

**OPE HOLDINGS LTD.**  
Formerly “VenPath Investments Inc.”  
(the “Corporation”)

**MANAGEMENT’S DISCUSSION & ANALYSIS**

FORM 51-102F1

--Annual--

**FOR THE QUARTER AND TWELVE MONTHS ENDED DECEMBER 31, 2007**

*This Management Discussion and Analysis (this “MD&A”) is prepared by management of OPE Holdings Ltd. It should be read in conjunction with the audited consolidated financial statements of the Corporation for the year ended December 31, 2007 and the accompanying notes contained therein.*

*Certain statements in this MD&A may be forward-looking. Forward-looking statements are subject to risks and uncertainties that may cause the Corporation's actual results to be materially different from any future results expressed or implied by such forward-looking statements. These risks and uncertainties are discussed herein and in other securities regulatory filings. The reader is cautioned against the risk of giving excessive credibility to these forward-looking statements.*

*This document has been approved by the Board of Directors of the OPE Holdings Ltd. The Corporation’s financial statements have been prepared in accordance with **Canadian** generally accepted accounting principles (“GAAP”). **However, all currency references in the ensuing MD&A are in U.S. dollars unless otherwise noted.***

*References to “fiscal 2007” in this document refer to the financial year ending December 31, 2007. References to “fiscal 2006” or “fiscal 2005” in this document refer to the financial year ending December 31, 2006 or 2005, as applicable. References to “first quarter”, “second quarter”, “third quarter” or “fourth quarter” in this document refer to the appropriate three month period ending on the last calendar day of each quarter (March 31, June 30, September 30 or December 31) in the relevant fiscal year.*

***As a Venture Issuer, the Corporation has elected to file its Annual Certification of the CEO and CFO on Form 52-109FV1. This “Bare Certificate” does not make any representations relating to the establishment and maintenance of controls, procedures and processes that are required in the full form of certificates under National Instrument 52-109. Investors are therefore cautioned and are advised to read the “Note to Reader” accompanying the certificates filed by the Corporation in conjunction herewith.***

**Special Background to the Corporation’s MD&A to December 31, 2007**

This MD&A covers the period January 1, 2007 to December 31, 2007. During this period, the Corporation completed the acquisition of OPE, Inc. and OPE International, LP (collectively, the “OPE Entities”) effective October 31, 2007, which acquisition constituted a reverse takeover (an “RTO”) under applicable securities and accounting regulations. In conjunction with the RTO, the Corporation changed its name from “VenPath Investments Inc.” to “OPE Holdings Ltd.”.

Subsequent to the RTO, the Corporation is a holding company with two directly-owned operating subsidiaries, OPE Inc. and OPE International, LP. Both of these operating entities are based in Houston, Texas and are organized under the laws of the state of Texas.

OPE International, LP has three further subsidiaries: (i) OPE Malaysia SdnBhd; (ii) OPE Offshore International, LP; and (iii) OPE Trinidad and Tobago. The financial statements of the Corporation to December 31, 2007 are presented on a consolidated basis including these five direct and indirectly-owned subsidiaries.

The controlling shareholders of the OPE Entities immediately prior to the RTO became the controlling shareholders of the Corporation after the RTO. As such, the OPE Entities are deemed to be the acquirer and the Corporation is deemed to be the acquired company in the RTO under applicable securities and accounting regulations. The continuing entity for the purposes of the financial statements filed by the Corporation and for this MD&A are the OPE Entities. As such, the historical financial information for the periods up to the date of the RTO on October 31, 2007 reflect the combined financial operations of the OPE Entities and their subsidiaries up to such date, but do not include the financial results of the Corporation (ie., VenPath Investments Inc.) prior to the RTO. From the RTO date to December 31, 2007, the financial statements include the results of the Corporation consolidated with results of the OPE Entities and their subsidiaries. *For accounting purposes, the Corporation is considered to be the continuation of OPE Entities and the financial statements and disclosure and analysis in respect of the Corporation are based upon the results of OPE Entities for the years ended December 31, 2007 and 2006 and the three months ended December 31, 2007.*

OPE Holdings is a public company listed on the TSX Venture Exchange and a reporting issuer in the Provinces of Alberta and British Columbia. As all of the significant operations of the Corporation are recorded in U.S. dollars, the Corporation has elected to report in U.S. dollars. However, the common shares of the Corporation are traded on the TSX Venture Exchange in Canadian dollars.

## **1. Date of Information**

The date of the information contained in this Management Discussion and Analysis ("MD&A") is April 22, 2008.

## **2. Overall Performance**

### ***Details of OPE Transaction***

The Corporation filed a variety of documents relating to the RTO transaction with the OPE Entities and the associated private placement financing, including (i) a Filing Statement dated August 20, 2007, (ii) a Filing Statement Supplement dated October 12, 2007; (iii) various press releases; and (iv) a material change report. All of these documents are available online at [www.sedar.com](http://www.sedar.com) (which documents are collectively referred to herein as the "RTO Disclosure Documents"). The RTO Disclosure Documents contains full details with respect to the RTO between the Corporation and the OPE

Entities and all shareholders and prospective investors of the Corporation are advised to review the RTO Disclosure Documents in detail.

In conjunction with the acquisition of the OPE Entities, the Corporation issued 32,222,315 treasury common shares to the shareholders of the OPE Group and \$7,825,000 US in cash. The deemed issue price of the common shares issued to the OPE Group shareholders was \$0.462 US per share.

In the private placement completed prior to closing of the RTO, the Corporation issued 22,000,000 treasury common shares at an issue price of \$0.60 US per share. The Corporation also issued 100,000 broker warrants at time of the closing of the private placement to a charitable foundation directed by First Energy Capital Corp., the Agent on the private placement. The exercise price of the warrants is \$0.60 US with an expiry of October 30, 2009.

### ***Overall Performance of the OPE Group***

For the purposes of this MD&A, references to "OPE Group" include (i) the OPE Entities and the three previously-named subsidiaries thereof up to October 31, 2007, plus (ii) the Corporation after October 31, 2007.

### ***SSP® Development***

Subsequent to the completion of the RTO, the Corporation has continued to focus on the commercialization of the SSP® technology. Completion of private placement in October 2007 provided the OPE Group with the working capital that it requires to substantially complete the detailed engineering of the SSP® hull design for the 320 ft. diameter model with anticipated storage of 1.2 million barrels. With the OPE Group's engineering resources engaged in existing projects and with the most significant areas of internal engineering expertise in the OPE Group concentrated in subsea pipeline and infrastructure area, management of the OPE Group has determined that it is more efficient to sub-contract the majority of this function out to a firm focused in the marine vessel niche than to divert internal engineering resources to the project. Management has contracted most of the actual engineering work on the SSP® 320 hull to Sea Engineering, an internationally-renowned marine vessel engineering design firm. Substantial progress was achieved in the design project in the first quarter of fiscal 2008 and is expected to continue through the second and third quarters of fiscal 2008.

The Corporation has adopted a formal internal project plan for the completion of the detailed hull design phase on the SSP®. A number of internal key technical employees are involved in the project on an ongoing basis, and the Corporation holds regular working meetings between its internal team and the Sea Engineering team to update and guide the process. In the first quarter of fiscal 2008, the Corporation hired an experienced engineer to serve internally as the project manager for the SSP® hull design phase.

The Corporation continues its early marketing efforts with respect to the SSP® technology. In addition to its internal marketing resources, the OPE Group has retained a former senior executive with an international oil and gas service company to market the SSP® platform as a consultant on a commission basis. Management believes that this consultant's industry contacts at senior levels will enable the SSP® platform to be

marketed through a “top-down” strategy that will generate better results in the implementation of this new technology than might be achieved through traditional marketing channels. Marketing efforts and collateral materials have been developed which further enhance the presentation of design to the industry.

### ***Engineering Business***

The OPE Group’s engineering consulting business demonstrated strong revenue growth during the twelve months of the 2007 fiscal year. Total revenue of the OPE Group for fiscal 2007 was \$24,799,938 compared to the revenue of \$16,243,736 for fiscal 2006.

Quarterly revenue in the fourth quarter of fiscal 2007 was \$8,791,868. As a private entity, the OPE Group did not complete quarterly financial statements prior to fiscal 2007, so a year-to-year revenue comparison for the fourth quarter of fiscal 2006 is not available. During fiscal 2007, the third quarter (revenue of \$6,662,565) and fourth quarter saw significantly higher revenue than previous periods.

A large component of this significant revenue gain during the last two quarters in fiscal 2007 is attributable to one particular contract in the Corporation’s Malaysian office. The Malaysian contract involved the Corporation utilizing a number of third party contractors on behalf of a particular client. This contract was substantially completed at the end of December 2007. As such, the Corporation anticipates that’s its first quarter revenues and utilization rates in fiscal 2008 will be significantly lower than the third and fourth quarter of fiscal 2007.

In addition, a variety of other projects that were scheduled to commence during the first and second quarters of fiscal 2008 have been delayed unexpectedly by the Corporation’s customers due to a variety of factors, including backlogs in permitting, fabrication availability and project management capacity as a result of high activity levels in the offshore industry.

Management has been advised by its key clients that the projects to which the Corporation has allocated technical staff are currently scheduled to commence within the upcoming weeks and months as internal bottlenecks are dealt with by the customers. As a result, management currently anticipates that revenue and utilization rates will begin to pick up during the latter part of the second quarter of fiscal 2008 and will be improved during the third and fourth quarters of fiscal 2008.

In order to ensure it has the ability to recruit proficient engineers, management of the Corporation has contracted professional recruitment personnel who commenced working in-house with the OPE Group in October 2007 and continued with the company through the fourth quarter of fiscal 2007. The OPE Group has realized the benefit of this contractor’s expertise in its recruitment efforts adding several senior level engineering managers.

Growth during the fourth quarter of fiscal 2007 for the OPE Group occurred in the Houston office as well as the Malaysian office. The Corporation has recently taken possession of an additional 7,000 sq.ft. of office space in its Houston head office to facilitate additional personnel for the growing SSP® engineering group.

In fiscal 2008, management of the Corporation believes that growth opportunities will continue to be evident in Houston and Malaysia. The Corporation has recently received its basic Petronas license in Malaysia, which entitles the company to bid on all offshore engineering contracts. In addition, the Corporation has identified West Africa as an area of targeted expansion during fiscal 2008. The Corporation has worked to establish relationships with international producers working in West Africa and anticipates that it will generate increased revenue in this region in the third and fourth quarters of fiscal 2008 as a result of this effort.

With respect to earnings, the Corporation reported a net loss of \$334,644 for the year ended December 31, 2007. In the fourth quarter alone, the Corporation reported a net loss of \$716,785. Two significant elements negatively impact the reported earnings for fiscal 2007. The most important item was research and development expenses of \$1,075,907 during fiscal 2007 which were fully expensed during the year, of which \$695,392 were incurred during the fourth quarter. The significant increase in research and development expenses correlates to the increased focus on the SSP® commercialization. These expenditures are ongoing and will increase further during the first three quarters of fiscal 2008. Management anticipates that it will have the detailed hull design of the SSP® completed by the end of the third quarter of fiscal 2008.

The second element impacting earnings is an additional reserve taken by the Corporation during the fourth quarter of fiscal 2007 relating to the pending arbitration disclosed in the notes to the financial statements. Originally, the arbitration was scheduled to be heard and the result determined prior to the reporting deadline for fiscal 2007, but the counterparty in the arbitration requested and received an extension on the hearing. As such, the Corporation determined that it was appropriate to take an increased reserve due to the uncertainty involved with the arbitration, even though management continues to feel that the Corporation has a strong position in the action.

Management anticipates that the first three quarters of fiscal 2008 will continue to evidence an operating loss due to the impact of research and development costs being expensed.

### 3. Selected Annual Financial Information

The following table discloses the selected annual financial information for the last three financial years of the OPE Group for which audited financial statements are available.

<b>Year Ended December 31</b>	<b>2005 (\$)</b>	<b>2006 (\$)</b>	<b>2007 (\$)</b>
Total revenue	11,403,544	16,243,736	24,799,938
Net earnings (loss)	(171,467)	541,132	(334,644)
Net income per share <sup>(1)</sup>	(0.01)	\$0.02	(0.01)
Total assets	6,003,693	6,683,199	15,840,281
Long term debt	13,581	1,708,165	29,028
Dividends per share	--	--	--

1. Based on 32,222,315 shares outstanding, which is the number of shares issued to the former shareholders of the OPE Entities in conjunction with the RTO.

#### **4. Results of Operations**

The OPE Group's operating results reflect the ongoing operations of its engineering and construction management business.

To date, the key proprietary technologies developed by OPE have not contributed any revenue as the SSP<sup>®</sup> and pipe-in-pipe technologies are in the pre-commercialization stage. Management of OPE has not capitalized the research and development expenses associated with the SSP<sup>®</sup> and pipe-in-pipe technologies, although it is estimated that in excess of \$4,500,000 have been expended in development over the past several years on technological development of the SSP<sup>®</sup> alone.

Total revenue for the year increased from \$16,243,736 in fiscal 2006 to \$24,799,938 in fiscal 2007, an increase of 53% from year to year. Of the fiscal 2007 revenue, however, approximately \$8,485,000 was attributable to billing for external party engineers working under the umbrella of the OPE Group pursuant to one particular contract in Malaysia. This contract provided that the OPE Group would provide administrative and billing support for certain third party engineers on a particular project, in addition to providing limited direct engineering services on certain components of the project. As such, the portion of the revenue generated by billings for external engineers on that project (ie., \$8,485,000) is properly considered to be "non-core" to the OPE Group in that it was not part of the normal OPE Group engineering business and is not necessarily repeatable in future years (although management of the Corporation does anticipate that similar opportunities may arise in the future). If the \$8,485,000 generated from third party engineering under that contract is excluded from revenue of the OPE Group in fiscal 2007, adjusted total revenue would be \$16,314,938 representing a 0.004% year over year revenue increase.

During fiscal 2007, senior management of the OPE Group spent the majority of the first 10 months of the year working on completion of the RTO. Completion of a public offering generally requires the commitment of a significant amount of senior management resources and limits management's time to manage the core business as closely as during normal time periods. Management believes that the operating results during fiscal 2007 were negatively impacted to some degree by the competing time requirements associated with the going public process. Subsequent to the completion of the RTO on October 31, 2007, management was able to re-focus on growing its core engineering business in addition to implementing the SSP<sup>®</sup> commercialization plan. Management anticipates that the time-lag associated with its focus on marketing efforts in the core engineering business at the end of fiscal 2008 should begin to be evident in the operating results for the third and fourth quarters of fiscal 2008.

Gross margin (revenue minus direct expenses) in fiscal 2007 were \$9,151,995 compared to \$7,186,206 in fiscal 2006. This represents a year over year increase of 27%.

Selling, general and administrative ("SG&A") expenses were \$7,866,636 for the twelve months ended December 31, 2007, up from \$6,008,021 in fiscal 2006. Increases in SG&A in fiscal 2007 include the effect of increased reserves for bad debt relating to the pending arbitration and ongoing legal costs relating to the arbitration.

Management of the OPE Group has been intentional in limiting increases in its corporate overhead to the extent practical. It is, however, inevitable that SG&A expenses will increase in fiscal 2008 as a result of the OPE Group now being part of a public company in addition to the increased pace of development on the SSP®. OPE Holdings retained L. Daniel Wilson as an Executive Vice President with responsibility for capital markets, regulatory compliance and corporate development initiatives at the holding company level. The OPE Group has also recruited senior engineering professionals to manage the commercialization (including finalization of engineering design and, eventually, procurement and construction) of the SSP® technology.

In addition to new senior management, audit costs and ongoing compliance costs are higher as a result of the Corporation's public status compared to the operations of the OPE Group in fiscal 2006. Marketing costs also increased significantly during the fourth quarter of fiscal 2007 as a result of the implementation of OPE Group's initial marketing efforts for the SSP® vessel.

On a consolidated basis, the OPE Group reported a net after-tax loss of \$334,644 for the year ended December 31, 2007. As previously discussed, the reported loss in fiscal 2007 reflects both the increased research and development costs for the year and the increased reserve relating to the arbitration. On a going forward basis, it is expected that the actual write-off associated with the arbitration, if any, will be adjudicated in binding arbitration during fiscal 2008, likely during the third quarter. The arbitration award may result in either a recovery of the current loss reserve or an additional write-off if the award is not favorable to the Corporation. Management of the Corporation believes that the current reserve is adequate based on its understanding of the facts of the dispute, but cautions that arbitration is always an uncertain process as the determination of facts is in the hands of one individual who may not be experienced in the area of offshore engineering, design and fabrication.

With respect to ongoing research and development on the SSP®, the existing project plan for the detailed hull design anticipates the expenditure of approximately \$5,000,000 in additional design costs during the first three quarters of fiscal 2008. The engineering division of the Corporation is expected to generate positive cash during fiscal 2008, but the internally generated cash flow is budgeted to be less than the amount of the ongoing research and development expenditures during the first three quarters of fiscal 2008. As such, the Corporation anticipates that it will continue to be in a net loss position after expensing its research and development expenses during fiscal 2008.

After completion of the detailed hull design by the end of the third quarter of fiscal 2008, the Corporation's ongoing research and development expense is expected to be reduced in the fourth quarter of fiscal 2008. The hull design is the one component of the SSP® that is consistent regardless of the actual production requirements of the vessel and, as such, can be finalized in design prior to determination of what type of production facilities will be placed on the topside.

After completion of the hull design at the end of the third quarter of fiscal 2008, management anticipates that it will be requesting fixed-price fabrication quotations for the SSP® from various potential fabrication partners. The current schedule is for these quotations to be received prior to the end of the fourth quarter of fiscal 2008, with the Corporation evaluating the proposals by the end of January 2009.

Finalization of detailed topside design and internal piping structures will require determination of a particular application with set production parameters given that these design components will vary significantly for each particular project and the demands of the individual clients and offshore field. At the time that the hull design is completed, management of the Corporation will evaluate whether to construct the first SSP® on speculation without an existing client in place. This evaluation will involve a number of factors, including the availability of financing and the state of the FPSO market at the particular time. Obviously, the Corporation's preference will be to construct the first SSP® vessel pursuant to the specifications of an identified client for a particular application. However, management understands that commercializing a new and revolutionary design technology is a significant hurdle and that it may be required to demonstrate its ability to deliver an SSP® on budget and with the actual performance characteristics that it has modeled in tank testing before gaining significant acceptance and visibility in the FPSO market.

The OPE Group's long term debt at December 31, 2007 was \$29,028. The OPE Group has maintained a \$3,000,000 revolving operating line with its bank with interest payable at prime. The operating line is secured by accounts receivable. At the end of 2006, OPE renegotiated the terms of the operating line such that the principal amount was not payable within one year and, as such, the amount outstanding on the operating line was re-categorized as long term debt whereas in previous years it was reported as a current liability. This bank line was paid to zero during the fourth quarter of fiscal 2007 following the completion of the OPE Transaction out of the proceeds of the private placement.

## 5. Summary of Quarterly Results

The following information summarizes the financial results of the OPE Group for the past four quarters. As a private company, the Corporation did not prepare quarterly financial statements prior to the 2007 fiscal year.

Quarter Ending	Revenue (\$)	Net Income (Loss) (\$)	Earnings (Loss) Per Share <sup>(1)</sup> (\$)
March 31, 2007	4,419,050	(580)	(\$0.00001)
June 30, 2007	4,926,455	223,475	\$0.007
September 30, 2007	6,662,565	159,246	\$0.005
December 31, 2007	8,791,868	(716,785)	(\$0.02)
Total	24,799,938	(334,644)	

1. Based on 32,222,315 shares outstanding, which is the number of shares issued to the former shareholders of the OPE Entities in conjunction with the RTO.

## 6. Liquidity

At December 31, 2007, the Corporation had positive working capital (current assets minus current liabilities) of \$7,755,934, up from \$3,975,486 at December 31, 2006. OPE Holdings contributed significant additional working capital to the consolidated organization after completion of the RTO and private placement in October 2007.

OPE has maintained a \$3,000,000 revolving operating line with its bank with interest payable at prime. The operating line is secured by accounts receivable. At the end of

2006, OPE renegotiated the terms of the operating line such that the principal amount was not payable within one year and, as such, the amount outstanding on the operating line was re-categorized as long term debt whereas in previous years it was reported as a current liability.

The Company has operating lease commitments for their primary offices and office equipment. Future minimum lease payments under non-cancelable operating leases with terms in excess of one year at December 31, 2007 were as follows:

Years Ending December 31	2008	2009	2010	Total
\$	595,195	560,772	366,456	1,522,423

The Corporation has no other long term commitments.

## 7. Capital Resources

The most significant current issue for the Corporation with respect to working capital is whether the Corporation has sufficient existing working capital to complete the detailed SSP® hull design on the timetable currently being pursued. Initially, management of the OPE Group forecast that it would have sufficient working capital from the proceeds of the private placement in October 2007 and internally-generated cash flow. However, the temporary slow-down in the core engineering business during the first quarter of fiscal 2008 as a result of project initiation delays along with additional costs associated with the delay in the arbitration hearing leave that item as an open question as at the date of this MD&A. Provided that the core engineering business of the Corporation improves as expected in the third and fourth quarter of fiscal 2008 and the SSP® hull design is completed on budget, management anticipates that the Corporation should have sufficient working capital to complete the hull design on the timetable previously indicated. In the event that the engineering business does not contribute the budgeted cash flow during the period or costs of the design project increase, however, the Corporation will be forced to either raise additional debt or equity financing or slow the pace of the SSP® hull design project to deal with working capital shortfalls. In such an eventuality, management will pursue financing alternatives as first resort in attempting to maintain the development timetable on the SSP® hull design.

Beyond this initial phase of the detailed SSP® hull design, management anticipates that a limited amount of business development capital will continue to be provided by ongoing operations of the engineering business. This internally-generated cash may be used for ongoing marketing of the SSP® design and continuing development efforts on the SSP®. The amount of cash generated by internal operations will not, however, be sufficient to fund the initiation of the actual construction of the first SSP® unit. In order to move from the design phase to building an actual SSP® unit will require a significant infusion of additional capital for the Corporation, likely including both debt and equity components. The terms on which this capital can be raised cannot be accurately predicted and will depend on many factors including the state of capital markets, debt markets and, most critically, whether the Corporation has an identified customer for the SSP® and the terms on which such customer will acquire or lease the SSP® from the Corporation.

The availability of capital to finance the ongoing commercialization of the SSP® and the potential initiation of an SSP® project on speculation is one of the most important factors in the future success of the Corporation. There is no assurance that such financing will be available. Even if the financing is available, the terms of the financing may be dilutive to existing shareholders of the Corporation. The Corporation has taken such initial steps as it believes are prudent in preparing itself for the raising of significant additional capital at the appropriate time, including establishing an ongoing relationship with a major energy-focused investment bank based in Calgary, Alberta. In addition, the Corporation will look to pursue U.S. registration of its securities within fiscal 2008 such that the range of potential investors in a new financing is expanded to include more U.S. investors.

The Corporation will not commit itself to any significant fabrication project for an SSP® until it has determined the availability and cost of financing associated with the project.

In addition to the core engineering business and SSP® development, management of the Corporation will continue to evaluate potential acquisition opportunities. Such opportunities will not be pursued unless they are strategically aligned and provide the Corporation with additional expertise and resources to better implement the SSP® commercialization and acquisition financing is available on terms satisfactory to the Corporation.

## **8. Off-Balance Sheet Arrangements**

The Corporation does not have any off-balance sheet arrangements.

## **9. Transactions With Related Parties**

As at December 31, 2006 the OPE Group had notes receivable from a former owner for \$63,859. These notes were forgiven in conjunction with the closing of the RTO with the Corporation. As at December 31, 2007, the Corporation had an accrued payable to a consulting company owned by an officer and director of the Corporation for management services provided to the Corporation in the amount of \$24,000.

During the course of negotiating, processing and closing the RTO transaction and associated private placement, significant services were provided by individuals who were or became members of the OPE Holdings Board of Directors. These individuals were compensated for services rendered and the amounts paid are disclosed as follows. Joseph Lahey, received compensation in the amount of \$590,000.00, Ian Dundas received compensation in the amount of \$50,000.00 and Daniel Wilson received compensation in the amount of \$215,000.00 (plus GST) in connection with the RTO and associate private placement.

The Company recorded revenue from a client who was also a former owner of the OPE Group of approximately \$1,168,000 in fiscal 2007 (compared to \$870,000 in fiscal 2006). There was an outstanding balance included in receivables of approximately \$363,000 from this client at the end of fiscal 2007 (compared to \$278,000 at the end of fiscal 2006) all of which was current and has subsequently been received. This former owner

divested itself of substantially all of its investment in the Company as the date of the RTO on October 31, 2007.

## 10. Changes in Accounting Policy Including Initial Adoption

The audit of the Corporation for fiscal 2007 was completed in accordance with Canadian GAAP. The audit of the OPE Group for prior financial years was completed in accordance with US GAAP.

The Corporation did not make any further significant changes in accounting policy during fiscal 2007.

It is anticipated that the Corporation will pursue U.S. registration during fiscal 2008. This registration may entail the adoption of additional accounting policies, including the establishment of additional accounting and disclosure controls to be compliant with applicable US requirements.

Management of the Corporation has elected to use the Bare Form of accounting certification by its CEO and CFO for the audited statements associated with the 2007 fiscal year. The Corporation is currently working to improve the bandwidth in its internal accounting and finance department, with the goal of working towards documentation of its processes within the upcoming quarters and being able to certify its financial statements and disclosure controls at a higher level in upcoming financial periods. It is not yet certain when the Corporation will be able to provide the more detailed certification.

## 11. General & Administration Expenses

The following table summarizes the general & administrative expenses, management and consulting fees and professional fees incurred by the OPE Group in fiscal 2006 and fiscal 2007:

	Year Ended December 31, 2007	Year Ended December 31, 2006
Employee Salaries	3,510,712	2,777,694
Bad Debt Expense	475,000	100,000
Office leases	522,528	452,249
Insurance	935,062	806,146
Accounting and legal fees	517,472	197,198
Contract Labor	466,426	443,754
Marketing	416,253	59,860
Other	1,023,183	1,171,120
<b>TOTAL</b>	<b>\$7,866,636</b>	<b>\$6,008,021</b>

## 12. Additional Information

Additional information on OPE Holdings available on the SEDAR web site accessible at [www.sedar.com](http://www.sedar.com). Additional information with respect to the OPE Group is accessible on SEDAR in the Filing Statement.