1ST QUARTER REPORT

ZINCORE METALS INC.

First Quarter Report

For the three months ended March 31, 2008

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the three month period ended March 31, 2008
All figures in Canadian dollars unless otherwise noted

GENERAL

The following Management's Discussion and Analysis ("MD&A") of Zincore Metals Inc. and its subsidiaries, ("Zincore" or the "Company") for the three months ended March 31, 2008 should be read in conjunction with the Company's unaudited interim financial statements for the three months ended March 31, 2008 and the audited financial statements for the year ended December 31, 2007 of which both are available on the Company's website at www.zincoremetals.com or on SEDAR at www.sedar.com. Additional information relating to the Company including its Annual Information Form ("AIF") dated March 10, 2008 is also available on SEDAR at www.sedar.com. This report has taken into account information available up to and including May 5, 2008.

All financial information in this MD&A is prepared in accordance with Canadian generally accepted accounting principles and presented in Canadian dollars unless otherwise noted.

The Company has commenced exploration of its mineral properties and has not yet determined whether these properties contain ore reserves. The recoverability of the amounts shown for mineral properties and related deferred costs is dependent upon the ability of the Company to obtain necessary financing to complete exploration and development and upon future profitable production or proceeds from the disposition of properties. The amounts shown as mineral properties represent costs to date and do not necessarily represent present or future values.

FORWARD-LOOKING STATEMENTS

Statements in this MD&A that are forward-looking are subject to various risks and uncertainties concerning the specific factors disclosed under the heading "Risk Factors" and elsewhere in Zincore's AIF. Such information contained herein represents management's best judgment as of the date hereof based on information currently available. Zincore does not assume the obligation to update any forward-looking statements other than as required pursuant to applicable securities laws.

DESCRIPTION OF BUSINESS

The Company is engaged in the exploration and development of zinc mineral properties, located principally in Peru. Zincore's properties are in the exploration stage and are thus non-producing and consequently do not generate operating income or cash flow from operations. The Company is dependant on additional equity or debt capital or divestitures to finance its activities.

Zincore is focused on exploration, definition drilling and technical studies at its Accha-Yanque property as well as conducting initial exploration at its other properties to further assess potential and develop more detailed exploration programs. Zincore is also pursuing opportunities to add high-potential properties to its portfolio.

Zincore's near-term success will be measured by its ability to increase the amount and quality of its mineral resources and by its ability to advance its projects towards development decisions.

OVERALL PERFORMANCE

Zincore significantly advanced the Accha-Yanque Project during the quarter.

A revised mineral resources estimate on the Yanque deposit was completed in March 2008. As a result of this estimate the inferred mineral resources increased 55% in tonnes and 88% in total metal contained as the deposit is now estimated to contain 1.2 billion pounds of zinc and 1.2 billion pounds of lead in inferred mineral resources.[1]

In early May 2008, the Company released the results of a pre-feasibility study completed on the Accha deposit. The study assessed the technical viability of a mining and concentrator operation at Accha and also looked at the economics of selling the produced concentrate to third parties. The study concluded that Accha could produce 130,000 tonnes of oxide concentrate containing 77 million pounds of zinc, annually, over a seven year mine life at site costs of US$0.28 per pound with a pre-production capital cost of approximately US$65 million.

Late in the first quarter of 2008 exploration drilling resumed at Yanque and a drilling crew mobilized to the Condorini property to complete the initial program of drill testing the Manto target on that property.

During the second quarter of 2008, exploration activities will be concentrated on drilling at Yanque and Condorini. 7,500 metre and 600 to 1,000 metre drill programs are planned at the two properties respectively.

For the quarter ended March 31, 2008, the Company incurred a net loss of $842,035 relating to its operations and exploration and development activities on its properties.

During the first quarter of 2008 the Company's cash position declined by $2,097,522. Drilling activities were limited during the quarter, but engineering costs related to the Accha pre-feasibility study increased from previous periods. Exploration staff focused on regional exploration within the Accha-Yanque belt during this interruption of drilling at Yanque. In the first quarter of 2008, $1,567,966 was expended on capitalized items being mineral properties or property, plant and equipment.

At March 31, 2008, the Company maintained a strong financial position with $6.3 million in cash and cash equivalents on hand, no long-term debt and minor fixed exploration and property maintenance commitments.

[1] See Property Review section of this MD&A for further details on the mineral resource estimate.

RESULTS OF OPERATIONS

	Quarter ended March 31, 2008	Quarter ended March 31, 2007
General exploration expense	$ 360,943	$ 341,247
Consulting and management fees	$ 290,104	$ 313,056
Other general and administrative expenses	$ 302,661	$336,812
Foreign exchange (gain) loss	$ (43,660)	$ 34,128
Amortization	$ 3,376	$ 347
Interest and other income	$ 71,389	$ 151,170
Mineral properties and property, plant & equipment	$ 13,674,761	$ 5,919,457

Stock-based compensation expense decreased from $335,902 in the first quarter of 2007 to $169,766 in the first quarter of 2008 due to the number of options granted and timing of vesting schedules largely related to the initial stock option grant at the time of the Company's initial public offering in November of 2006 as well as additional options granted in the first quarter of 2007. The decrease in stock option expense related to the aforementioned grants was partially offset by the stock option expense related to options granted in the first quarter of 2008. Stock-based compensation expense has been allocated $73,316 to consulting and management, $56,525 to general exploration and $39,925 to office expense in the first quarter of 2008.

General exploration expense increased from $232,282 to $304,418, net of stock-based compensation expense allocation. This increase is principally due to higher support and office costs in Peru related to the higher levels of activities and the Company's efforts to identify additional exploration opportunities in Mexico.

Consulting and management costs increased from $166,587 to $216,788, net of stock-based compensation expense allocation, in the first quarter of 2007 versus 2008 due to incentive payments being recorded in this period of 2008. Base level consulting and management costs were largely unchanged.

General and administrative costs increased marginally from $256,344 to $262,736, net of stock-based compensation expense allocation, quarter versus quarter. The increase was mainly due to higher investor relations and travel costs, which included a series of investor meetings across Canada during the first quarter of 2008. This was partially offset by approximately $100,000 of office costs for initial start-up expenditures incurred during the first quarter of 2007 that were not incurred during the first quarter of 2008.

For the quarter ending March 31, 2008 the Company incurred a foreign exchange gain of $43,660 versus a loss of $34,128 in the comparative period as the Canadian dollar weakened slightly over the first quarter of 2008 versus strengthening in the first quarter of 2007. Currency changes impact the valuation of non-Canadian dollar denominated monetary assets. A stronger Canadian dollar reduces reported exploration and development costs as contracts and costs related to these items are generally denominated in US dollars.

Interest and other income reduced from $151,170 to $71,389 in the quarter ending 2007 versus 2008 due to a combination of lower cash balances and slightly lower interest rates.

PROPERTY REVIEW

Accha-Yanque Property

The Accha-Yanque property covers over 45,000 hectares and currently hosts zinc and lead oxide resources within two deposits. Mineralization has been identified in numerous other showings on the property but limited exploration on these has been completed. Zincore's objective for the Accha-Yanque property is to define sufficient mineral resources to justify the construction of a dedicated leach, solvent extraction and electrowinning zinc refinery.

In late 2006 and 2007 Zincore completed a 16,500 exploration and infill drill program on the Accha deposit. The results were integrated into the historical drill database and a NI 43-101 mineral resource estimate was prepared by independent consultant Pincock, Allen & Holt ("PAH") and released on December 6, 2007[2]. The results showed that Accha hosts high-grade, near surface zinc oxide mineralization and reported 5.1 million tonnes of indicated mineral resources at 8.2% zinc and 0.9% lead and 1.4 million tonnes of inferred mineral resources at 5.9% zinc and 0.7% lead.

This resource estimate combined with metallurgical test work completed during 2007 provided the basis for completion of a pre-feasibility study on the Accha deposit. The study, lead by SNC Lavalin Chile, looked at the technical capability of producing a zinc oxide concentrate from Accha and also assessed the economic merits of selling the zinc oxide concentrate to third parties. On May 1, 2008, Zincore released the results of this study[3] that concluded that based on the current indicated mineral resources, 130,000 tonnes of zinc oxide concentrate grading approximately 27% zinc could be produced, annually, over a 7 year mine life at site operating costs of US$0.28 per pound and with a pre-production capital investment of approximately US$65 million. The mine plan is a combination of open pit followed by underground mining to supply ore to a conventional dense media separation, milling and flotation circuit.

As a result of the successful pre-feasibility study, a portion of Accha mineral resources have been reclassified as mineral reserves. Probable mineral reserves of 4.2 million tonnes grading 7.9% zinc and 0.8% lead have been outlined. A revised technical report on the deposit will be filed during the second quarter of 2008.

The economic analysis of selling the concentrate to third parties estimated a pre-tax net present value at 10% of US$72 million and internal rate of return of 40% at a three year trailing zinc price of US$1.23 per pound. The concentrate is assumed to be sold to domestic smelters in Peru.

The study identified a number of opportunities to improve the project principally related to resource increases by infill drilling of the inferred mineral resources to convert them to indicated mineral resources, exploration drilling where the deposit remains open, and lock-cycle metallurgical work aimed at improving the concentrate grade.

The Company is reviewing the results of the study and assessing when to advance Accha to support its' objective of defining the mineral resources necessary within the Accha-Yanque belt to support a dedicated zinc refinery.

In total, during the first quarter of 2008, Zincore capitalized expenditures on the Accha deposit totalling approximately $430,000 on exploration related activities and $550,000 on technical and engineering related activities.

During the third and fourth quarters of 2007 exploration activities focused on the Yanque deposit 30 kilometres

[2] For full details see press release dated December 6, 2007 available on Zincore's website at www.zincoremetals.com

[3] For full details see press release dated May 1, 2008 available on Zincore's website at www.zincoremetals.com

southwest of Accha. The Company constructed a satellite exploration camp and completed 21 diamond exploration holes targeted at infilling and expanding the inferred mineral resources on the property.

On March 3, 2008, Zincore released an updated Yanque mineral resource estimate prepared by independent consultant PAH. This estimate was completed after drilling the first 21 holes or 2,560 metres of a planned 10,000-metre drill program. The new estimate represents a 55% increase in tonnes and an 88% increase in contained metal over the previous inferred mineral resource estimate. All of the resources are near surface and amenable to open pit mining. A technical report relating to this mineral resource estimate was filed on SEDAR in April 2008. The table below summarizes the resource estimate.[4]

Yanque Deposit Inferred Mineral Resource Estimates

Cut-off grade – zinc plus lead (%)	Tonnes (000's)	Zinc Grade (%)	Lead Grade (%)
6.0	7,520	6.22	6.33
5.5	8,498	5.85	5.92
5.0	9,621	5.44	5.58
4.5	10,258	5.28	5.34
4.0	11,113	5.05	5.08
3.5	12,361	4.74	4.74

1. All mineral resources have been calculated in accordance with the standards of the CIM Definition Standards on Mineral Resources and Mineral Reserves, as required by NI 43-101.
2. Mineral resources that are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political or other relevant issues.
3. Inferred mineral resources are that part of a mineral resource for which quantity and grade can be estimated on the basis of geological evidence and limited sampling and can be reasonably assumed. It is uncertain if further exploration will result in upgrading them to an indicated or measured mineral resource.
4. Density utilized in the mineral resource estimates was 2.5 tonnes per cubic metre.
5. The mineral resource estimate was prepared by PAH under the direction of Mr. Aaron McMahon, a professional geologist and independent qualified person.
6. Contained zinc and lead represent estimated metal in the ground and have not been adjusted for metallurgical or other recovery factors.

Exploration at Yanque has resumed and a 7,500 metre exploration program is planned for 2008. Metallurgical studies are under way at Mintek Laboratories in Johannesburg under the supervision of GTI. Initial work is being conducted on two metallurgical samples taken from the first 21 drill holes. Further metallurgical sampling and test work will be ongoing during the next phase of drilling.

In total, during the first quarter of 2008 Zincore capitalized expenditures on the Yanque deposit totalling approximately $360,000 on exploration related activities and $53,000 on technical and engineering related activities.

Zincore also expended $120,000 on exploration on other targets along the Accha-Yanque belt.

Other Exploration Properties

Zincore completed a surface sampling and mapping program at the Condorini property in order to assess and identify areas to be drill tested. Based on this program, the Company has identified areas on the property to be drilled and has received a drill permit for the property. Drill testing of certain targets has commenced.

In January 2008, Zincore reached an agreement with Brett Resources Inc. ("Brett") to extend the period of the required exploration earn-in commitments from 12 to 15 months. As a result, Zincore must now incur a minimum US$200,000 in exploration expenditures on the property before May 28, 2008. As of March 31, 2008 Zincore had incurred US$101,401 in qualifying expenditures toward this total.

Zincore commenced engaging with the community that controls the surface rights on the Minasccasa property in late 2007 with the objective of obtaining an access agreement to allow exploration work on the property. A meeting involving local and regional authorities was held in late March 2008 to discuss issues of interest for the community and to further advance negotiations. During the meeting both support and opposition to exploration activities on the property were voiced. The Company is currently reviewing its engagement strategy with consultants and is continuing to work to build support for the project.

QUARTERLY FINANCIAL INFORMATION

The selected consolidated financial data has been prepared in accordance with Canadian generally accepted accounting principles and should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2007.

Zincore became a public company with the closing of its IPO on November 8, 2006. Since that time overall spending levels increased commensurate with the increase in the Company's exploration, development and corporate activities.

Quarterly expense levels of manageable expenses showed no specific trend and were generally comparable quarter on quarter as Zincore made no significant changes in its management team, staffing levels or scope of activities:

Quarterly variances in net loss have been generally impacted by four factors: stock-based compensation expense, foreign exchange gains or losses, interest income and general exploration expense.

Stock-based compensation expense is impacted by vesting schedules and the number of options approved by the Board. Foreign exchange losses vary based on the strengthening or weakening of the Canadian dollar relative to the US dollar and Peruvian sole, and interest income varies with cash balances and interest rates.

General exploration expense varies depending on the focus of activities within the Company. During periods where the Company is evaluating new opportunities or establishing a presence in a new country, general exploration expense is generally higher than in other periods.

Total assets in the first quarter of 2008 decreased to $20.4

Selected Quarterly Financial Data (unaudited)

Fiscal quarter ended	Mar 31 2008	Dec 31 2007	Sep 30 2007	Jun 30 2007	Mar 31 2007	Dec 31 2006	Sep 30 2006	Jun 30 2006
Interest income	$71,389	$97,973	$117,964	$130,043	$151,170	$108,721	$806	$1,622
Net loss	$(842,035)	$(703,186)	$(723,169)	$(851,226)	$(874,420)	$(969,754)	$(395,620)	$(200,929)
Net loss per share	$(0.01)	$(0.01)	$(0.01)	$(0.01)	$(0.01)	$(0.03)	$(0.03)	N/A
Total assets	$20,399,498	$20,863,704	$20,500,445	$20,902,432	$21,543,888	$21,927,177	$3,594,188	$3,070,974
Total liabilities	$598,198	$390,135	$395,287	$391,720	$661,609	$506,380	$1,216,985	$3,400,627

[4] For full details see press release dated March 3, 2008 available on Zincore's website at www.zincoremetals.com.

million principally reflecting the use of cash for non-capitalized expenditures primarily related to management, general exploration and general and administrative costs.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

Zincore is a mineral exploration company and as such is not in commercial production at any of its mineral properties and, accordingly, it does not generate cash from operations. The Company intends to finance its activities by raising capital through the equity markets.

The Company had working capital of $5,839,240 at March 31, 2008 compared to working capital of $8,162,509 at December 31, 2007. The decrease in working capital resulted from lower cash balances as a result of planned expenditures and investments on exploration, project development, corporate costs and other operating activities. The Company remains in a strong financial position to fund its exploration and development programs and has an ability to alter or change its programs, with the exception of its commitments on the Condorini property, without impacting its ownership interests in its exploration property portfolio.

Zincore's cash position at March 31, 2008 was $6,297,946. The Company does not hold any asset-backed commercial paper. The Company had no long-term liabilities and current liabilities of $598,198. Accounts payable and accrued charges related principally to expenditures incurred on the engineering work related to the Accha-Yanque property and incentive compensation. An amount due to affiliated companies of $30,470 was an intercompany payable in favour of Southwestern Resources Corp. ("Southwestern"), Zincore's 48.2% shareholder, relating to Southwestern employees who provided services to Zincore outside of the scope of a services agreement that exists between the two companies (see Related Party Transactions).

The Company's material contractual obligation is an office lease agreement for its corporate office in Vancouver. The lease expires on March 31, 2011. The agreement covers rent and operating expenses which are currently estimated at $9,905 per month.

Contractual Obligations	Total	< 1 year	1-3 years	3-5 years
Operating lease obligations	$356,580	$118,860	$237,720	$nil

Zincore has no commitments for capital expenditures and required exploration and development expenses are limited to US$99,000[5] in exploration on the Cerro Condorini properties by May 28, 2008, a US$25,000 payment to Brett if Zincore elects to continue on the Condorini earn-in and annual property maintenance payments totaling approximately US$175,000 in Peru and US$35,000 in Chile.

Zincore's budgets for the remainder of 2008 total approximately $3.2 million of exploration expenditures and $700,000 of technical and engineering expenditures on the Accha-Yanque property. In addition, subject to overall priorities and funding capacity the Company will spend up to $600,000 on exploration at other properties. Corporate costs for the remainder of 2008 are anticipated to total approximately $1.5 million. Zincore has considerable flexibility to revise and reduce spending levels in 2008 should liquidity levels dictate such reductions. Zincore will evaluate partnering opportunities, equity financing and other sources of financing throughout the year to raise funding for programs in and beyond 2008 and to provide funds to accelerate the exploration and development programs. No assurance can be given as to the ability of the Company to raise such required capital. The success of exploration programs and other property transactions can have a significant impact on spending requirements. Zincore has no pre-arranged sources of debt financing.

On September 26, 2007 the Ministry of Energy and Mines in Peru approved the application by Exploraciones Collasuyo SAC ("Collasuyo"), Zincore's wholly indirectly owned subsidiary, for early recovery of the Impuesto General A Las Ventas ("IGV") or general sales tax on qualifying expenditures. The current rate of IGV is 19% on all goods and services purchased. Under this approved application Collasuyo can, as of the above date, apply to the Peruvian tax authorities for the monthly rebates of IGV paid on qualifying expenditures. Qualifying expenditures include all site exploration and drilling costs and certain site related engineering and development costs. Under the program, the Company can receive reimbursement of amounts paid or offset taxes payable to the Peruvian Government on the corresponding amount of IGV paid on services and goods purchased during the course of the exploration and development program. At the end of the first quarter of 2008, the Company recorded a receivable of $204,000 related to this program.

The Company is exposed to foreign exchange risks as it holds the majority of its cash balances in Canadian dollars and incurs expenses principally in Canadian dollars, U.S. dollars, and Peruvian soles. A strengthening of the Canadian dollar relative to these currencies would result in lower reported exploration and development expenses.

OFF-BALANCE SHEET TRANSACTIONS

The Company does not utilize off-balance sheet transactions.

RELATED PARTY TRANSACTIONS

Zincore has entered into an Administrative Services Agreement with Southwestern whereby Southwestern agreed to provide the Company with accounting and corporate secretarial services in Canada. Collasuyo entered into an Outsourcing Operating Assistance Services Agreement with Southwestern's indirect wholly owned subsidiary Minera del Suroeste ("MISOSA"), whereby MISOSA agreed to provide Collasuyo with office space, use of MISOSA's facilities and secretarial and accounting services in Peru. During the first quarter of 2008, the Company paid a total of $50,318 to Southwestern and MISOSA under these services agreements. In the comparative quarter, Zincore paid $82,805 under these service agreements.

During the first quarter of 2008, Zincore paid $37,500 for management services under an agreement with a company controlled by a director who is also an officer of the Company. During the quarter ending March 31, 2007, Zincore paid $43,750 under this agreement.

PROPOSED TRANSACTIONS

As is typical of the mineral exploration and development industry, the Company is continually reviewing potential merger, acquisition, investment and joint venture transactions and opportunities that could enhance shareholder value.

5 Cerro Condorini and other commitments that are in United States dollars have been converted to Canadian dollars at 1.00 CAD/USD.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company's financial instruments consist of cash and cash equivalents, advances and other receivables, accounts payable, accrued charges and payables due to an affiliated company. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risk arising from these financial instruments. For further discussion see note 9 of the unaudited interim financial statements for the three months ended March 31, 2008. The fair value of these financial instruments approximates their carrying value due to their short-term maturity or capacity of prompt liquidation.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The Company's Consolidated Financial Statements have been prepared on a going-concern basis. The Company has incurred losses since inception, and the ability of the Company to continue as a going concern depends on its ability to develop profitable operations and to continue to raise adequate financing. To date, the Company has financed its capital requirements by issuing common stock. There is no certainty that the Company will be able to raise funds sufficient to support its business plans.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

Effective as at January 1, 2008, the Company adopted three new presentation and disclosure standards that were issued by the Canadian Institute of Chartered Accountants: Handbook Section 1535, Capital Disclosures ("Section 1535"), Handbook Section 3862, Financial Instruments – Disclosures ("Section 3862") and Handbook Section 3863, Financial Instruments – Presentation ("Section 3863").

Section 1535 requires the disclosure of both qualitative and quantitative information that enables users of financial statements to evaluate the entity's objectives, policies and processes for managing capital. Section 1535 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.

Sections 3862 and 3863 replace Handbook Section 3861, Financial Instruments – Disclosure and Presentation, revising and enhancing its disclosure requirements and carrying forward unchanged its presentation requirements for financial instruments. Sections 3862 and 3863 place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how the entity manages those risks.

SHARE CAPITAL INFORMATION

As at the date of this MD&A, the Company has an unlimited number of common shares authorized for issuance, with 79.1 million common shares issued and outstanding. Of these 38.1 million or 48.2% are owned by Southwestern.

As at the date of this MD&A, Zincore has 5,986,000 options outstanding with an average exercise price of $0.55 per option of which 3,904,802 with an average price of $0.57 per option have vested and are available for exercise.

The Company has two classes of preferred shares authorized with none issued.

OUTLOOK

The Company's principal efforts during the second quarter of 2008 will be focused on exploration and drilling of the Yanque deposit. Zincore expects to spend approximately $2.0 million on Yanque exploration over the final nine months of 2008. Zincore has recently commenced a metallurgical test program and preliminary engineering on Yanque and this is expected to be completed in the third quarter of 2008 at a cost of $700,000.

Zincore has commenced exploration on the zinc belt between Accha and Yanque. While this program has not developed sufficiently to define specific targets and drill programs, the Company expects to spend approximately $1.2 million on direct exploration through the zinc belt and on costs at the Accha exploration camp to support the Yanque and belt programs over the remainder of 2008.

Zincore will drill test targets on the Condorini property prior to the end of the second quarter of 2008. The Company expects to spend approximately $120,000 on this work which is sufficient to satisfy its first stage earn-in requirements on the project.

Zincore is in the process of negotiating a community access agreement on the Minasccasa property that would allow active exploration work to commence. While assurance can not be given that the agreement will be obtained, Zincore has budgeted exploration spending of $450,000 at Minasccasa under the assumption that it will be successful in obtaining the agreement.

The Company continues to make progress towards its objective of defining sufficient resources to support a zinc refinery for the Accha-Yanque belt. As exploration results at Yanque and the belt become apparent, Zincore will examine the merits of advancing the Accha Concentrator Project and/or completing a scoping study on a dedicated refinery.

DISCLOSURE CONTROLS AND PROCEDURES

Management is responsible for establishing and maintaining a system of controls and procedures over the public disclosure of financial and non-financial information regarding the Company. Management is also responsible for the design and maintenance of effective internal control over financial reporting to provide reasonable assurance regarding the integrity and reliability of the Company's financial information and the preparation of its financial statements in accordance with Canadian generally accepted accounting principles. Management maintains appropriate information systems, procedures and controls to ensure integrity of the financial statements and maintains appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete and reliable. The Company has a Disclosure and Stock Trading Policy and a Disclosure Committee in place to mitigate risks associated with the disclosure of inaccurate or incomplete information.

As required by Multilateral Instrument 52-109, an evaluation of the effectiveness of the design and operation of the Company's disclosure controls and procedures was conducted as of December 31, 2007 by and under the supervision of management, including the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"). Based on that evaluation, the CEO and CFO concluded that the Company's disclosure controls and procedures were operating effectively as of December 31, 2007.

There have been no changes in internal control over financial reporting during the period ended March 31, 2008 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.