FORM 5

QUARTERLY LISTING STATEMENT

Name of CNQ Issuer: Nass Valley Gateway Ltd. (the "Issuer").

Trading Symbol: NVGL

SCHEDULE A: FINANCIAL STATEMENTS

The Interim financial statements for the first quarter ended March 31, 2008 are attached hereto as Schedule A.

SCHEDULE B: SUPPLEMENTARY INFORMATION

2. Related Party Transactions

During the three months ended March 31, 2008, the Company entered into the following transactions with related parties:

(i) the Company incurred from Mineral Hill Industries Ltd., a company controlled by common directors, Accounting and legal fees amounting to $ 3,336 (2007: $ 3,000); Consulting and administrative expenses amounting to $ 5,961 (2007: $ 1,223); Investor relations expenses amounting to $ 5,250 (2007: $ 10,500) and Office, rent and telephone amounting to $ 4,064 (2007: $ 655);

(ii) the Company incurred Consulting and administrative fees, from Copper Belt Resources Ltd., a company controlled by common directors, amounting to $ 349 (2007: $Nil);

(iii) the Company incurred web design fees from Krypt-LogX Network Ltd., a company controlled by common directors, amounting to $ 6,480 (2007: $ Nil).

These transactions are in the normal course of operations and, in management's opinion, undertaken with the same terms and conditions as transactions with unrelated parties. The amounts are measured at the exchange amount, which is the amount of consideration negotiated, established and agreed to by the related parties.

At March 31, 2008, $ 40,289 was due from companies related by common directors, as compared to $ 3,169 at December 31, 2007. Amount receivable from Gixtat'in Mhind Link Inc was $39,940 (2007: $40,000), from Copper Belt Resources Ltd. was $349 (2007: $ Nil) and from Mineral Hill Industries Ltd. was $Nil (2007: $3,169).

At March 31, 2008, $7,942 was due to companies related by commons directors as compared to $ 11,699 at December 31, 2007. Amount payable to Krypt-LogX Network Ltd. was 2,268 (2007: $Nil) and to Mineral Hill Industries Ltd. was $5,674 (2007: $ 11,699).

All amounts outstanding are unsecured, non-interest bearing and are due on demand

1. **Summary of securities issued and options granted during the period.**

(a) summary of securities issued during the period,

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid
Mar. 3, 2008	Common Shares	Exercise of Warrants	15,000	0.15	$2,250	Cash		Nil

(b) summary of options granted during the period,

Date	Number	Name of Optionee if Related Person and relationship	Generic description of other Optionees	Exercise Price Per Share	Expiry Date	Market Price on date of Grant(1)
No stock options were granted during the quarter.						

2. **Summary of securities as at the end of the reporting period.**

Common shares

Authorized: An unlimited number of common shares without par value.

	Number of Common Shares	Amount
Balance, January 1, 2007	**14,500,000**	**$ 122,862**
Exercise of special warrants (Note 5(b))	3,600,000	540,000
Share issuance costs (Note 5(b))	-	(63,000)
Acquisition of mineral property- Nass Bay Project (Note 3(a))	600,000	222,000
Private placement:		
− Flow through (Note 5(c))	2,020,849	747,714
− Non-flow through (Note 5(c))	1,240,454	347,327
Share issuance costs (Note 5(c))	-	(73,540)
Prospectus costs	-	(26,525)
Acquisition of mineral property- Kleanza Mountain Project (Note 3(b))	50,000	12,000
Future income tax recovery (Note 7)	-	(254,430)
Balance, December 31, 2007	**22,011,303**	**1,574,408**
Exercise of warrants	15,000	2,250
Balance, March 31, 2008	**22,026,303**	**$1,576,658**

b) The following is a summary of options, warrants and convertible securities outstanding as at the first quarter ended March 31, 2008.

	No. of Shares under Option/Warrants	Exercise Price	Expiry Date
Options	766,600	$0.15	January 31, 2012
Options	45,000	$0.31	May 4, 2012
Options	171,100	$0.32	August 15, 2010
Options	30,000	$0.32	September 4, 2010
Warrants	620,226	$0.40	May 31, 2008
Broker Warrants	215,331	$0.40	May 31, 2008
Warrants	1,010,422	$0.50	May 31, 2008

c) The following is a summary of the number of shares subject to escrow or pooling agreements or any other restriction on transfer.

Name	No. of Escrowed Common Shares	No. of Escrowed Common Shares as at March 31, 2008
Mineral Hill Industries Ltd.	7,250,000	4,350,000
Gitxat'in Development Corporation	7,250,000	4,350,000
Total	**14,500,000**	**8,700,000**

Pursuant to an agreement (the "Escrow Agreement") dated as of August 11, 2006 among the Corporation, Pacific Corporate Trust Company (the "Escrow Agent") and the Principals of the Corporation, the Principals agreed to deposit in escrow their Common Shares (the "Escrowed Securities") with the Escrow Agent. The Escrow Agreement provides that the Escrowed Securities will be released from escrow in equal blocks at 6 month intervals over the 36 months following the date the Corporation's Common Shares are listed on the CNQ (that is 15% of each Principal's holdings being released in each block with an initial 10% block being released on the date the Corporation's Common Shares are listed on the CNQ).

3. List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.

The Directors and Officers as at the date of this report are:
Dieter Peter, Chairman & CEO and a Director
Melvin Stevens, President and Director
Hugh Maddin, Director
Patrick Stewart, Director
Edward Skoda, Vice President, Exploration and Director
Peter Kohl, CFO
Josephine See, Vice President, Corporate Affairs, Treasurer & Corporate Secretary

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis for the quarter ended March 31, 2008 is attached hereto as Schedule C.

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.

2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.

3. The undersigned hereby certifies to CNQ that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CNQ Requirements (as defined in CNQ Policy 1).

4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated May 30, 2008

Dieter Peter

Name of Director or Senior Officer

"*Dieter Peter*"

Signature

Chairman & CEO

Official Capacity

Issuer Details Name of Issuer Nass Valley Gateway Ltd.	For Quarter Ended March 31, 2008	Date of Report YY/MM/DD 2008/05/30
Issuer Address 575-1111 West Hastings Street		
City/Province/Postal Code Vancouver, B.C. V6E 2J3	Issuer Fax No. (604) 685-2360	Issuer Telephone No. (604) 685-4170
Contact Name Dieter Peter	Contact Position Chairman & CEO	Contact Telephone No. (604) 685-4170
Contact Email Address dpeter@3xgmm.com	Web Site Address www.nass-valley.com	

Schedule A

NASS VALLEY GATEWAY LTD.

(An Exploration Stage Company)

FINANCIAL STATEMENT

FOR THE THREE MONTHS ENDED

MARCH 31, 2008

(UNAUDITED)

NASS VALLEY GATEWAY LTD.

Contents

NOTICE OF NO AUDITORS' REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

NASS VALLEY GATEWAY LTD.

(An Exploration Stage Company)

BALANCE SHEETS

(stated in Canadian dollars)

		March 31 2008		December 31, 2007
ASSETS				
Current Assets				
Cash and equivalents	$	69,497	$	166,360
Amounts receivable		2,852		4,977
Amounts receivable from related parties (Note 6(b) (i))		40,289		43,169
Prepaid expenses		15,187		21,706
		127,825		236,212
Reclamation bond		3,000		3,000
Property & equipment (Note 4)		3,835		4,037
Mineral property (Note 3)		297,000		297,000
Deferred exploration costs (Note 3)		681,020		668,907
	$	1,112,680	$	1,209,156
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current Liabilities				
Accounts payable and accrued liabilities	$	12,246	$	28,760
Accounts payable to related parties (Note 6(b) (ii))		7,942		11,699
		20,188		40,459
Shareholders' equity				
Share capital (Note 5(a) and (b))		1,576,658		1,574,408
Contributed surplus (Note 5(g))		160,447		147,160
Deficit		(644,613)		(552,871)
		1,092,492		1,168,697
	$	1,112,680	$	1,209,156

Nature of Operations and Continuance of Business (Note 1) Commitments (Note 3)

Approved on Behalf of the Board:

/s/ "Dieter Peter"

Dieter Peter, Director

/s/ "Melvin Stevens"

Melvin Stevens, Director

(The accompanying notes are an integral part of these Financial Statements)

NASS VALLEY GATEWAY LTD.

(An Exploration Stage Company)

STATEMENTS OF OPERATIONS, COMPREHENSIVE LOSS, AND DEFICIT

(stated in Canadian dollars)

	Three months ended March 31 2008	March 31, 2007
Expenses		
Accounting and legal	$ 13,267	$ 35,949
Amortization	202	285
Consulting and administrative services	17,369	-
Generative exploration and project research costs	15,122	20,115
Insurance	5,090	-
Interest and bank charges	61	250
Investor relations	6,373	5,000
Office, rent and telephone	4,273	4,501
Stock based compensation	13,286	40,438
Transfer agent and filing fees	1,264	2,663
Travel and promotion	8,999	4,451
Web designing	6,480	-
Loss before other income (expense)	(91,786)	(113,652)
Other Income (Expense)		
Interest income	44	2,335
	44	2,335
Net loss and comprehensive loss for the period	(91,742)	(111,316)
Deficit, beginning of the period	(552,871)	(301,809)
Deficit, end of the period	$ (644,613)	$ (413,125)
Net loss per shares, basic and diluted	(0.00)	(0.01)
Weighted Average Number of Shares Outstanding	22,016,072	15,846,667

NASS VALLEY GATEWAY LTD.

(An Exploration Stage Company)

STATEMENTS OF CASH FLOWS

(stated in Canadian dollars)

		Three months ended		
		March 31 2008		**March 31 2007**
Cash flows from operating activities				
Net loss for the period	$	(91,742)	$	(111,316)
Items not affecting cash:				
Amortization		202		285
Stock based compensation		13,286		40,438
Changes in non-cash working capital items:				
(Increase)/Decrease in amounts receivable		2,125		(17,359)
Decrease (increase) in amounts receivable from related parties		5,148		-
Decrease (increase) in prepaid expenses		6,520		(6,758)
Increase/(Decrease) in accounts payable and accrued liabilities		(16,514)		232,831
(Decrease) Increase in accounts payable to related parties		(6,025)		1,530
		(87,000)		139,651
Cash flows from financing activities				
Proceeds from issuance of share capital		2,250		-
		2,250		
Cash flows from investing activities				
Acquisition of mineral property		-		(75,000)
Payment of deferred exploration costs		(12,113)		(336,602)
		(12,113)		(411,602)
Decrease in cash and equivalents		(96,863)		(271,951)
Cash and equivalents, beginning of the period		166,360		341,570
Cash and equivalents, end of the period	$	69,497	$	69,618
Supplemental disclosures:				
Shares issued to acquire mineral properties		-		600,000

1. NATURE AND CONTINUANCE OF OPERATIONS

Nass Valley Gateway Ltd. ("the Company") was incorporated on October 25, 2005 under British Columbia Business Corporations Act.

The Company is an exploration company engaged in the acquisition, exploration and development of rock quarry and mineral resource properties primarily in Canada. The Company is listed for trading on the CNQ stock exchange ("NVGL") and co-listed on the "open market" of the Frankfurt (Germany) Stock Exchange and trading under the Symbol "3NV". The Company is in the process of exploring its rock quarry and mineral resource properties and has not yet determined whether these properties contain reserves or resources that are economically recoverable. The recoverability of the carrying amounts of the properties are dependent upon the discovery of economically recoverable reserves, confirmation to the Company's interests in the properties, the ability to obtain the necessary financing to complete exploration and development of a viable quarry, and achieving future profitable production of rock and mineral products or selling its rock quarry or mineral resources properties for proceeds in excess of carrying amounts. Based on the above factors, there is substantial doubt about the Company's ability to continue as a going concern. These financial statements have been prepared on the basis of accounting principles applicable to a going concern, and accordingly, do not purport to give effect to adjustments which may be required should the Company be unable to achieve the objectives above as a going concern. The net realizable value of the Company's assets may be materially less than the amounts recorded in these financial statements should the Company be unable to realize its assets and discharge its liabilities in the normal course of business. The Company has the following working capital and deficit positions at year end:

	March 31, 2008	December 31, 2007
Working Capital	$ 107,637	$ 195,753
Deficit	$ 644,613	$ 552,871

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of presentation

The financial statements of the Company are prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). The Company's fiscal year end is December 31.

b) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosures of contingent assets and liabilities at the dates of the financial statements, and the reported amounts of revenues and expenses for the reporting periods. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant. Actual results could differ from these estimates. Significant areas requiring the use of estimates are estimation of accrued liabilities, computation of stock-based compensation, amortization of property and equipment, and valuation allowance of future income tax assets.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Financial instruments

Effective January 1, 2007, the Company adopted the new recommendations of the Canadian Institute of Chartered Accountants (CICA) under CICA Handbook Section 1530, Comprehensive Income; Section 3251, Equity; Section 3855, Financial Instruments – Recognition and Measurement; Section 3861 Financial Instruments – Disclosure and Presentation and Section 3865, Hedges, retroactively without restatement. These new Handbook Sections, which apply to fiscal years beginning on or after October 1, 2006, provide requirements for the recognition and measurement of financial instruments and on the use of hedge accounting. 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 but that are excluded from net income calculated in accordance with generally accepted accounting principles. Under the new standards, policies followed for periods prior to the effective date generally are not reversed and therefore, the comparative figures have not been restated. The adoption of these Handbook Sections had no impact on opening deficit.

Under Section 3855, financial instruments must be classified into one of these five categories: held-for-trading, held-to-maturity investments, loans and receivables, available-for-sale financial assets or other financial liabilities. All financial instruments, including derivatives, are measured in 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 income; available-for-sale financial instruments are measured at fair value with changes in fair value recorded in other comprehensive income until the instrument is derecognized or impaired, at which time the amounts would be recorded in net income.

Upon adoption of these new standards, the Company designates its cash and cash equivalents as held-for-trading, which are measured at fair value. Accounts receivable and income taxes receivable are classified as loans and receivables, which are measured at amortized cost. Accounts payable, accrued liabilities, due to/from related parties and joint venture partners are classified as other financial liabilities. The Company had neither available-for-sale, nor held-to-maturity instruments during the three months ended March 31, 2008. The Company had no “other comprehensive income or loss” transactions during the three months ended March 31, 2008 and no opening or closing balances for accumulated other comprehensive income or loss.

d) Cash and equivalents

The Company considers cash to include amounts held in banks and highly liquid investments with maturities at point of purchase of twelve months or less at acquisition. The Company places its cash and cash equivalent investments with institutions of high credit worthiness.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Flow through shares

The Company has adopted EIC-146, which is effective for all the flow-through share transactions initiated after March 19, 2004. Canadian tax legislation permits a company to issue securities referred to as flow-through shares whereby the Company assigns the tax deductions arising from the related resource expenditures to the shareholders. When resource expenditures are renounced to the investors and the Company has reasonable assurance that the expenditures will be completed, a future income tax liability is recognized and share capital is reduced.

If the Company has sufficient unused tax loss carry forwards or other future income tax assets to offset all or part of this future income tax liability, and no future income tax assets have previously been recognized for these items, a portion of such future income tax assets is recognized as income up to the amount of the future income tax liability recognized on the renounces expenditures.

f) Property and equipment

Property and equipment are carried at cost less amortization. Amortization is calculated using the straight-line method at an annual rate of 20%. Amortization is provided in the year of acquisition at one-half of the annual rate.

g) Property investigation and administrative expenses

Property investigation expenses are the costs of investigating prospective property acquisitions; administrative expenses are the costs required to maintain the Company and allow it to carry on its activities. Both of these expenses include salary and wages, travel, consulting, accounting and legal fees, office rent and utilities, among others, and are included in the statement of loss and deficit.

h) Mineral property interests and project development costs

All costs related to the acquisition of rock quarry and mineral resource properties are capitalized by property. All costs related to the exploration and development of properties or projects under development are capitalized until such time as final feasibility decisions with respect to each property or project are made or until events or circumstances indicate that the criteria for deferral of such costs are no longer met for particular properties. If a final decision is made to develop a property or project, related exploration and development costs of the related property are reclassified as property assets and amortized using the units of production method. When a property or project is abandoned or no longer meets the criteria for deferral of development costs, all related costs are written off to operations. If, after management review, it is determined that the carrying amount of a mineral property or project is impaired, that property or project is written down to its estimated net realizable value. Nass Bay and Kleanza Mountain projects are reviewed for impairment at each balance sheet date or whenever events or changes in circumstances indicate that carrying amounts may not be recoverable.

The recoverability of exploration and development costs is dependent on the existence of economically recoverable quarry and mineral reserves and the ability to obtain the necessary financing to complete the development of such quarry and mineral reserves and the success of future operations. The Company has not yet determined whether or not any of its rock quarry or mineral resource properties contains economically recoverable rock or mineral reserves.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Impairment of long-lived assets

The recoverability of long-lived assets, which includes the rock quarry and mineral resource properties and deferred exploration costs, is assessed when an event occur indicating possible impairment. Recoverability is based on factors such as future asset utilization and the future undiscounted cash flows expected to result from the use or sale of the related assets. An impairment loss is recognized in the period when it is determined that the carrying amount of assets will not be recoverable. At that time, the carrying amount is written down to fair value.

j) Asset retirement obligations

The Company recognizes asset retirement obligations for all legal liabilities for obligations relating to retirement of property, plant and equipment, arising from the acquisition, construction, development, or the normal course of operations of those assets. Asset retirement costs are recognized at fair value, when a reasonable estimate of fair value can be made, in the period in which it is incurred. Asset retirement obligations are accreted to the carrying value of the related asset, and amortized together with the asset. The asset retirement obligations are reduced as the restoration work is performed. As at March 31, 2008, the Company has not incurred any asset retirement obligation costs.

k) Commitments and contingencies

Liabilities for loss contingencies are recorded when it is probable that a liability has been incurred and the amount of the assessment and/or remediation can be reasonably estimated. When a reasonable estimation cannot be made, qualitative disclosure is provided in the notes to the financial statements. Contingent revenues, earnings or assets are not recognized until their realization is virtually assured.

l) Environmental expenditures

The operations of the Company may be affected by changes in environmental regulations, including those relating to future reclamation and site restoration. Both the likelihood of new regulations and their overall effect upon the Company are unknown and unpredictable. As at March 31, 2008, the Company has made no provision for site restoration costs or potential environmental liabilities as all its properties are still in the exploration stage. Factors such as future exploration and changes in technology may materially change a cost estimate previously made.

m) Stock-based compensation

The Company has a stock option plan as described in Note 5. The Company applies the fair value method for stock based compensation granted to employees, non-employees and for all direct awards of stocks. The fair value of stock options is determined by the Black Scholes Option Pricing Model with assumptions for risk-free interest rates, dividend yields, volatility factors of the expected market price of the Company’s common shares and expected life of the options. The fair value of direct awards of stock is determined by the quoted market price of the Company’s stock.

Compensation expense is recognized over the applicable vesting period with a corresponding increase in contributed surplus. When the options are exercised, the proceeds together with the amount initially recorded in contributed surplus are credited to share capital.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

n) Income taxes

The Company follows the asset and liability method of accounting for income taxes. Future income tax assets and liabilities are determined based on temporary differences between the accounting and tax basis of existing assets and liabilities, and are measured using the enacted tax rates expected to apply when these differences reverse. A valuation allowance is recorded against any future income tax asset unless it is more likely than not that the future income tax asset will be realized.

o) Loss per share

Basic loss per share is calculated using the weighted average number of common shares outstanding during the period.

The Company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. Under this method the dilutive effect on earnings per share is recognized for any proceeds that could be obtained upon the exercise of options, warrants and similar instruments. This method assumes that the proceeds would be used to purchase common shares at the average market price during the period. Diluted loss per shares is not presented when the effect of this computation is anti-dilutive.

p) Recent Accounting Pronouncements

In 2008, the CICA issued Handbook Section 3064, “Goodwill and Intangible Assets”, which replaces Section 3062, “Goodwill and Intangible Assets”, and Section 3450, “Research and Development Costs”. Section 3064 establishes standards for the recognition, measurement and disclosure of goodwill and intangible assets. This new standard is effective for the Company’s interim and annual consolidated financial statements commencing January 1, 2009. The Company is currently assessing the impact of the new standard and has not yet determined its effect on the Company’s financial statements.

In May 2007, the Accounting Standards Board issued CICA Handbook Section 3031, “Inventories”. Section 3031 introduces changes to the measurement and disclosure of inventory and converges with international financial reporting standards and is effective for interim and annual periods relating to fiscal years beginning on or after January 1, 2008. The Company does not expect that the adoption of this standard will have a material impact on its financial statements.

In December 2006, the Accounting Standards Board issued CICA Handbook Section 3862, “Financial Instruments - Disclosure” and Section 3863, “Financial Instruments - Presentation” which replace Section 3861, “Financial Instruments - Disclosure and Presentation”. Section 3862 increases the emphasis on recognition and management of the risks associated with recognized and unrecognized financial instruments. This section carries forward the former presentation requirements and is effective for fiscal years beginning on or after October 1, 2007. The Company is currently assessing the impact of the new disclosure standard and has not yet determined its impact on the Company’s financial statements.

In October 2006, the Accounting Standards Board issued CICA Handbook Section 1535, “Capital Disclosures”, which establishes standards for disclosing information about an entity’s capital and how it is managed. This standard is effective for interim and annual financial statements for fiscal years beginning on or after October 1, 2007. The Company does not expect that the adoption of this standard will have a material impact on the Company’s financial statements.

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3. MINERAL PROPERTY AND DEFERRED EXPLORATION COSTS

a) Nass Bay Project

On March 10, 2006, the Company entered into Agreements with Gitxat'in Mhind World Link Ltd. (the "Optionor"), a company with common directors, whereby the Company acquired the right to purchase up to a 75% interest in certain mineral claims located in Nass Bay, BC. To earn the 75% interest, the Company, at its option, must make payments, issue common shares, and incur exploration expenditures on the project as follows:

Cash Payments	Common Shares	Cumulative expenditures	Date
$ 75,000	-	-	Upon filing of a final prospectus by the Company
-	600,000	$ 200,000	Within one year of the Company filing a final prospectus
$ 100,000	750,000	$ 300,000	Within two years of the Company filing a final prospectus
$ 125,000	900,000	$ 500,000	Within three years of the Company filing a final prospectus
$ 300,000	**2,250,000**	**$ 500,000**	

On February 26, 2007, the Company filed a final prospectus with the British Columbia Securities Commission. Acquisition costs of the mineral property as of March 31, 2008 are:

Balance, January 1, 2006	$	-
Cash payment		75,000
Issuance of common shares (600,000 common shares at $0.37 per share)		222,000
Balance, December 31, 2007 and March 31, 2008	**$**	**297,000**

During the three months ended March 31, 2008, the company capitalized a further $12,113 in exploration costs, bringing the cumulated costs from $668,907 at December 31, 2007 to $681,020 as detailed below.

During May 2008, the Company renewed the mineral tenure. The Company is in the process of concluding a financing structure which will allow the program recommended by the consultant as mentioned in the National Instrument 43-101 of February 19, 2008, filed on SEDAR, to be completed.

3. MINERAL PROPERTY AND DEFERRED EXPLORATION COSTS (continued)

a) Nass Bay Project (continued)

Cumulative exploration costs on the Nass Bay project as of March 31, 2008 are:

	Expenditures incurred to December 31, 2007 $	Expenditures incurred during the quarter $	Cumulative expenditures incurred to March 31, 2008 $
Consulting	77,456	16,136	**93,592**
Contracted services	37,325	-	**37,325**
Geologist	30,212	9,527	**39,739**
Surveying	9,730	-	**9,730**
Aircraft charter	116,317	-	**116,317**
Travel and lodging	65,948	364	**66,312**
Exploration supplies	49,370	-	**49,370**
Reports, drafting and maps	7,110	1,208	**8,318**
Drilling	429,245	-	**429,245**
Lab tests and analysis	7,354	-	**7,354**
Others	5,881	-	**5,881**
Total Expenditures Incurred	835,948	27,235	**863,183**
Expensed as Generative Exploration costs	(167,041)	(15,122)	**(182,163)**
Capitalized as Deferred Exploration Costs	668,907	12,113	**681,020**

b) Kleanza Mountain Project

On May 9, 2007, the Company announced that it has entered into an option agreement (the "Agreement") with Georgilas Investments Ltd. (the "Optionor"), pursuant to which the Company has the right to earn up to 70% interest, subject to a 2% Net Smelter Return payable to the Optionor, in certain mineral claims in the Terrace area of British Columbia to explore a historic copper-silver prospect.

As of December 31, 2007 the Company had made cash payment of $23,416 and issued 50,000 common shares at $0.24 per share, totalling $35,416. Cumulative exploration costs on Kleanza Mountain project as of December 31, 2007 amounted to $51,914. Management received a geologist's report citing a low probability of economic visibility in the project. Management has elected not to continue with the project and has informed the Optioner in a letter dated February 1, 2008. Accordingly, management considered that, as at December 31, 2007, acquisition costs of $35,416 had been impaired and had been charged to operations at that date. The cumulative exploration costs of $51,914 were written off as Generative Exploration costs at December 31, 2007.

4. PROPERTY AND EQUIPMENT

	Furniture & Equipment	Leasehold Improvements	TOTAL
	$	$	$
December 31, 2008			
Cost	3,830	2,260	6,090
Accumulated depreciation	(1,149)	(904)	(2,053)
	2,681	1,356	4,037
Movements during the period			
Amortization	(134)	(68)	(202)
	(134)	(68)	(202)
March 31, 2008			
Cost	3,830	2,260	6,090
Accumulated depreciation	(1,283)	(972)	(2,255)
	2,547	1,288	3,835

5. SHARE CAPITAL

a) Common shares

Authorized: An unlimited number of common shares without par value.

	Number of Common Shares	Amount
Balance, January 1, 2007	**14,500,000**	**$ 122,862**
Exercise of special warrants (Note 5(b))	3,600,000	540,000
Share issuance costs (Note 5(b))	-	(63,000)
Acquisition of mineral property- Nass Bay Project (Note 3(a))	600,000	222,000
Private placement:		
− Flow through (Note 5(c))	2,020,849	747,714
− Non-flow through (Note 5(c))	1,240,454	347,327
Share issuance costs (Note 5(c))	-	(73,540)
Prospectus costs	-	(26,525)
Acquisition of mineral property- Kleanza Mountain Project (Note 3(b))	50,000	12,000
Future income tax recovery (Note 7)	-	(254,430)
Balance, December 31, 2007	**22,011,303**	**1,574,408**
Exercise of warrants	15,000	2,250
Balance, March 31, 2008	**22,026,303**	**$1,576,658**

5. SHARE CAPITAL (continued**)**

b) Exercise of special warrants

On January 31, 2007, the shareholders of the Company approved the subdivision (the "Subdivision") of the Company's issued common shares on the basis of three (new) shares for every one (old) share.

On February 26, 2007, a receipt was issued for the final prospectus qualifying the issuance of common shares of the Company on exercise or deemed exercise of 1,200,000 special warrants and the holder received 3,600,000 post-subdivision common shares of the Company for proceeds of $477,000, net of share issuance costs of $63,000.

On March 1, 2007, the Company issued 50,000 broker warrants, which will entitle the holder to purchase additional common shares at a price of $0.15 per common share until March 1, 2008. The value of the broker warrants was established at $2,524, based on applying the Black Scholes valuation model and the amounts has been recorded as contributed surplus and netted against the proceeds received as share issuance costs.

On March 1, 2008, the Company issued 15,000 common shares of the Company at $0.15 per common share for gross proceeds of $2,250 in relation to the broker warrants as described above. The remaining 35,000 broker warrants were not exercised, and have expired during the period.

c) Private placement

In June 2007, the Company completed a private placement of 2,020,849 flow through units at $0.37 per unit ("FT-Unit") and 1,240,454 non-flow through units at $0.28 per unit ("NFT-Unit") for total gross proceeds of $1,095,041. Each unit consists of one common share and one-half common share purchase warrant. Each whole NFT-Unit warrant is exercisable for one additional common share at $0.40 per share, and each FT-Unit warrant is exercisable for one additional common share at $0.50 per share for a period of one year from the date of closing.

Finder fees of $51,392 were paid and 215,331 broker warrants were issued, which will entitle the holder to purchase additional common shares at a price of $0.40 until June 6, 2008. The fair value of the broker warrants was established at $22,148, based on applying the Black Scholes valuation model and the amount has been recorded as contributed surplus and netted against the proceeds received as share issuance costs. All securities were subject to a hold period until October 1, 2007.

d) Escrowed common shares

Pursuant to an agreement (the "Escrow Agreement") dated as of August 11, 2006, among the Company, Pacific Corporate Trust Company (the "Escrow Agent") and the Principals of the Company, the Principals agreed to deposit 14,500,000 common shares (the "Escrowed Securities") with the Escrow Agent. The Escrow Agreement provides that the Escrowed Securities will be released from escrow in equal blocks at 6 month intervals over the 36 months following the date the Company's common shares are listed on the CNQ (that is 15% of each Principal's holdings being released in each block with an initial 10% block being released on the date the Company's common shares are listed on the CNQ).

As at March 31, 2008, 3,625,000 have been released and 10,875,000 common shares remain in escrow.

5. SHARE CAPITAL (continued**)**

e) Stock options

The Company grants stock options to employees, directors, officers, and consultants as compensation for services pursuant to its Stock Option Plan (the "Plan"). Options issued pursuant to the Plan must have an exercise price greater than or equal to the "Market Price" of the Company's stock on the grant date less applicable discounts. Options have a maximum expiry period of up to five years from the grant date and are subject to the minimum vesting requirements, as determined by the Board of Directors. The number of options that may be issued under the Plan is limited to no more than 10% of the Company's issued and outstanding shares on the grant date. Stock options granted to directors and consultants vest at a rate of 50% on the grant date and 50% on the first anniversary subsequent to the grant date. Stock options granted to management and employees vest at a rate of 50% on the first anniversary subsequent to the grant date and 50% on the second anniversary subsequent to the grant date.

On January 31, 2007, the Company granted 862,200 stock options, comprising 631,000 stock options to management and directors and 231,200 stock options to consultants, with a fair value of $116,466, exercisable for a period of five years at $0.15 per option. As at December 31, 2007, 95,600 stock options from this issuance were cancelled.

On May 4, 2007, the Company granted 45,000 stock options to management and directors, with a fair value of $12,563, exercisable for a period of five years at $0.31 per option

On August 15, 2007, the Company granted 201,100 stock options, including 60,100 stock options to management, employees, and directors and 141,000 stock options to consultants, with a fair value of $34,613, exercisable for a period of three years at $0.32 per option. For the three months ended March 31, 2008, stock-based compensation of $13,286 was charged to operations.

The following table summarizes the continuity of the Company's stock options:

Expiry Date	Exercise Price $	December 31, 2007	Issued/ Exercised	Expired/ Cancelled	**March 31, 2008**
January 31, 2012	0.15	766,600	-	-	766,600
May 4, 2012	0.31	45,000	-	-	45,000
August 15, 2010	0.32	171,100	-	-	171,100
September 4, 2010	0.32	30,000	-	-	30,000
		1,012,700	-	-	1,012,700
Weighted average exercise price($)		**0.19**			**0.19**

Information regarding options outstanding as at March 31, 2008 is as follows:

Exercise Price	Number of Options Outstanding	Weighted Average Remaining Contractual life (years)	Number of Options Exercisable
$ 0.15	766,600	3.84	315,500
$ 0.31	45,000	4.10	22,500
$ 0.32	171,100	2.37	70,550
$ 0.32	30,000	2.43	-

1,012,700	**3.18**	**408,550**

5. SHARE CAPITAL (continued)

e) Stock options (Continued)

The Company recognizes compensation expense for all stock options granted using the fair value based method of accounting. The fair value of stock option granted is recognized in income on a straight line basis over the vesting period.

The same assumptions as the previous reporting period were used for the Black-Scholes method of valuation of the stock options granted during the period:

Option pricing models require the input of highly subjective input assumptions, which can materially affect the fair value estimate and therefore the existing models do not necessarily provide reliable single measure of the fair value of the Company's stock options.

f) Share Purchase Warrants

The continuity of share purchase warrants is as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, January 1, 2007	-	-
Issued:		
March 1, 2007 (Note 5(b))	50,000	$0.15
May 31, 2007 (Note 5(c))	835,557	$0.40
May 31, 2007 (Note 5(c))	1,010,424	$0.50
Balance, December 31, 2007	1,895,981	$0.44
Exercised	(15,000)	$0.15
Expired/Cancelled	(35,000)	$0.15
Balance, March 31, 2008	1,845,981	$0.45

g) Contributed Surplus

The following table summarizes the continuity of the Company's contributed surplus.

	Amount $
January 1, 2007	-
Fair value of stock options vested	125,012
Fair value of agent warrants	22,148
December 31, 2007	147,160
Fair value of stock options vested	13,286
March 31, 2008	160,447

6. RELATED PARTY TRANSACTIONS

During the three months ended March 31, 2008, the Company entered into the following transactions with related parties:

(i) the Company incurred from Mineral Hill Industries Ltd., a company controlled by common directors, Accounting and legal fees amounting to $ 3,336 (2007: $ 3,000); Consulting and administrative expenses amounting to $ 5,961 (2007: $ 1,223); Investor relations expenses amounting to $ 5,250 (2007: $ 10,500) and Office, rent and telephone amounting to $ 4,064 (2007: $ 655);

(ii) the Company incurred Consulting and administrative fees, from Copper Belt Resources Ltd., a company controlled by common directors, amounting to $ 349 (2007: $Nil);

(iii) the Company incurred web design fees from Krypt-LogX Network Ltd., a company controlled by common directors, amounting to $ 6,480 (2007: $ Nil).

These transactions are in the normal course of operations and, in management's opinion, undertaken with the same terms and conditions as transactions with unrelated parties. The amounts are measured at the exchange amount, which is the amount of consideration negotiated, established and agreed to by the related parties.

At March 31, 2008, $ 40,289 was due from companies related by common directors, as compared to $ 43,169 at December 31, 2007. Amount receivable from Gixtat'in Mhind Link Inc was $39,940 (2007: $40,000), from Copper Belt Resources Ltd. was $349 (2007: $ Nil) and from Mineral Hill Industries Ltd. was $Nil (2007: $3,169).

At March 31, 2008, $7,942 was due to companies related by commons directors as compared to $ 11,699 at December 31, 2007. Amount payable to Krypt-LogX Network Ltd. was 2,268 (2007: $Nil) and to Mineral Hill Industries Ltd. was $5,674 (2007: $ 11,699).

All amounts outstanding are unsecured, non-interest bearing and are due on demand.

7. INCOME TAXES

In assessing future income tax assets, management considers whether it is more likely than not that some portion or all of the future income tax assets will be realized. The ultimate realization of future tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of future income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment and providing a valuation allowance.

	2007	2006
Canadian statutory income tax rate	34.12%	35.12%
	$	$
Income tax recovery at statutory rate	172,474	101,238
Effect of income taxes of:		
Accounting gains and losses	9,533	-
Share issuance costs	(12,688)	(35,505)
Stock-based compensation	42,654	-
Flow-through shares renounced	254,430	-
Valuation allowance	(192,907)	(65,733)
Income taxes recoverable	254,430	-

The nature and effect of the Company's future income tax assets is as follows:

	2007	2006
	$	$
Non capital losses carried forward	434,800	103,300
Mineral cost pools in excess of capitalized costs	332,400	-
Capital assets	280	200
Share issuance costs	137,500	100,300
	904,980	203,800
Statutory tax rate	29.00%	34.12%
	262,444	69,537
Less: Valuation allowance	(262,444)	(69,537)
Net future tax asset	-	-

As at December 31, 2007, the Company had non-capital losses of approximately $434,800 to carry forward to reduce future years' taxable income, expiring as follows:

2015	$	14,800
2026		88,500
2029		331,500
	$	434,800

NASS VALLEY GATEWAY LTD.
Form 51-102F1
Management's Discussion and Analysis of Financial Results
For the three months ended March 31, 2008
Containing information up to and including May 28, 2008

Management Discussion and Analysis ("MD&A") is intended to help the reader understand Nass Valley Gateway Ltd.'s ("NVGL" or the "Company") audited financial statements. The information herein should be read in conjunction with the unaudited financial statements for the period ended March 31, 2008 and audited financial statements for the year ended December 31, 2007. The following discussion may contain management estimates of anticipated future trends, activities or results. These are not a guarantee of future performance, since actual results could change based on factors and variables beyond management control. All monetary amounts are in Canadian dollars unless otherwise stated.

Accounting Principles

The financial Statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") as described in Note 2 of the Financial Statements.

Management's Responsibility for Financial Statements

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls and to ensure that information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable. The Company's board of directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The Board's audit committee meets with management regularly to review the financial statements and the MD&A and to discuss other financial, operating and internal control matters.

The reader is encouraged to review the Company's statutory filings on **www.sedar.com** ("Sedar") and to review general information.

Description of Business and Overall Performance

Nass Valley Gateway Ltd. ("NVGL") was incorporated on October 25, 2005 under the British Columbia Business Corporation Act. The Company became a reporting issuer on February 26, 2007 and the common shares of the Company were listed on the CNQ Stock Exchange on March 9, 2007 under the trading symbol 'NVGL'. As of October 5, 2007, the Company's common shares are co-listed on the "Open Market" of the Frankfurt (Germany) Stock Exchange are trading under the symbol "3NV". The Company's common shares are also traded on the Third Market Segment called Freiverkehr on the Berlin-Bremen Stock Exchange.

NVGL is a natural resource exploration company engaged in Vancouver, British Columbia in the exploration for industrial and metallic minerals in the Province of British Columbia.

The Company currently holds an option to acquire the following mineral properties in British Columbia (B.C.):

(a) Nass Bay Project

On March 10, 2006, the Company entered into an option agreement ("OA#1") with Gitxat'in Mhind World Link Inc. (the "Optionor"), pursuant to which the Company was granted an option to purchase up to 75% interest of the Optionor's interest in the Nass Bay Project, situated in the Nisga'a Nation's lands in northern coastal British Columbia. Gitxat'in Mhind World Link Inc. ("GMWL") is a non reporting company of which 50% of its common shares are owned by Gitxat'in Development Corporation ("GDC") and 50% by Mineral Hill Industries Ltd. ("MHI"). GDC has the right to redeem 1% of MHI's 50% share holdings in GMWL.

The Nass Bay project ("NB-Project") is a construction aggregate project and the project area consists of three parts:

1. A smaller Lower Portion, which lands are according to the Nisga'a Treaty owned in Fee Simple and under the jurisdiction of the Gingolx Village Government ("GVG") and as such registered in the Nisga'a Land Title Office (the "GVG-Lands" or "NB-Project_A" of approximately 32.40 hectares);

2. A larger Upper Portion (the "NLG-Lands" or "NP-Project_B" approximately 137.60 hectares) which is according to the Nisga'a Treaty under the jurisdiction of the Nisga'a Lisims Government ("NLG"). These two sections "A" and "B" of the NB-Project are not conventional mineral tenures since they are situated on Nisga'a Nation's lands. The Nisga'a Nation owns exclusively all mineral rights within their lands. The Company's drill program included only NLG-Lands since it received NLG permits for exploration on that portion of the NB-Project. A permit for exploration on the GVG-Lands was given by NLG, conditional upon the approval of GVG;

3. And recently staked mineral claims along the south-easterly shore of Observatory Inlet, as reported in the Company's news release dated June 11, 2007. These new claims are Crown Land and are adjoining the boundary of the Nisga'a Lands forming the continuous northeastern third part of the NB Project ("Crown-Lands" or "NB-Project_C" which are approximately 680 hectares). The Crown-Lands are conventional mineral tenure which is owned 100% by NVGL. This North-eastern part of the NB-Project will provide the Company with the largest potential resource, as well as an additional possible site for a deep water shipping facilities.

During year the 2007, representative rock samples from the Nass Bay Project have been tested. Samples have been submitted for laboratory work to two different labs located in Burnaby, B.C. and San Francisco, California. Test results were received in late 2007and, a National Instrument 43-101 report dated February 19, 2008 was filed on SEDAR.

Further to the recommendation for a bulk sampling and further exploration program recommended within the 43-101 report, Management prepared in March, logistics for a general bathymetric reconnaissance on the Observatory Inlet adjacent to the NB-project. Two consultants were engaged, and as soon as weather conditions permitted, Management investigated temporary barge locations and possible permanent ship load out options along the east shore of the Observatory Inlet. Further drill targets west of the base line, were established to expand the exploratory drill program.

In May 2008, the Company renewed the mineral tenure. The Company is in the process of concluding a financing structure which will allow the program within the 43-101 report, recommended by the consultant, to be completed.

As of March 31, 2008, the Company paid a total of $75,000 cash, issued 600,000 shares with a fair value of $222,000 and capitalized a further $12,113 in exploration costs, bringing the cumulated exploration expense from $668,907 at December 31, 2007 to $681,020.

(b) Kleanza Mountain Project

On May 9, 2007, the Company announced that it has entered into an option agreement (the "Agreement") with Georgilas Investments Ltd. (the "Optionor"), pursuant to which the Company has the right to earn up to 70% interest, subject to a 2% Net Smelter Return payable to the Optionor, in certain mineral claims in the Terrace area of British Columbia to explore a historic copper-silver prospect.

As of December 31, 2007 the Company had made cash payment of $23,416 and issued 50,000 common shares at $0.24 per share, totaling $35,416. Cumulative exploration costs on Kleanza Mountain project as of December 31, 2007 amounted to $51,914. Subsequent to the year ended December 31, 2007, the Company received a geologist's report citing a low probability of economic visibility in the project On February 1, 2008, the Company elected not to continue with the project and gave notice the Optioner to terminate the option agreement. Management considered that, as at December 31, 2007, acquisition costs of $35,416 had been impaired and had been charged to operations at that date. The cumulative exploration costs of $51,914 were written off as Generative Exploration expense at December 31, 2007.

Results of Operations

Net loss and comprehensive loss for the period ended March 31, 2008 amounted to $91,742 (loss per share - $0.005) compared to $111,316 (loss per share - $0.01) for the corresponding period in 2007. The Company has not generated any revenue to-date. The decrease in loss of $ 19,574 is mainly attributable to:

1. a decrease of $22,682 in accounting and legal expense, from $35,949 (2007) to $13,267 (2008). In 2007 the Company completed a prospectus to qualify the distribution of 3,600,000 common shares issuable upon the exercise of 1,200,000 previously issued special warrants.
2. an increase of $ 17,369 in consulting and administrative expenses from $Nil (2007) to $17,369 (2008). Consultants were hired and administrative charges were paid to Mineral Hill Industries Ltd., a public company with common directors, subsequent to March 31, 2007.
3. a decrease of $ 4,993 in generative exploration expense from $20,115 (2007) to $15,122 (2008). The Company capitalized on feasible exploration expenditures.
4. an increase of $5,090 in insurance expense from $Nil (2007), as new coverage was introduced after March 31, 2007.
5. a decrease of $ 27,152 in stock based compensation expense from $40,438 (2007) to $13,286 (2008), arising from higher vesting of the Company's stock options in the three months ended March 31, 2007.
6. an increase $ 4,548 in travel expense from $4,451 (2007) to $8,999 (2008). Frequent visits were made to the Nass Valley region in Northern British Columbia with a view to consolidate further the relationship with the Nisga'a communities.

During the three months ended March 31, 2008, exploration expenditure amounted to $12,113 was capitalized as detailed below:

Consulting	$ 1,014
Geologist	9,527
Travel and lodging	364
Reports, drafting and maps	1,208
Total expenditure capitalized	$12,113

Selected Annual Information

	Year ended December 31, 2007	Year ended December 31, 2006	Year ended December 31, 2005
	$	$	$
Total revenues	-	-	-
General and administrative	544,919	286,817	17,593
Income (loss) for the year	(254,062)	(284,216)	(17,593)
Income (loss) per share – basic	(0.01)	(0.02)	(0.00)
Income (loss) per share – diluted	(0.01)	(0.02)	(0.00)
Total assets	1,209,156	381,375	23,307
Total long –term liabilities	-	-	-
Shareholder's equity	1,168,697	298,053	15,269
Cash dividends declared - per share	-	-	-

Selected Quarterly Information (Unaudited)

Three months ended	March 31 2008	December 31 2007	September 30 2007	June 30 2007
	$	$	$	$
Total assets	1,112,680	1,209,156	1,381,983	1,418,693
Resource properties and deferred costs	978,020	965,907	1,004,941	888,025
Working capital	107,637	195,753	317,167	495,984
Shareholders' equity	1,092,492	1,168,697	1,329,449	1,391,655
Revenues	Nil	Nil	Nil	Nil
Net Profit/(Loss)	(91,742)	63,371	(82,758)	(120,359)
Earnings (loss) per share	0.00	0.01	(0.00)	(0.01)

Three months ended	March 31 2007	December 31 2006	September 30 2006	June 30 2006
	$	$	$	$
Total assets	766,858	381,375	537,381	151,925
Resource properties and deferred costs	633,602	-	-	-
Working capital (deficiency)	(192,397)	289,798	509,169	136,665
Shareholders' equity	449,175	298,053	512,892	138,925
Revenues	Nil	Nil	Nil	Nil
Net Profit/(Loss)	(111,316)	(215,120)	(53,167)	(15,679)
Earnings (loss) per share	(0.01)	(0.01)	(0.01)	(0.00)

Liquidity

Net cash used from operating activities for the period ended March 31, 2008 amounted to $87,000 compared to $139,651 of cash generated for the same period in the previous year. This was mainly due to an increase of $232,831 on accounts payable and accrued liabilities last year.

Net cash used for investing activities for the period under review decreased by $399,489 compared to the same period in the previous year due to expenditure incurred on the mineral properties and exploration costs.

The Company's financial condition is contingent upon the results of the continuing exploration and if feasible, development of the Nass Bay Project. While the Company will seek to maximize recoveries and reduce operating costs, estimates and assumptions influencing these parameters at the feasibility stage may prove incorrect. Incorrect assumptions may result in material differences between estimated and actual results. The Company has no way to predict the future price of the commodities. As a result, revenue derived from future operations, if any, will be impacted.

The Company has historically relied upon equity financings to satisfy its capital requirements and will continue to depend heavily upon equity capital to finance its activities. There can be no assurance the Company will be able to obtain required financing in the future on acceptable terms. The Company anticipated it will need additional capital in the future to finance ongoing exploration of its properties, such capital to be derived from the exercise of outstanding stock options, warrants and/or the completion of other equity financings. The Company has limited financial resources, has no source of operating income and has no assurance that additional funding will be available to it for future exploration and development of its projects, although the Company has been successful in the past in financing its activities through the sale of equity securities. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and exploration success. In recent years, the securities markets in Canada has experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenue, cash flows or earnings.

Capital Resources

As at March 31, 2008, the Company had share capital, (including share subscriptions and contributed surplus) totaling $1,576,658, representing 22,026,303 common shares without par value, and a deficit of $644,613, resulting in a shareholder's equity of $1,092,492 (December 31, 2007 - $1,168,697).

Additional Disclosure for Venture Issuers without Significant Revenue

Additional disclosure concerning the Company's general and administrative expenses and resource property costs is provided in the Company's Statement of Operations, comprehensive loss and Deficit included in its Financial Statements for the year ended December 31, 2007 and 2006, and its prospectus filed February 26, 2007, which is available on SEDAR at 'www. Sedar.com'.

Related Party Transactions

During the three months ended March 31, 2008, the Company entered into the following transactions with related parties:

(i) the Company incurred from Mineral Hill Industries Ltd., a company controlled by common directors, Accounting and legal fees amounting to $ 3,336 (2007: $ 3,000); Consulting and administrative expenses amounting to $ 5,961 (2007: $ 1,223); Investor relations expenses amounting to $ 5,250 (2007: $ 10,500) and Office, rent and telephone amounting to $ 4,064 (2007: $ 655);

(ii) the Company incurred Consulting and administrative fees, from Copper Belt Resources Ltd., a company controlled by common directors, amounting to $ 349 (2007: $Nil);

(iii) the Company incurred web design fees from Krypt-LogX Network Ltd., a company controlled by common directors, amounting to $ 6,480 (2007: $ Nil).

These transactions are in the normal course of operations and, in management's opinion, undertaken with the same terms and conditions as transactions with unrelated parties. The amounts are measured at the exchange amount, which is the amount of consideration negotiated, established and agreed to by the related parties.

At March 31, 2008, $ 40,289 was due from companies related by common directors, as compared to $ 43,169 at December 31, 2007. Amount receivable from Gixtat'in Mhind Link Inc was $39,940 (2007: $40,000), from Copper Belt Resources Ltd. was $349 (2007: $ Nil) and from Mineral Hill Industries Ltd. was $Nil (2007: $3,169).

At March 31, 2008, $7,942 was due to companies related by commons directors as compared to $ 11,699 at December 31, 2007. Amount payable to Krypt-LogX Network Ltd. was 2,268 (2007: $Nil) and to Mineral Hill Industries Ltd. was $5,674 (2007: $ 11,699).

All amounts outstanding are unsecured, non-interest bearing and are due on demand.

Directors and Officers

Dieter Peter	Chairman, CEO and Director (Mineral Hill Industries Ltd. and Copper Belt Resources Ltd.)
Melvin Stevens	President and Director
Hugh Maddin	Director (and Director of Mineral Hill Industries Ltd.)
Patrick Stewart	Director
Edward Skoda	Director
Peter Kohl	Chief Financial Officer
Josephine See	VP of Corporate Affairs, Treasurer and Corporate Secretary (Mineral Hill Industries Ltd. and Copper Belt Resources Ltd.)

Outstanding Share Data as at May 28, 2008:

	Number outstanding	**Exercise Price**	**Expiry Date**
Common shares	22,026,303		
Common shares issuable on exercise:			
Stock options	766,600	$0.15	January 31, 2012
Stock options	45,000	$0.31	May 4, 2012
Stock options	171,100	$0.32	August 15, 2010
Stock options	30,000	$0.32	September 4, 2010
Share purchase warrants	620,226	$0.40	May 31, 2008
Share purchase warrants – Broker's warrants	215,331	$0.40	May 31, 2008
Share purchase warrants	1,010,424	$0.50	May 31, 2008

On February 29, 2008, the Company received gross proceeds of $2,250 from the exercise of 15,000 agent warrants. The remaining balance of 35,000 agent warrants expired on March 1, 2008.

Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, amounts receivable, amounts receivable from related parties, pre-paid expense, accounts payable and accrued liabilities, and accounts payable to related parties. 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 instruments. The fair value of these financial instruments approximates their carrying values due to their short-term maturity capacity for prompt liquidation.

Risks and Uncertainties

The Company is engaged in the exploration of mineral deposits. The Company's financial success will be dependent upon the discovery or acquisition of mineral resources and mineral reserves. These activities involve significant risks which are even with careful evaluation, experience and knowledge may not, in some cases, be eliminated.

The following are some of the key risks and uncertainties identified; however, there may be other risks and uncertainties that have not been listed:

- The high degree of volatility in the prices of rock aggregates and metal commodities;
- The demand of commodities can be dependent on global consumption;
- An increasing competition to acquire mineral properties throughout the world;
- No assurance about the economic viability, it is speculative;
- Geology is a field subject to different interpretations that could affect the success of any exploration and development program;
- Exploration and access to the property can be restricted by unexpected and unusual weather conditions such as floods, forest fires, blockades or other natural and environmental occurrences, which are beyond the Company's control;
- Additional costs can be incurred such as availability of experts, work force and equipments;
- Additional expenditures will be required to establish resources or reserves on mineral properties, if nay resources or reserves exist on the properties;
- The rights to the mineral properties must be maintained in accordance with various regulations and agreements;
- There are various government and environmental regulations that must be followed by the Company, which are changing constantly.

Future Developments

The Company will continue to pursue the development of its projects and its efforts to secure further mineral resource opportunities with its business alliance partners.

Forward looking statements

Except for statements of historical fact, certain information contained herein constitutes forward-looking statements. Forward-looking statements are usually identified by the use of certain terminology, including "will", "believes", "may", "expects", "should", "seeks", "anticipates", "plans" or "intends" or by discussions of strategy or intentions. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results or achievements to be materially different from any future results or achievements expressed or implied by such forward- looking statements. Forward-looking statements are statements that are not historical facts, and include but not limited to, estimates and their underlying assumptions; statements regarding plans, objectives and expectations with respect to the effectiveness of the Company's business model; future operations, products and services; the impact of regulatory initiatives on the Company's operations; the size of and opportunities related to the markets for the Company's products; general industry and macroeconomic growth rates; expectations related to possible joint and/or strategic ventures and statements regarding future performance.

Forward-looking statements used in this discussion are subject to various risks and uncertainties, most of which are difficult and generally beyond the control of the Company. If risks and uncertainties materialize, or if underlying assumptions prove incorrect, our actual results may vary materially from those expected, estimated or projected. Forward-looking statements in this document are not a prediction of future events or circumstances, and those future events or circumstances may not occur. Given these uncertainties, users of the information included herein, including investors are cautioned not to place undue reliance on such forward-looking statements.

Disclosure controls and procedures

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported on a timely basis to senior management, so that appropriate decisions can be made regarding public disclosure. The Company's management, with the participation of its Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures.

Based on that evaluation, management has concluded that, as of the end of the period covered by this management's discussion and analysis, the disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the Company's annual filings and interim filings (as such terms are defined under Multilateral Instrument 52-109 – Certification of disclosure in Issuers' Annual and Interim Filings) and other reports filed or submitted under Canadian securities laws is recorded, processed, summarized and reported within the time periods specified by those laws, and that material information is accumulated and communicated to management as appropriate to allow timely decisions regarding required disclosure.

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

Internal controls over financial reporting

The Company evaluated the design of its internal controls and procedures over financial reporting as defined under Multilateral Instruments 52-109 for the period ended March 31, 2008. The Company maintains a system of internal controls to provide reasonable assurance that assets are safeguarded and financial information is accurate and reliable. The Board of Directors has responsibility for developing and implementing the Company's approach to governance issues. Committees of the Board presently consist of an Audit Committee, an Advisory Committee, an Exploration Committee, and an Environmental Committee. Based on the evaluation, management has concluded that the design of these internal controls and procedures over financial reporting was effective.

Disclaimer

The information provided in this document is not intended to be a comprehensive review of all matters concerning the Company. The users of this information, including but not limited to investors and prospective investors, should read it in conjunction with all other disclosure documents provided including but not limited to all documents filed on SEDAR (www.SEDAR.com). No securities commission or regulatory authority has reviewed the accuracy of the information presented herein.

"Dieter Peter"
On behalf of the Board
Dieter Peter
Chairman and CEO