592 as compared to $115,066 for the same quarter ended December 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

	December 31, 2008	**September 30, 2008**	**June 30, 2008**	**March 31, 2008**
Revenues	$112,592	$113,012	$122,026	$140,888
Net Income (Loss)	($227,579)	($393,950)	($177,150)	($214,163)
Per Share – Basic	($0.02)	($0.04)	($0.02)	($0.00)
Diluted	($0.02)	($0.04)	($0.02)	($0.00)

FOR THE THREE MONTHS ENDED

	December 31, 2007	**September 30, 2007**	**June 30, 2007**	**March 31, 2007**
Revenues	$115,066	$179,190	$183,285	$257,695
Net Income (Loss)	($397,089)	($233,708)	($225,992)	($226,384)
Per Share - Basic	($0.04)	($0.02)	($0.02)	($0.01)
Diluted	($0.04)	($0.02)	($0.02)	($0.01)

1.6 Liquidity

The Company's working capital deficiency as at December 31, 2008 was $871,292 as compared to a working capital deficiency of $1,117,938 as at December 31, 2007, a decrease of $246,646.

On July 8, 2008 the Company 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 10,585,314 issued 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 28, 2008 the Company reported 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 the Company 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.

On November 5, 2008 the Company reported that the non-brokered Private Placement announced July 28, 2008 for 10,585,000 Units, has now closed. A total of 10,585,000 Units at a price of $0.10 per unit have been subscribed for with total proceeds realized of $1,058,500. Each Unit consists of one common share of Valdor and one non-transferable two year share purchase warrant. Each warrant allows the holder thereof to purchase one further common share of Valdor at a price of $0.125 if exercised on or before October 1, 2010. The 10,585,500 common shares issued are subject to a hold period expiring February 1, 2009. The proceeds of the private placement will be used for marketing of Valdor's new line of fiber optic products and for general working capital.

On November 7, 2008 the Company reported that Valdor has entered into an investor relations agreement with Fagan Financial Group, based in Blaine, Washington, to provide Investor Relation services for Valdor.

Fagan Financial will provide introductions and continuing liaison with writers and publishers of various subscriber based publications including newspapers, magazines, business publications, and financial publications. It will review and provide advice regarding the presentation, design, grammar, style and functionality of the corporation's public communication materials, including the corporation's website and the corporation's presentations from time to time at various industry meetings, conferences, and trade shows, and provide advice pertaining to the overall business development of the corporation. It will communicate directly with funds, analysts, brokers, and accredited investors for the purpose of encouraging and promoting investment in the corporation.

Valdor and Fagan Financial are at arm's length and have entered into this agreement for an eighteen month term. As compensation, Fagan Financial will be granted an option to acquire 350,000 shares of Valdor at a price of $0.15 per share and will be paid a monthly consulting fee of $7,500. The stock options will be granted in accordance with TSX Venture Exchange policies and the corporation's stock option plan.

On November 14, 2008 the Company reported that Inuktun Services Ltd. of Nanaimo, BC, Canada www.inuktun.com, has chosen Valdor's Impact Mount™ Technology fiber optic connectors and field installation kit for use with their mobile robotic systems.

Inuktun Services Ltd. is known world-wide for their innovative mobile robotic systems. The modular, remotely-operated systems can be used in the most dangerous environments, from nuclear facilities to sewer and petrochemical pipes to military combat. The Nanaimo-based company specializes in inspection systems for pipes, sewer systems and underground tanks using high-tech equipment and CCTV systems on robotic transporters.

Valdor's Impact Mount™ Technology all-metal-epoxyless no-index-matching-gel field termination fiber optic connectors provide ease of installation, reduction in cost and time, reliability, and improvement in quality transmission. Valdor is excited about providing Inuktun with additional fiber optic connectivity solutions for Inuktun's harsh environment applications.

On November 28, 2008 the Company reported that its fiber optic components production facility in China [Valde Fiber Optics (Shanghai), Ltd.] (VFO) has been audited and certified to conform to GB/T19001-2000 idt ISO 9001:2000 Quality Management System Standards.

The ISO 9001:2000 certification applies to the entire process for Production and Services of Fiber Optic Attenuators, Connectors, Cable Assemblies, Installation Devices and Tool Kits. ISO 9001:2000 is an independently audited continuing certification process that demonstrates complete compliance with all applicable ISO 9000 Quality Management System's prescribed standards. ISO 9001 includes a requirement for continual (i.e. planned) improvement of VFO's Quality Management System.

About ISO 9000

ISO 9000 is an internationally recognized family of standards for quality management systems. A company or organization that has been independently audited and certified to be in conformance with ISO 9001 may publicly state that it is "ISO 9001 certified" or "ISO 9001 registered".

On December 8, 2008 the Company reported that substantial progress has been made in the relationship with its international oil and gas service provider ("the Client"), which was first reported in 2007. The Client is one of the world's leading suppliers of technology, project management, and information solutions to the oil and gas industry.

Valdor has been working closely with the Client in engineering and manufacturing a high temperature, all-metal, harsh environment fiber optic connector to be used to monitor down hole drilling conditions on off-shore oil and gas drill platforms. The Client has now confirmed that Valdor's mechanical installation hand tool kit and special designed connectors meet all their requirements. Valdor anticipates that all initial testing of the connectors will be concluded in early 2009.

In the current quarter, Valdor has received a purchase order from the Client to standardize of Valdor's *Impact Mount* ™ FC connectors for all applications on off-shore drill platforms. This will allow the Client to employ a single Field Installable Kit for both surface use and for down-hole drill applications on off-shore drill platforms. The Valdor connectors will be unique in this qualification. The FC connectors have previously been qualified for use in harsh environments.

Valdor's unique, patented, all mechanical and field installable, *Impact Mount*™ products are especially suited for oil and gas exploration activities. They provide easy installation in harsh environments, ease of repair by technicians on drill platforms, and protection from heat, vibration, and caustic conditions. Valdor's IMT splice will significantly reduce costly drill rig downtime.

At present the Company believes it has sufficient funds available from revenues and future 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 *TM* 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:

	Year ended December 31, 2008	2007
Revenue	$ 7,262	$ -
Cost of sales	19,997	-
Consulting	-	111,708
Marketing	-	1,523
Management fees	33,772	33,513
Office and miscellaneous – secretarial services	11,820	6,144
Rent	8,443	5,586
Salaries, wages and benefits	123,771	88,112
	$ 205,065	$ 246,586

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

Included in prepaid expenses at December 31, 2008, is $1,637 (2007: $495) of prepaid rent and salaries to an officer of the Company and a company with a common director.

Included in accounts payables as at December 31, 2008, is $45,476 (2007: $336,996) of payables due to a director and his wife, and a companies with common directors.

1.10 Fourth Quarter

The Company had revenues of $112,592 during the fourth quarter from sales of its fiber optics products against $99,681 in direct costs of sale resulting in a gross profit of $12,911 for the quarter. A further $260,981 was expended during the fourth quarter for general and administrative expenditures, stock based compensation, marketing, research and development, amortization and interest charges resulting in a loss from operations of $248,070 for the quarter. The Company's working capital deficiency decreased by $14,053 from $885,345 at the end of September 2008 to $871,292 at the end of December 2008.

1.11 Proposed Transactions

None

1.12 Critical Accounting Estimates

None

1.13 Significant Accounting Policies

Financial instruments

The Company adopted CICA Handbook Sections 1530, “Comprehensive Income”, Section 3251, “Equity, Section 3855, “Financial Instruments – Recognition and Measurement”, Section 3861, “Financial Instruments – Disclosure and Presentation” and Section 3865, “Hedges”. Section 1530 establishes standards for reporting and presenting comprehensive income, which is defined as the change in equity from transactions and other events from non owner sources. Other comprehensive income refers to items recognized in comprehensive income that are excluded from net income calculated in accordance with Canadian generally accepted accounting principles.

Section 3862 and 3863 establishes standards for presentation of financial instruments and non financial derivatives and identifies the information that should be disclosed about them. Section 3865 describes when and how hedge accounting can be applied as well as the disclosure requirements. Hedge accounting enables the recording of gains, losses, revenues and expenses from derivative financial instruments in the same period as for those related to the hedged item.

Section 3855 prescribes when a financial asset, financial liability or non financial derivative is to be recognized on the balance sheet and at what amount, requiring fair value or cost based measures under different circumstances. Under Section 3855, financial instruments must be classified into one of these five categories: held-for-trading, held-to-maturity, loans and receivables, available-for-sale financial assets or other financial liabilities. All financial instruments, including derivatives, are measured initially and subsequently on the balance sheet at fair value except for loans and receivables, held-to-maturity investments and other financial liabilities which are measured at amortized cost. Subsequent measurement and changes in fair value will depend on their initial classification, as follows: held-for-trading financial assets are measured at fair value and changes in fair value are recognized in net earnings; available-for-sale financial instruments are measured at fair value with changes in fair value recorded in other comprehensive income until the investment is derecognized or impaired at which time the amounts would be recorded in net earnings.

The Company adopted the CICA guidelines of Section 3862, Financial Instruments – disclosures, and Section 3863, Financial Instruments – Presentation. These standards replace CICA 3861, Financial Instruments – Disclosure and Presentation.

These standards increase the disclosures currently required, which will enable users to evaluate the significance of financial instruments for an entity’s financial position and performance, including disclosures about fair value. In addition, disclosure is required of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk. The quantitative disclosures must provide information about the extent to which the Company is exposed to such risk, based on information provided internally to the entity’s key management personnel. Note 12 provides the required disclosure under this new accounting standard.

Accounting Policy Choice for Transaction Costs

On June 1, 2007, the Emerging Issues Committee of the CICA issued Abstract No. 166, Accounting Policy Choice for Transaction Costs ("EIC-166). This EIC addresses the accounting policy choice of expensing or adding transaction costs related to the acquisition of financial assets and financial liabilities that are classified as other than held-for-trading. Specifically, it requires that the same accounting policy choice be applied to all similar financial instruments classified as other than held-for-trading, but permits a different policy choice for financial instruments that are not similar. The Company has adopted EIC-166 effective January 1, 2007 and requires retroactive application to all transaction costs accounted for in accordance with CICA Handbook Section 3855, Financial Instruments – Recognition and Measurement. This EIC addresses the accounting policy choice of expensing or adding transaction costs related to the acquisition of financial assets and financial liabilities that are classified as other than held-for-trading. Specifically, it requires that the same accounting policy choice be applied to all similar financial instruments classified asother than held-for-trading, but permits a different policy choice for financial instruments that are not similar. The Company has evaluated the impact of EIC-166 and determined that no adjustments are currently required.

Capital Disclosure

The Company adopted section 1535 which specifies the disclosure of (i) an entity's objectives, policies and processes for managing capital; (ii) quantitative data about what the entity regards as capital; (iii) whether the entity has complied with any capital requirements; and (iv) if it has not complied, the consequences of such non-compliance. The Company's policy on management of its capital is described in Note 13.

Accounting Changes

In July 2006, the Accounting Standards Board ("AcSB") issued a replacement of The Canadian Institute of Chartered Accountants' Handbook ("CICA Handbook") Section 1506, Accounting Changes. The new standard allows for voluntary changes in accounting policy only when they result in the financial statements providing reliable and more relevant information, requires changes in accounting policy to be applied retrospectively unless doing so is impracticable, requires prior period errors to be corrected retrospectively and calls for enhanced disclosures about the effects of changes in accounting policies, estimates and errors on the financial statements. The impact that the adoption of Section 1506 will have on the Company's results of operations and financial condition will depend on the nature of future accounting changes.

Future Accounting Changes
Goodwill and Intangible Assets

The AcSB issued CICA Handbook Section 3064 which replaces Section 3062, Goodwill and Other Intangible Assets, and Section 3450, Research and Development Costs. This new section establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets. Standards concerning goodwill remain unchanged from the standards included in the previous Section 3062. The section applies to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2008. Accordingly, the Company will adopt the new standards for its fiscal year beginning January 1, 2009. It establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets by profit-oriented enterprises. Standards concerning goodwill are unchanged from the standards included in the previous Section 3062. The Company is currently evaluating the impact of the adoption of this new Section on its financial statements.

International Financial Reporting Standards ("IFRS")

In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP and IFRS over an expected five year transitional period. In February 2008 the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended December 31, 2010. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

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1.14 Financial and Other Instruments

See 1.13

1.15 Other

Legal Matters - Nil

Capitalization as at December 31, 2008 and April 29, 2009

Capital Stock	**December 2008**	**April 2009**
Common Shares	21,170,220	21,170,220

1.16 Subsequent Events

On January 20, 2009 the Company reported that Seamor Marine Ltd. of Nanaimo, BC, Canada www.seamor.com, has chosen Valdor's Impact Mount™ Technology fiber optic connectors and field installation kit for use with their remote operated ROV submersible underwater inspection vehicles.

Seamor Marine Ltd. is known world-wide for their innovative remote operated ROV submersible underwater inspection vehicles. The Seamor system with modern technology provides better quality images, improved sensor integration, increased power and greater operational depth. Seamor can incorporate devices such as Sonar, auxiliary video cameras, CP Proves, brush cleaning motors and manipulators, and operate at depths of up to 1,000 feet underwater. The combination of depth capability, sensor integration and the standard zoom camera makes Seamor a unique system in the market - no other systems combine this much capability into a single, portable system. In addition, unlike many other small and medium class ROVs, the Seamor vehicle is modular, allowing for easy swap out of thrusters, camera modules, and/or the electronics control canister if required.

Valdor's Impact Mount™ Technology all-metal-epoxyless no-index-matching-gel field termination fiber optic connectors provide ease of installation, reduction in cost and time, reliability, and improvement in quality transmission. Valdor is excited about providing Seamor with additional fiber optic connectivity solutions for Seamor's harsh environment applications.

On January 29, 2009 the Company reported that Valdor has developed a new product line of Harsh Environmental 7-Fiber Bundle connectors ("HE7F") that utilizes the Impact Mount™ ("IMT") technology. The HE7F is the only single ferrule multi-fiber connector in the fiber optic industry that is capable of accommodating high temperatures, high pressures and vacuum applications. The aerospace, military, mining and off-shore oil and gas drilling industries are target markets particularly well suited to Valdor's latest application of the IMT technology. The 7-fibers-in–one-connector is ideal for use in areas difficult to access and where reduced size and weight are critical requirements, such as in aircraft, ships and military vehicles.

The first introduction of the Harsh Environmental 7-Fiber Bundle will be at the world's largest fiber optic convention, the OFC/NFOEC 2009, being held in San Diego, California from March 22nd to 26th, 2009. The conference features technology from every region of the world and every sector of optical communications.

On February 5, 2009 the reported that Valdor Fiber Optics Inc. has signed a Distribution Agreement with Telgroup S.A.de C.V. ("Telgroup") located in Mexico City, Mexico. Telgroup has been in the fiber optic industry for over 15 years and is dedicated to the distribution of products designed for fiber optics infrastructure**.**

About Telgroup S.A. de C.V. **(www.telgroup.com.mx)**

Telgroup's customers include major telephone, gas, and oil companies operating throughout the world. Telgroup is currently in the evaluation phase of Valdor's *Impact Mount*™ line of products with one of Mexico's largest government owned oil companies. The *Impact Mount*™ technology will compliment the extensive product lines that Telgroup is now offering to telecom companies such as Telefonica (Spain), Telmex (Mexico), and Telcel (AmericaMobile).

On March 16, 2009 the Company reported that BC Hydro, British Columbia's electric power provider, will immediately begin field trials of Valdor's *Impact Mount*™ Field Installable product line. Valdor's product line, to be tested, includes the ST/SP Hand Tool Kits and Connectors which feature state of the art technology that may benefit BC Hydro's expansion programs. The user friendly, fast installation connectors, with all-mechanical operation and high yield should substantially reduce total costs to both BC Hydro and its subcontractors.

BC Hydro is in the early stages of a significant upgrade and expansion of the British Columbia electric power grid; this will include the fiber optic infrastructure throughout the province. BC Hydro is the third largest electric power utility in Canada.

On March 18, 2009 the Company reported that Valdor has negotiated a non-brokered private placement of 2,500,000 Units at a price of $0.10 per Unit with certain investors for gross proceeds of $250,000. 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 April 22, 2009 the Company reported that the non-brokered private placement announced on March 18, 2009 has been increased to 4,300,000 Units at a price of $0.10 per Unit. 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.