

File No. 82-1548
1293-2(b) Exemption

First Quarter

Ended December 31, 2007

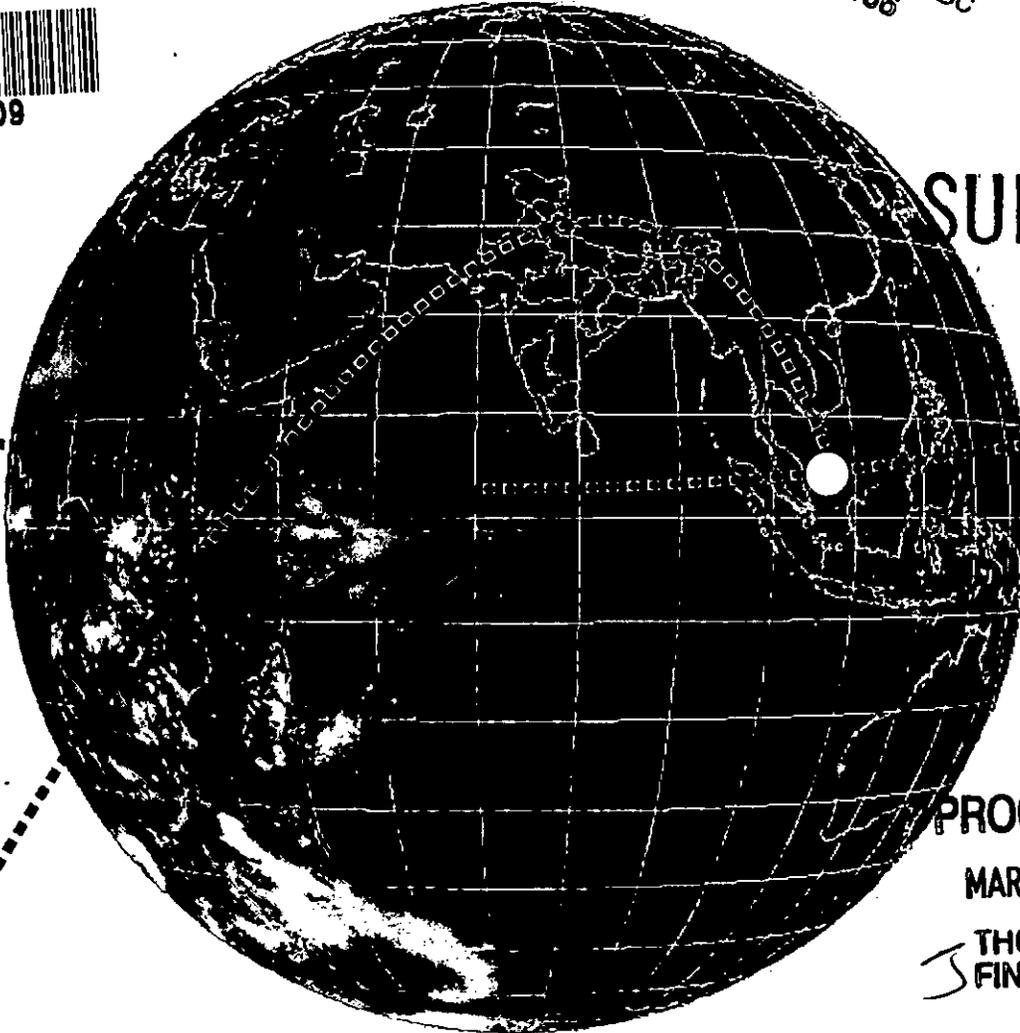
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WIRELESS2
TECHNOLOGIES INC

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WIRELESS2 Technologies Inc.
Consolidated Balance Sheets (Unaudited)
As At December 31 and September 30, 2007

	December 31 2007 \$	September 30 2007 \$
ASSETS		
Current		
Cash	1,586,414	1,659,633
Accounts receivable	375,370	324,273
Holdback receivable	555,278	555,278
Inventory	347,837	328,964
Prepays	<u>35,607</u>	<u>27,104</u>
	<u>2,900,506</u>	<u>2,895,252</u>
Property and equipment	20,455	18,295
Other assets	<u>14,163</u>	<u>14,692</u>
	<u>2,935,124</u>	<u>2,928,239</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities	331,553	331,742
Customer deposits	3,677	3,648
Loans and notes payable (Note 5)	<u>19,389</u>	<u>19,389</u>
	<u>354,619</u>	<u>354,779</u>
SHAREHOLDERS' EQUITY		
Share capital	14,500,112	14,500,112
Contributed surplus	401,309	401,309
Accumulated other comprehensive loss	(263,073)	(279,509)
Accumulated deficit	<u>(12,057,843)</u>	<u>(12,048,452)</u>
	<u>2,580,505</u>	<u>2,573,460</u>
	<u>2,935,124</u>	<u>2,928,239</u>

See accompanying notes to consolidated financial statements

On behalf of the Board

"D.H. Blakeway"

Director

"K.R. Tolmie"

Director

WIRELESS2 Technologies Inc.
Consolidated Statements of Operations (Unaudited)
Three Months Ended December 31, 2007 and 2006

	FIRST QUARTER	
	2007	2006
	\$	\$
Revenues	772,584	689,074
Cost of sales	<u>460,146</u>	<u>427,968</u>
Gross Profit	<u>312,438</u>	<u>261,106</u>
Sales and marketing	130,851	136,788
General and administration	128,312	105,547
Research and development	52,081	60,945
Financing charges	1,406	8,858
Depreciation and amortization	2,850	4,408
Foreign exchange (gain) loss	<u>6,329</u>	<u>(9,767)</u>
	<u>321,829</u>	<u>306,749</u>
Net Loss	<u>(9,391)</u>	<u>(45,643)</u>
Net Loss per share		
Basic and diluted	(\$0.00)	(\$0.00)
Weighted average number of shares		
Basic and diluted	18,758,642	18,812,213

See accompanying notes to consolidated financial statements

Wireless2 Technologies Inc.

**Consolidated Statements of Shareholders' Equity and Comprehensive Loss (Unaudited)
Three Months Ended December 31, 2007 and 2006**

			Accumulated			
	Share	Contributed	Other	Accumulated	Comprehensive	Total
	Capital	Surplus	Comprehensive	Deficit	Loss	Shareholders'
	\$	\$	Loss			Equity
	\$	\$	\$	\$	\$	\$
Balance at September 30, 2006	14,500,112	401,309	(225,585)	(11,795,914)	-	2,879,922
Foreign currency translation income (loss)	-	-	18,803	-	18,803	18,803
Net loss	-	-	-	(45,643)	(45,643)	(45,643)
Balance at December 31, 2006	14,500,112	401,309	(206,782)	(11,841,557)	(26,840)	2,853,082
Balance at September 30, 2007	14,500,112	401,309	(279,509)	(12,048,452)	(306,462)	2,573,460
Foreign currency translation income (loss)	-	-	16,436	-	16,436	16,436
Net loss	-	-	-	(9,391)	(9,391)	(9,391)
Balance at December 31, 2008	14,500,112	401,309	(263,073)	(12,057,843)	(299,403)	2,580,505

See accompanying notes to consolidated financial statements

Wireless2 Technologies Inc.
Consolidated Statements of Cash Flows (Unaudited)
Three Months Ended December 31, 2007 and 2006

	FIRST QUARTER	
	2007	2006
	\$	\$
OPERATING ACTIVITIES		
Net loss	(9,391)	(45,643)
Items not involving cash:		
Depreciation and amortization	2,850	4,408
Exchange adjustment	16,158	17,263
Non-cash working capital changes	<u>(78,632)</u>	<u>613,354</u>
	<u>(69,015)</u>	<u>589,382</u>
INVESTING ACTIVITIES		
Property and equipment acquisitions	(4,204)	(2,183)
Other assets additions	-	(1,885)
	<u>(4,204)</u>	<u>(4,068)</u>
FINANCING ACTIVITIES		
Repayment of loans payable	-	(109,671)
	<u>-</u>	<u>(109,671)</u>
Net increase (decrease) in cash	(73,219)	475,643
Cash, beginning of period	<u>1,659,633</u>	<u>1,287,801</u>
Cash, end of period	<u>1,586,414</u>	<u>1,763,444</u>
Supplementary Cash Flow Disclosure		
Interest Paid	-	-
Income taxes paid	-	-

See accompanying notes to consolidated financial statements

WIRELESS2 Technologies Inc.

Notes to Consolidated Financial Statements (Unaudited)

December 31, 2007 and 2006

1. NATURE OF OPERATIONS

Wireless2 Technologies Inc. (the "Company") through its wholly-owned subsidiary designs and sells sophisticated communication surveillance and intelligence gathering equipment for the law enforcement and defense industries in the United States and Canada. The Company changed its name from Strategic Technologies Inc. to Wireless2 Technologies Inc. in October, 2006.

2. CHANGES IN ACCOUNTING POLICIES

(a) Financial instruments, equity and comprehensive income

Effective October 1, 2006, the Company adopted the Canadian Institute of Chartered Accountants (CICA) Section 3855, *Financial Instruments – Recognition and Measurement*; Section 3861, *Financial Instruments – Disclosure and Presentation*; Section 3865, *Hedges*; Section 1530, *Comprehensive Income*; and Section 3251, *Equity*, prospectively without restatement of prior periods.

Section 1530 provides guidance on the reporting and presentation of comprehensive income. Comprehensive income is the change in equity of an enterprise during a period from transactions and other events and circumstances from non-owner sources. It includes all changes in equity during a period except those from investments by owners and distributions to owners. Other comprehensive income comprises revenues, expenses, gains and losses that are recognized in comprehensive income, but are excluded from net income calculated in accordance with GAAP. Subsequent to the adoption of this new standard, the Company recorded unrealized gains and losses on the translation of self sustaining foreign operations in other comprehensive income.

Under Section 3855, financial assets and liabilities are classified as either held for trading, available for sale, loans and receivables, investments held to maturity and other financial liabilities. Financial assets classified as held for trading and available for sale are measured on the balance sheet at fair value. Subsequent change in the fair value of held for trading financial assets is recognized into net income immediately. Changes in the fair value of financial assets available for sale are recorded in comprehensive income until the investment is derecognized or impaired at which time amounts would be recorded to net income. Loans and receivables, investments held to maturity and other financial liabilities are measured on the balance sheet at amortized cost. All derivative instruments of the Company, including those embedded in other financial instruments, are recorded at fair value and classified as held for trading.

On adopting Section 3855 and 3861, the Company classified its financial assets and liabilities of cash, accounts and holdback receivable, accounts payable and accrued liabilities, customer deposits and loans payable as held for trading financial instruments. Adoption of this new standard did not have an impact on the Company's consolidated financial statements.

Section 3865 replaces and expands prior guidance on hedging relationships by prescribing when and how hedge accounting may be applied. Application of hedge accounting is optional. The Company has not entered into any hedge arrangements during the year. At September 30 and December 31, 2007 there were no outstanding contracts.

Section 3251 requires separate presentation of changes in equity for the period from net income, other comprehensive income, contributed surplus, share capital and reserves. The adoption of the new standard did not have a material impact on the presentation of equity of the Company.

2. Changes in accounting policies (continued)

(b) Accounting changes

Effective October 1 2006, the Company adopted CICA Section 1506, *Accounting Changes*. The new standard allows for voluntary changes in an accounting policy only when the changes result in the financial statements providing reliable and more relevant information, requires a change in accounting policy to be applied retroactively unless impracticable, requires prior period errors to be corrected retrospectively and calls for enhanced disclosures about the effects of changes in accounting policies, estimates and errors on the financial statements. It includes the disclosure, on an interim and annual basis, of a description and impact on the Company's financial results of any new primary source of GAAP that has been issued but is not yet effective. The adoption of the new standard did not have an impact on the Company's financial position or on the results of its operations.

(c) Recent accounting pronouncements

In December, 2006, the CICA issued Handbook Section 1535, *Capital Disclosures*. The new standard requires disclosure of qualitative and quantitative information that enables users of financial statements to evaluate the Company's objectives, policies and processes for managing capital. These recommendations are effective for the Company's interim and annual reporting periods beginning October 1, 2007. This new standard is not expected to have a material effect on the Company's consolidated financial statements or on its results of operations.

In December 2006, the CICA issued Handbook Sections 3862, *Financial Instruments – Disclosures*, and 3863, *Financial Instruments – Presentation*, which will replace Section 3861, *Financial Instruments – Disclosure and Presentation*. The new disclosure standard increases the emphasis on the risks associated with both recognized and unrecognized financial instruments and how those risks are managed. The new presentation standard carries forward the former presentation requirements and are effective for the Company's interim and annual reporting periods beginning October 1, 2007. This new standard is not expected to have a material effect on the Company's consolidated financial statements.

In March 2007, the CICA issued Handbook Section 3031, *Inventories*, which has replaced Section 3030 with the same title. The new Section establishes that inventories should be measured at the lower of cost and net realizable value, with guidance on the determination of cost. These recommendations are effective for the Company's interim and annual reporting periods beginning October 1, 2008. The Company is currently evaluating the impact of this new standard on the consolidated financial statements.

In January 2006, the CICA Accounting Standards Board ("AcSB") adopted a strategic plan for the direction of accounting standards in Canada. As part of that plan, accounting standards in Canada for public companies are expected to converge with International Financial Reporting Standards ("IFRS") by the end of 2011. The impact of the transition to IFRS on the Company's consolidated financial statements has not yet been determined.

3. SIGNIFICANT ACCOUNTING POLICIES

The Company's financial statements have been prepared following Canadian generally accepted accounting principles. The measurement of certain assets and liabilities is dependent upon future events whose outcome will not be fully known until future periods. Therefore the preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Actual results may vary from those estimated.

These unaudited interim consolidated financial statements should be read in conjunction with the Company's annual consolidated financial statements for the year ended September 30, 2007 as set out in the Company's Annual Report.

4. SUPPLEMENTARY CASH FLOW INFORMATION

Change in non-cash working capital

	2007	2006
	\$	\$
Accounts receivable	(51,097)	153,721
Inventory	(18,873)	(79,056)
Prepays	(8,503)	2,875
Receivable from former subsidiary	-	461,500
Accounts payable and accrued liabilities	(189)	68,973
Customer deposits	30	5,341
	<u>(78,632)</u>	<u>613,354</u>

5. LOANS PAYABLE

	2007	2006
	\$	\$
Loan payable, unsecured without interest	9,695	9,695
4% Notes Payable, unsecured	9,694	9,695
	<u>19,389</u>	<u>19,389</u>

The loans payable will be due on settlement of an outstanding taxation matter in a former subsidiary.

6. COMPARATIVE FIGURES

Certain of the comparative figures have been reclassified to conform with the current year's presentation.

Management Discussion & Analysis as at February 25, 2008

The following discussion and analysis should be read in conjunction with the audited consolidated financial statements of the Company, and the notes relating thereto, as well as the Report to Shareholders and other management discussion in the 2007 Annual Report.

This report includes forward-looking statements that are based on current expectations and are subject to risks and uncertainties. Many internal and external factors may cause actual results to differ materially including, but not limited to, those outlined in Risk Management in the 2007 Annual Report. The Company disclaims any intention or obligation to update or revise any such forward-looking statements, whether as a result of new information, future events, or otherwise.

Additional information relating to the Company is filed on SEDAR at www.sedar.com

The attached financial statements have not been reviewed by the Company's auditors.

General Overview

Strategic Technologies Inc. changed its name to Wireless2 Technologies Inc. in October, 2006. Wireless2 Technologies Inc. ("Wireless2") is incorporated under the laws of British Columbia with its corporate head office located in Surrey, British Columbia. Wireless2's wholly owned subsidiary, Tactical Technologies Inc. ("Tactical"), has manufacturing facilities in Holmes, Pennsylvania.

The Company's core business is the manufacture and sale of sophisticated surveillance equipment to the Law Enforcement Community. Since 2006, the Company only operates in one segment, Law Enforcement, being the manufacture and sale of wireless radio frequency identification equipment.

The consolidated financial statements include the results and financial position of Wireless2 Technologies Inc. and its wholly owned subsidiaries, Tactical Technologies, Inc. and Strategic Monitoring Services, Inc. (inactive). All significant inter-company transactions and balances have been eliminated on consolidation.

Revenues include the gross amount billed to customers for sales of products and related services plus interest earned on cash balances. Cost of sales includes direct expenses related to the manufacture of products sold.

Results of Operations

The consolidated financial statements for the three months ended December 31, 2007 and 2006 include the results and financial position of Wireless2 Technologies Inc. and its wholly owned subsidiary, Tactical Technologies Inc. The Company derives the majority of its revenues in United States dollars.

Consolidated revenues for the first quarter ended December 31, 2007 were \$772,584 compared to \$689,074 for the same period last year, an increase of 12% and \$83,510. Total gross profit for the first quarter was 40% of revenues and \$312,438 compared to 38% and \$261,106 in the prior year. The increase in gross profit is attributable to the increased sales volumes against which overheads may be absorbed and from the product mix of sales.

Expenses increased \$15,080 or 5% to \$321,829 from \$306,749 in 2006. The majority of the increase is attributable to professional fees incurred for legal and audit.

The net loss for the first quarter was \$9,391 and \$0.00 per share, a decrease of \$36,252 from the loss of \$45,643 and \$0.00 per share for the comparative period.

Quarterly Results	1 st Qtr 2008	4 th Qtr 2007	3 rd Qtr 2007	2 nd Qtr 2007
	\$	\$	\$	\$
Revenues from continuing operations	772,584	947,986	713,431	989,453
Income (loss) before discontinued operations	(9,391)	(114,322)	(98,933)	45,236
Loss from discontinued operations	-	(28,959)	(9,917)	-
Net income (loss)	(9,391)	(143,281)	(108,850)	45,236
Net income (loss) per share – Basic and diluted	(0.00)	(0.1)	(0.00)	0.00

Quarterly Results	1 st Qtr 2007	4 th Qtr 2006	3 rd Qtr 2006	2 nd Qtr 2006
	\$	\$	\$	\$
Revenues from continuing operations	689,074	681,816	496,540	813,916
Income (loss) before discontinued operations	(45,643)	2,301,305	91,502	60,301
Loss from discontinued operations	-	253,271	(583,144)	(401,324)
Net income (loss)	(45,643)	2,554,576	(491,642)	(341,023)
Net income (loss) per share – Basic and diluted	(0.00)	0.14	(0.03)	(0.02)

A significant proportion of the Company's revenues and expenses are generated in US dollars. Revenues and expenses for 2007 and 2006 were reduced as the average exchange rate fell from 1.22 in 2005 to 1.14 in 2006 and 1.11 in 2007. The exchange rate for the first quarter of 2008 averaged 0.9818.

Liquidity

Working capital at December 31, 2007 was \$2,545,886, an increase of \$5,413 from September 30, 2006.

Operating activities used cash of \$69,015 compared to generating cash of \$589,354 in 2006. In 2006, the collection of the majority of the receivable from On Guard Plus limited and accounts receivable generated \$615,221 while increased inventory used cash of \$79,056. Investments in new equipment and assets used cash of \$4,204 compared to \$4,068 in 2006. The Company also repaid loans payable of \$109,671 in 2006.

Capital Resources

At December 31, 2007, the Company had working capital of \$2,545,886 as compared to \$2,540,473 at September 30, 2006. The Company had no long term debt and had 18,758,642 common shares issued and outstanding at December 31, 2007.

The Company had no commitments for material capital expenditures as of December 31, 2007.

The Company has no lines of credit or other sources of financing which have been arranged or are being negotiated.

The Company has no exposure to asset backed commercial paper.

The Company has adequate capital resources to meet all its obligations and fund operations going forward for the foreseeable future.

Contractual Obligations	Total	Payments Due by Period			
		Less than 1 year	1- 3 years	4 – 5 years	After 5 years
Operating Leases	\$654,767	\$65,209	\$130,729	\$136,326)	\$322,503
Loans Payable	\$19,389*	\$19,389	-	-	-
Total Contractual Obligations	\$674,156	\$84,598	\$130,729	\$136,326	\$322,503

*Not including purchase commitments to suppliers

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements in place.

Transactions with Related Parties

Management fees of \$19,500 (2006 - \$17,500) were charged by companies controlled by individuals who are officers or directors of the Company.

Critical Accounting Estimates

The Company's financial statements have been prepared following Canadian generally accepted accounting principles. The measurement of certain assets and liabilities is dependent upon future events whose outcome will not be fully known until future periods. Therefore the preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Actual results may vary from those estimated.

In particular, the amounts recorded for amortization of property and equipment and intangible assets are based on estimates of the remaining useful lives of such assets. Furthermore, the provision for warranty claims is based on past experience and the most currently available information regarding warranty costs. These estimates, and those related to the cash flows used to assess the potential impairment of property and equipment, intangible assets and goodwill are subject to measurement uncertainty and the impact on the financial statements of future periods could be material. Such estimates and assumptions have been made using careful judgments, which in management's opinion, are within reasonable limits of materiality and conform to the significant accounting policies summarized in Note 3 to the consolidated financial statements.

Looking forward

Wireless2 has been looking at business opportunities during 2007 and the first quarter of fiscal 2008 and will continue to search for technologies which will provide growth opportunities and shareholder value. At present, Tactical continues to be successful in its field and generates approximately \$3.0 million in revenues annually. Tactical moved to a larger facility in the second quarter of 2007. Tactical had a backlog of approximately \$830,000 at December 31, 2008 which compares favorably with prior periods.

Tactical has received some new contracts in its first quarter with the US Federal government agencies and will be delivering them throughout the balance of the year. Tactical expects to achieve positive net earnings for fiscal 2008.

Risk Management

Business risks

Although the market for our products appears to be expanding, our ability to remain competitive is dependent upon assessing changing markets and providing new products and capabilities. There can be no assurances that we will be able to do so or to meet changes in the marketplace or that the sale of new products will be profitable. Some of our competitors have greater financial resources and may be able to sustain recurring losses to establish market share at our expense.

Foreign exchange risks and inflation

The Company generates the majority of its revenues in U.S. dollars. It records foreign currency denominated working capital items (generally cash, accounts receivable and certain accounts payable) in the financial statements in Canadian dollars based on spot rates for the currency at the end of the reporting period. To date, the Company has not engaged in any currency hedging to minimize the effects of foreign exchange gains or losses. Exchange rate fluctuations are partially offset by a natural hedge in that some of the components it purchases and expenses it incurs and its law enforcement division are denominated in U.S. currencies.

The Company does not hold and has not entered into a market risk sensitive instrument for trading purposes.

The Company believes that inflation and other changes in prices have not had a material effect on it.

Changes in accounting policies including initial adoption

The Company adopted certain new accounting policies beginning January 1, 2007 as required by GAAP. A summary of the newly adopted accounting policies is included herein.

Financial instruments, equity and comprehensive income

Effective October 1, 2006, the Company adopted the Canadian Institute of Chartered Accountants (CICA) Section 3855, Financial Instruments – Recognition and Measurement; Section 3861, Financial Instruments – Disclosure and Presentation; Section 3865, Hedges; Section 1530, Comprehensive Income; and Section 3251, Equity, prospectively without restatement of prior periods.

Section 1530 provides guidance on the reporting and presentation of comprehensive income. Comprehensive income is the change in equity of an enterprise during a period from transactions and other events and circumstances from non-owner sources. It includes all changes in equity during a period except those from investments by owners and distributions to owners. Other comprehensive income comprises revenues, expenses, gains and losses that are recognized in comprehensive income, but are excluded from net income calculated in accordance with GAAP. Subsequent to the adoption of this new standard, the Company recorded unrealized gains and losses on the translation of self sustaining foreign operations in other comprehensive income.

Under Section 3855, financial assets and liabilities are classified as either held for trading, available for sale, loans and receivables, investments held to maturity and other financial liabilities. Financial assets classified as held for trading and available for sale are measured on the balance sheet at fair value. Subsequent change in the fair value of held for trading financial assets is recognized into net income immediately. Changes in the fair value of financial assets available for sale are recorded in comprehensive income until the investment is derecognized or impaired at which time amounts would be recorded to net income. Loans and receivables, investments held to maturity and other financial liabilities are measured on the balance sheet at amortized cost. On adopting Section 3855 and 3861, the Company classified its financial assets and liabilities of cash, accounts and holdback receivable, accounts payable and accrued liabilities, customer deposits and loans payable as held for trading financial instruments. Adoption of this new standard did not have an impact on the Company's consolidated financial statements.

Section 3865 replaces and expands prior guidance on hedging relationships by prescribing when and how hedge accounting may be applied. Application of hedge accounting is optional. The Company has not entered into any hedge arrangements during the year. At September 30, and December 31, 2007 there were no outstanding contracts.

Section 3251 requires separate presentation of changes in equity for the period from net income, other comprehensive income, contributed surplus, share capital and reserves. The adoption of the new standard did not have a material impact on the presentation of equity of the Company.

Accounting changes

Effective October 1, 2006, the Company adopted CICA Section 1506, Accounting Changes. The new standard allows for voluntary changes in an accounting policy only when the changes result in the financial statements providing reliable and more relevant information, requires a change in accounting policy to be applied retroactively unless impracticable, requires prior period errors to be corrected retrospectively and calls for enhanced disclosures about the effects of changes in accounting policies, estimates and errors on the financial statements. It includes the disclosure, on an interim and annual basis, of a description and impact on the Company's financial results of any new primary source of GAAP that has been issued but is not yet effective. The adoption of the new standard did not have an impact on the Company's financial position or on the results of its operations.

Recent accounting pronouncements

In October, 2006, the CICA issued Section 1535, Capital Disclosures.

The new standard requires disclosure of qualitative and quantitative information that enables users of financial statements to evaluate the Company's objectives, policies and processes for managing capital. These recommendations are effective for the Company's interim and annual reporting periods beginning October 1, 2007. This new standard is not expected to have a material effect on the Company's consolidated financial statements or on its results of operations.

The CICA also issued Section 3862, Financial Instruments – Disclosure and 3863, Financial Instruments – Presentation in October 2006. These sections will effectively replace existing Section 3861, Financial Instruments – Disclosure and Presentation effective for the Company's interim and annual reporting periods beginning October 1, 2007. Section 3862 requires disclosure by class of financial instruments that enable users to evaluate the significance of financial instruments for the Company's financing position and performance. Disclosures are also required of qualitative and quantitative information that enables users of financial statements to evaluate the nature and extent of the Company's exposure to the risks arising from financial instruments, specifically credit risks, liquidity risks and market risks. Quantitative disclosures must also include a sensitivity analysis for each type of market risk the Company is exposed to and how net income and other comprehensive income would be affected. The Company does not expect the new standard will have a material impact on its consolidated financial position or on its results of operations. Section 3863 carries forward the presentation requirements of 3861 already adopted by the Company. As a result, The Company does not expect the new standard will have a material impact on its consolidated financial position or on its results of operations.

In March 2007, the CICA issued Handbook Section 3031, *Inventories*, which has replaced Section 3030 with the same title. The new Section establishes that inventories should be measured at the lower of cost and net realizable value, with guidance on the determination of cost. These recommendations are effective for the Company's interim and annual reporting periods beginning October 1, 2008. The Company is currently evaluating the impact of this new standard on the consolidated financial statements.

Disclosure Controls and Procedures

The Chief Executive Officer (CEO) and Chief Financial Officer (CFO) are responsible for establishing and maintaining the Company's disclosure controls and procedures and internal controls over financial reporting to provide reasonable assurance that material information about the Company and its subsidiaries would have been known to them and regarding the reliability of financial reporting and the preparation of financial statements for external purposes.

The CEO and CFO have evaluated and concluded that the Company's disclosure controls and procedures are adequately designed and effective for providing reasonable assurance that material information relating to the Company, including its consolidated subsidiaries, would have been known to them as of the fiscal year ended September 30, 2007.

As well, as of the end of the fiscal year ended September 30, 2007, the CEO and CFO have evaluated and concluded that the Company's internal controls over financial reporting have been adequately to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes. However, control systems, no matter how well designed and operated, have inherent limitations, therefore, those systems, although determined to be adequately designed, can provide only reasonable assurance that the objectives of the system are met.

During the fiscal year ended September 30, 2007 and the first quarter ended December 31, 2007, there was no change in the Company's internal controls over financial reporting that has materially affected, or is reasonably likely to materially affect, the internal control over financial reporting.

Subsequent Events

On February 11, 2008 the Company received notice that it, along with certain other parties, was named as a defendant in a lawsuit filed in the State of Tennessee (Case No. 3-08-0126) by Satellite Tracking of People, LLC ("STOP"). In the lawsuit STOP claims (primarily) that the Company and the other defendants are in default of a non-compete covenant ("Non-Compete") given to STOP in a 2005 agreement pursuant to which the Company sold STOP certain tracking technology. The other defendants are alleged to have become subject to the Non-Compete as assigns of this 2005 agreement which the Company assigned in a 2006 agreement when it sold all remaining parts of its offender curfew monitoring business. The Company is of the view that the lawsuit is entirely without merit insofar as the Company is concerned because the Company does not in any way compete, or aid anyone in competing, against STOP in connection with the activities restricted by the Non-Compete. These activities are generally speaking, the manufacture and/or sale of a one-piece personnel tracking device for use with individuals in the control or custody of law enforcement, probation, pre-trial or parole agencies in the United States.

"Doug H. Blakeway"

President & Chief Executive Officer
February 25, 2007

"Ian M. Brown"

Chief Financial Officer
February 25, 2007

Directors and Officers

Doug H. Blakeway*

Director, President & Chief Executive Officer
Wireless2 Technologies Inc.
Director, Chairman & Chief Executive Officer
Tactical Technologies Inc.

Ian M. Brown

Director, Vice President, Secretary & Chief
Financial Officer
Wireless2 Technologies Inc.

Richard B. Snyder

President
Tactical Technologies Inc.

Bernard J. Zinkhofer*

Director
Wireless2 Technologies Inc.

Kenneth R. Tolmie*

Director, Chairman, Audit Committee
Wireless2 Technologies Inc.

*Denotes member of Audit Committee

Corporate Information

Wireless2 Technologies Inc.

103 – 6592 – 176 Street
Surrey, British Columbia V3S 4G5

eMail: wire2tec@gmail.com

Stock Exchange Listing

TSX Venture Exchange Symbol – **WIT**
In the USA, Sec. 12g – exemption #82-1548
Trade USA Pink Pages Symbol - **SGTKF**

Wholly-owned subsidiaries

Tactical Technologies Inc. (United States)

Strategic Monitoring Services, Inc. (inactive)

Legal Counsel and Records Office

Lang Michener

1500 – 1055 West Georgia Street
Vancouver, British Columbia V6E 4N7

Registrar and Transfer Agent

Computershare Investor Services Inc.

408 – 510 Burrard Street
Vancouver, British Columbia V6C 3B9

Auditors: **Deloitte & Touche LLP**

Common Shares Authorized: Unlimited

Bankers: **Toronto Dominion Bank**

Common Shares Issued: 18,758,642
(at February 1, 2008)



PACKING SLIP

FROM: G4S Justice Services (Canada) Inc
 Unit #103
 6592 176th Street
 Surrey, B.C. V3S 4G5
 TEL: 604.576.8658 ext 222
 FAX: 604.576.0436

SHIP TO: Montgomery County
 12500-C Ardennes Avenue
 Rockville, MD
 20852
 Attention: Sara Piorko

Order Number: 6107

DATE SHIPPED: 2/25/2008 **Ship Via:** UPS Next Day **Tracking #**M210 904 255 3

ITEM	QTY	DESCRIPTION
A	39	Electronic Transmitter (PTX) P/N 262000 Serial Numbers 103245 103226 102636 102805 102332 103126 103307 103242 103238 102791 103231 103222 103214 102875 103240 102977 101588 103243 102461 103233 103376 103234 103053 103239 103216 101543 103120 103235 102688 103232 103230 102824 103060 103228 103229 103241 103059 102340 102982
B	39	Electronic Receiver (PHMUC) P/N 384000 Serial Numbers 302431 302436 302447 302441 302461 302455 302450 302432 302437 302444 302470 302458 302466 302467 302433 302438 302443 302451 302463 302452 302468 302434 302435 302446 302453 302460 302469 302439 302448 302442 302454 302473 302465 302440 302449 302445 302456 302471 302459
C	39	Transformer 9V Power Supplies P/N 111068
D	78	Sleeves P/N 150002
E	78	Pins P/N 150003
F	39	12" Wrist band for transmitter P/N 110101
G	4	Tool kit - consisting of 2 plastic parts and 1 Cutting Tool P/N 110714
H	4	Electronic Transmitter (OPID) P/N 500000 Serial Numbers 600443 600451 600475 600494
I	4	Electronic Transmitter (KEY FOB) P/N 380060 Serial Numbers 750546 750547 750548 750549
J	4	PHMU Menu key P/N 111133

END