

GOLDEN HOPE MINES LIMITED

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SUPL

May 29, 2008

Office of International Corporate Finance

Securities and Exchange Commission

450 Fifth Street, N.W.

Judiciary Plaza

Washington, D.C.

U.S.A. 20549

SEC Mail Processing
Section

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Washington, DC
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Gentlemen:

Enclosed is information, which *Golden Hope Mines Limited* has made public pursuant to the laws of the Provinces of Ontario, Quebec, Alberta and British Columbia, Canada.

The following materials are being furnished pursuant to Rule 12g3-2(b):

- (a) Unaudited financial statements dated March 31, 2008
- (b) Management Discussion & Analysis dated March 31, 2008

Please contact the undersigned if you have any questions.

Yours truly,
Golden Hope Mines Limited

Ronald Haller
Secretary

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GOLDEN HOPE MINES LIMITED
 (INCORPORATED UNDER THE LAWS OF THE PROVINCE OF ONTARIO)
 BALANCE SHEET
 (Unaudited without review by auditor)

| | Mar 31, 2008 | Dec 31, 2007 |
|---|-----------------------|-----------------------|
| ASSETS | | |
| Current | | |
| Cash | \$ 358,314 | \$ 775,577 |
| Accounts receivable | 125,430 | 158,143 |
| Notes receivable (Note 2) | 50,000 | 105,000 |
| Prepaid expenses and sundry assets | <u>148,593</u> | <u>178,388</u> |
| | 682,337 | 1,217,108 |
| Mining claims and deferred exploration expenditures (Note 3) | <u>10,600,870</u> | <u>10,244,090</u> |
| | <u>\$11,283,207</u> | <u>\$11,461,198</u> |
| LIABILITIES | | |
| Current | | |
| Accounts payable and accrued liabilities (Note 4) | \$ 559,100 | \$ 538,330 |
| Future income taxes (Note 5) | <u>688,000</u> | <u>688,000</u> |
| | <u>1,247,100</u> | <u>1,226,330</u> |
| SHAREHOLDERS' EQUITY | | |
| Share capital (Note 7) | | |
| Authorized: | | |
| Unlimited common shares | | |
| Issued: | | |
| 49,871,047 common shares (2007-49,631,047) | 15,088,822 | 15,038,822 |
| Contributed Surplus | 3,451,421 | 3,451,421 |
| Deficit | <u>(8,504,136)</u> | <u>(8,255,375)</u> |
| | <u>10,036,107</u> | <u>10,234,868</u> |
| | <u>\$ 11,283,207</u> | <u>\$ 11,461,198</u> |

See accompanying notes

GOLDEN HOPE MINES LIMITED
 STATEMENT OF OPERATIONS AND DEFICIT
 FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2008
 (Unaudited without review by auditor)

| | | |
|---|--------------------|--------------------|
| Revenue: | <u>2008</u> | <u>2007</u> |
| Interest earned | \$ <u>7,217</u> | \$ <u>28,360</u> |
| Expenses: | | |
| Shareholders' information | 90,900 | 117,008 |
| General and administrative | 53,223 | 15,820 |
| Management fees | 47,000 | 56,500 |
| Property investigation | <u>64,855</u> | <u>73,662</u> |
| | <u>255,978</u> | <u>262,990</u> |
| Net loss for the period | 248,761 | 234,630 |
| Deficit, beginning of period | <u>8,255,375</u> | <u>5,773,711</u> |
| Deficit, end of period | <u>\$8,504,136</u> | <u>\$6,008,341</u> |
| Loss per common share | \$ <u>0.005</u> | \$ <u>0.005</u> |
| Weighted average number of common shares during the period | <u>49,612,047</u> | <u>44,219,579</u> |

See accompanying notes

GOLDEN HOPE MINES LIMITED
 STATEMENT OF CASH FLOWS
 FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2008
 (Unaudited without review by auditor)

| | <u>2008</u> | <u>2007</u> |
|---|-------------------|--------------------|
| CASH PROVIDED BY (USED IN): | | |
| Operations: | | |
| Net loss | \$ (248,761) | \$ (234,630) |
| Changes in non-cash components of working capital | | |
| Decrease (increase) in accounts receivable | 32,713 | (26,288) |
| Decrease in notes receivable | 55,000 | - |
| Decrease in prepaid expenses | 29,795 | - |
| Increase (decrease) in accounts payable | <u>20,770</u> | <u>(267,211)</u> |
| | <u>(110,483)</u> | <u>(528,129)</u> |
| Financing Activities: | | |
| Sale of common shares for cash | 6,000 | 115,200 |
| Value of common shares issued in consideration for resource properties | 44,000 | - |
| Advances from related parties | <u>-</u> | <u>4,500</u> |
| | <u>50,000</u> | <u>119,700</u> |
| Investing Activities: | | |
| Mining claims and deferred exploration expenditures | <u>(356,780)</u> | <u>(285,026)</u> |
| Decrease in cash | (417,263) | (693,455) |
| Cash, beginning of period | <u>775,577</u> | <u>3,888,343</u> |
| Cash, end of period | <u>\$ 358,314</u> | <u>\$3,194,888</u> |

See accompanying notes

GOLDEN HOPE MINES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2008
(Unaudited without review by auditor)

1. Summary of Significant Accounting Policies

Nature of Operations

The accompanying financial statements have been prepared on the basis of accounting principles applicable to a going concern which presumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

The Company is in the process of exploring its resource properties and has not yet determined whether the properties contain economically recoverable reserves. The recovery of the amounts shown for resource properties and the related deferred expenditures is dependent upon the existence of economically recoverable reserves, confirmation of the Company's interest in the underlying mining claims, the ability of the Company to obtain necessary financing to complete the development, future profitable production and the support of the Company's trade creditors.

The financial statements do not give effect to any adjustments to the amount of assets and liabilities that might be necessary should the Company be unable to continue as a going concern and therefore, be required to realize its assets and discharge its liabilities in other than the ordinary course of business.

Mining Claims

Mining claims are carried at cost until they are brought into production at which time they are depleted on a unit-of-production basis.

Exploration expenditures relating to mining claims are deferred until the properties are brought into production at which time they are amortized on a unit-of-production basis.

The cost of claims abandoned or sold and the deferred exploration costs relating to claims abandoned or sold are charged to operations in the current year.

If, in the opinion of management, the results of exploration are not sufficiently promising to warrant further work, or further development has not occurred over a three year period there is a presumption of impairment and, accordingly, the carrying values will be written down to a nominal carrying value.

Administrative expenses

Administrative expenses are charged to operations in the year incurred.

Use of Estimates

The preparation of the Company's financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates that affect the amounts reported and disclosed in the financial statements. Actual results could differ from those estimates.

Income taxes

The Company provides for income taxes using the liability method of tax allocation. Under this method, future income tax assets and liabilities are determined based on deductible or taxable temporary differences

between financial statement values and tax values of assets and liabilities using enacted income tax rates expected to be in effect for the year in which the differences are expected to reverse.

Stock based compensation

The Company accounts for stock-based compensation in accordance with CICA Handbook section 3870 "Stock-Based Compensation and Other Stock-Based Payments." This standard requires that stock-based payments to non-employees and direct awards of stock to employees and non-employees are accounted for using a fair-value method of accounting.

Flow-through shares

The Company will from time to time issue flow-through shares to finance a portion of its capital expenditure program. Pursuant to the terms of flow-through share agreements, the tax deductions associated with the expenditures are renounced to the subscribers. Accordingly, share capital will be reduced and a future tax liability will be recorded equal to the estimated amount of future income taxes payable by the Company as a result of the renunciations, when the renunciations are made.

Earnings per share

Basic income per share is computed using the weighted average number of common shares outstanding during the year. Diluted income per share is computed using the weighted average number of common and potential common shares outstanding during the year. Potential common shares consist of the incremental common shares issuable upon the exercise of stock options and warrants using the treasury stock method.

Foreign currency translation

The monetary assets and liabilities of the Company denominated in foreign currencies are translated at the rate of exchange at the balance sheet date. Revenues and expenses are translated at the average exchange rate prevailing during the period. Exchange gains or losses are included in operations.

Accounting changes

The CICA issued section 1506 of the CICA Handbook, *Accounting Changes*, which establishes criteria for changing accounting policies and describes how to apply changes in accounting policies, accounting estimates, and changes resulting from the correction of errors. These changes, including the related disclosure requirements, came into effect as of January 1, 2007 and did not impact these financial statements.

Changes in accounting policy

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 1530"), Section 3251 "Equity", Section 3855 "Financial Instruments – Recognition and Measurement" ("Section 3855"), Section 3861 "Financial Instruments – Disclosure and Presentation" and Section 3865 "Hedges". These new 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 Canadian generally accepted accounting principles.

Under Section 3855, all financial instruments are classified into one of five categories: held-for-trading, held-to maturity investments, loans and receivables, available-for-sale financial assets or other financial liabilities. All financial instruments and 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: (1) held-for-trading financial assets are measured at fair value and changes in fair value are

recognized in net income; (2) available-for-sale financial instruments are measured at fair value with changes in fair value recorded in other comprehensive income until the instrument is unrecognized or impaired; and (3) all derivative instruments, including embedded derivatives, are recorded in the balance sheet at fair value unless they qualify for the normal sale normal purchase exemption and changes in their fair value are recorded in income unless cash flow hedge accounting is used, in which case changes in fair value are recorded in other comprehensive income.

As a result of the adoption of these new standards, the Company has classified its cash as held-for-trading.

Receivables are classified as loans and receivables. Accounts payable and accrued liabilities are classified as other financial liabilities, all of which are measured at amortized cost.

Section 3855 also provides guidance on accounting for transaction costs incurred upon the issuance of debt instruments or modification of a financial liability. Transaction costs are now deducted from the financial liability and are amortized using the effective interest method over the expected life of the related liability.

As a result of the application of Section 3855, the Company has determined that no adjustment is necessary to the opening deficit balance.

Asset Retirement Obligations

The Company follows CICA Handbook Section 3110 "Asset Retirement Obligations" which establishes standards for asset retirement obligations and associated retirement costs related to site reclamation and abandonment.

The fair value of the liability for an asset retirement obligation is recorded when it is incurred and the corresponding increase to the asset is depreciated over the life of the asset. The liability is increased over time to reflect an accretion element considered in the initial measurement at fair value. As at March 31, 2008 the Company has not incurred any significant asset retirement obligations related to the exploration and development of its mineral properties.

Impact of accounting policies not yet adopted

In December 2006, the Canadian Institute of Chartered Accountants published new Section 1535, "Capital Disclosures". The new section establishes standards for disclosing information about an entity's capital and how it is managed. This new standard is effective for fiscal years beginning on or after October 1, 2007 and the Company implemented it as of January 1, 2008. The new accounting standard only addresses disclosures and will have no impact on the Company's financial results.

In June 2007, the Canadian Institute of Chartered Accountants modified Section 1400, "General Standards of Financial Statement Presentation", in order to require that management make an assessment of the Company's ability to continue as a going concern over a period which is at least, but is not limited to, twelve months from the balance sheet date. These new requirements are effective for fiscal years beginning on or after January 1, 2008 and the Company implemented them as of January 1, 2008. The new requirements only address disclosures and will have no impact on the Company's financial results.

Financial Instrument-Disclosures, Section 3862, describes the required disclosures related to the significance of financial instruments on the entity's financial position and performance and the nature and extent of risks arising from financial instruments to which the entity is exposed and how the entity manages those risks. The section complements the principles of recognition, measurement and presentation of financial instruments of section 3855, Financial instrument-Recognition and Measurement.

Section 3863 Financial Instruments-Presentation. This section establishes standards for presentation of financial instruments and non-financial derivatives. It complements standards of Section 3861 Financial Instruments-Disclosures and Presentation. The Company is currently evaluating the impact of the adoption of this new Section on the financial statements.

2. Notes receivable

The notes receivable are due from Optimus Asset Management Inc., a Company related to a shareholder and director of the company. The notes are non-interest bearing, unsecured and due on March 31, 2008.

3. Mining Claims and Deferred Exploration Expenditures

| | Opening | Additions | Closing |
|---|---------------------|-------------------|---------------------|
| Bellechasse, Panet and Ware Townships, Quebec | | | |
| Acquisition | \$ 933,053 | \$ 113,000 | \$ 1,046,053 |
| Exploration | 9,144,986 | 243,780 | 9,388,766 |
| Pembroke, Maine, USA | | | |
| Acquisition | <u>166,051</u> | <u>-</u> | <u>166,051</u> |
| | <u>\$10,244,090</u> | <u>\$ 356,780</u> | <u>\$10,600,870</u> |

Bellechasse, Panet and Ware Townships Property

On November 19, 2007, the Company acquired the remaining interest in claims located in Bellechasse Township, Quebec, for \$275,000 on the following terms: (i) the issue of 166,668 common shares of the Company valued at \$0.30 for \$50,000 in order to earn an additional 25% interest; (ii) \$100,000 cash payable on or before May 10, 2008 in order to earn an additional 25% interest and (iii) \$125,000 cash payable on or before November 28, 2008 in order to earn the remaining 25% interest. The claims would not be subject to any royalties.

On March 3, 2008, the Company acquired five additional contiguous claims located in Bellechasse Township, Quebec on the following terms: (i) \$25,000 cash payment and the issue of 200,000 common shares of the Company valued at \$0.22 for \$44,000 upon signing the agreement and (ii) the issue of 200,000 common shares of the Company valued at \$0.22 for \$44,000 on or before December 31, 2008. The claims would not be subject to any royalties.

The property now consists of approximately 1,100 claims for a total of 47,837 hectares (118,205 acres).

Pembroke, Maine, USA

Pursuant to an agreement dated October 1, 2007, the Company had purchased the surface rights in certain properties located in Pembroke in the state of Maine, U.S.A. and described as follows:

Mains Properties - containing approximately 160 acres.

Gardner Property - containing approximately 67 acres.

Part of Wilder Properties - containing approximately 15 acres.

The properties were acquired for \$122,375 (\$125,000 USD).

On May 15, 2007, the Company reached a settlement agreement for the purchase of the land located in Pembroke, Washington County, U.S.A., being the northwestern half of lot number six (6) in the fourth (4th) range, containing approximately 100 acres, from Irene and Gary Moore, for a total settlement amount of \$41,056 (\$36,000 USD).

4. Accounts payable and accrued liabilities

Included in accounts payable is an accrual for a judgement rendered on December 2, 2004 against the company in the amount of \$79,833. At March 31, 2008, this amount is still outstanding and bears interest plus costs.

Also included in accounts payable is an accrued liability of \$225,000 for the purchase of the remaining 50% interest in claims in Bellechasse Township, Quebec, pursuant to the agreement of November 19, 2007. An additional accrued liability of \$44,000 has been recorded for the acquisition of claims located in Bellechasse Township, Quebec on March 3, 2008 (Note 3).

5. Income taxes

The tax effect of significant temporary differences representing future tax liability is as follows:

| Future income tax liabilities | 2008 | 2007 |
|-------------------------------|-------------------|-------------------|
| Renounced expenditures | \$ 1,454,000 | \$ 1,454,000 |
| Operating loss carry forwards | (636,000) | (636,000) |
| Share issue costs | <u>(130,000)</u> | <u>(130,000)</u> |
| | <u>\$ 688,000</u> | <u>\$ 688,000</u> |

As at March 31, 2008, the Company has losses carried forward which are deductible from future income for tax purposes and the losses expire as follows:

| | |
|------|---------------------|
| 2008 | \$ 148,000 |
| 2009 | 99,000 |
| 2010 | 197,000 |
| 2011 | 142,000 |
| 2015 | 91,000 |
| 2016 | 138,000 |
| 2017 | <u>945,000</u> |
| | <u>\$ 1,760,000</u> |

As at March 31, 2008, the Company had exploration and development expenses totaling approximately \$6,220,000 available to reduce future years' taxation income.

6. Related party transactions

The Company was charged management fees in the amount of nil (2007 - \$4,500) from 154327 Canada Inc., a Company controlled by the past chairman and president of the Company.

The Company was charged management fees in the amount of \$23,000 (2007 - \$52,000) by the current president of the Company.

The Company was charged management fees in the amount of \$24,000 (2007 - \$8,000) by 9132-8757 Quebec Inc., a Company owned by the vice-president of the Company.

During the period, the current president of the Company was entitled to reimbursement of expenses of \$15,745 (2007 - \$9,525).

During the period, the vice-president of the Company was entitled to reimbursement of expenses of \$3,412 (2007 - \$11,223).

7. Share capital**Common shares**

| | Number of shares | Amount |
|---|-------------------|----------------------|
| Balance, December 31, 2007 | 49,631,047 | \$ 15,038,822 |
| Issued on exercise of options for cash | 40,000 | 6,000 |
| Issued in consideration for resource properties | <u>200,000</u> | <u>44,000</u> |
| Balance, March 31, 2008 | <u>49,871,047</u> | <u>\$ 15,088,822</u> |

At March 31, 2008, the following warrants were outstanding:

| Warrants | Price | Expiry |
|------------------|-------------|---------------------|
| 1,075,000 | \$0.20 | May 31, 2008 |
| 2,900,000 | 0.20 | June 5, 2008 |
| <u>2,000,000</u> | <u>0.75</u> | <u>June 5, 2008</u> |
| <u>5,975,000</u> | | |

8. Stock based compensation

A summary of the status of the Company's stock option plan as of March 31, 2008 and 2007 and changes during the periods then ended are as follows:

| | Number of options | 2008 Weighted Average Exercise Price | Number of options | 2007 Weighted Average Exercise Price |
|----------------------------------|----------------------|---|----------------------|--|
| Outstanding, beginning of period | 5,165,000 | \$ 0.32 | 8,794,000 | \$ 0.27 |
| Exercised during the period | (40,000) | 0.15 | - | - |
| Expired during the period | <u>(189,000)</u> | <u>0.14</u> | <u>-</u> | <u>-</u> |
| Outstanding, end of period | <u>4,936,000</u> | <u>\$ 0.33</u> | <u>8,794,000</u> | <u>\$ 0.27</u> |

At March 31, 2008, the following stock options were outstanding:

| Options | Price | Expiry |
|-----------|--------|--------------------|
| 450,000 | \$0.15 | February 24, 2009 |
| 44,000 | 0.20 | June 15, 2009 |
| 50,000 | 0.20 | July 6, 2009 |
| 32,000 | 0.20 | April 4, 2010 |
| 100,000 | 0.25 | May 19, 2010 |
| 4,260,000 | 0.35 | September 30, 2010 |

9. Segmented information

The Company's operations comprise a single reporting operating segment engaged in the exploration of mineral resources. As operations comprise a single reporting segment amounts disclosed in the financial statements for revenue, expenses and loss for the period also represent segment amounts.

10. Comments for U.S. readers

Differences in the Generally Accepted Accounting Principles ("GAAP") between those utilized in Canada and those utilized in the United States create differences in the treatment of certain transactions and the

disclosures contained in the financial statements. Accordingly, disclosure of those differences and reconciliation with United States accounting practices is appropriate for United States readers of the financial statements.

The financial statements of the Company for the three month period ended March 31, 2008 and the year ended December 31, 2007 have been prepared in accordance with the generally accepted accounting principles as applied in Canada (Canadian "GAAP"). In the following respects, generally accepted accounting principles as applied in the United States ("U.S. GAAP") differ from those applied in Canada.

There would be no adjustments needed to arrive at net loss for the three month period ended March 31, 2008 and the year ended December 31, 2007 if U.S. GAAP were employed. Similarly, there would be no adjustments needed to arrive at shareholders' equity as at March 31, 2008 and December 31, 2007 if U.S. GAAP were employed.

Accounting for future (deferred) income tax

The significant differences between U.S. GAAP and Canadian GAAP in the accounting for future income taxes relate to the treatment of proposed changes in income tax rates and terminology. Under Canadian GAAP, future income tax assets and liabilities are measured using substantively enacted tax rates and laws expected to apply when the differences between the accounting basis and tax basis of assets and liabilities reverse. Under U.S. GAAP, future income tax assets and liabilities are called deferred income tax assets and liabilities and are measured using only currently enacted tax rates and laws. As at March 31, 2008 and December 31, 2007, the difference in rate determination did not result in any adjustments from Canadian to U.S. GAAP since any deferred tax assets were not considered more likely than not to be realized and, accordingly, a full valuation allowance was recorded on such assets.

Contributed surplus

There is a difference between U.S. GAAP and Canadian GAAP for contributed surplus with respect to terminology. Under U.S. GAAP, contributed surplus is called "additional paid in capital".

11. Statement of Shareholders' Equity

| | Common Shares | | Share Subscription | Contributed Surplus | Deficit | Total |
|--|---------------|-------------|--------------------|---------------------|---------------|-------------|
| | Shares | Amount | | | | |
| Balance, December 31, 2005 | 26,001,829 | \$9,857,321 | \$5,000 | \$51,019 | \$(4,349,459) | \$5,563,881 |
| Sale of common shares for cash – net of share issue costs | 17,082,053 | 4,836,296 | (5,000) | - | - | 4,831,296 |
| Common shares issued on settlement of debt | 1,549,190 | 531,783 | - | - | - | 531,783 |
| Common shares issued to satisfy finders fees | 298,507 | 36,500 | - | - | - | 36,500 |
| Fair value of stock based compensation | - | - | - | 1,426,900 | - | 1,426,900 |
| Fair value of purchase warrants | - | (1,029,024) | - | 1,029,024 | - | - |
| Reallocation on exercise of options and warrants | - | 127,261 | - | (127,261) | - | - |
| Tax benefit of share issue costs | - | 218,000 | - | - | - | 218,000 |

| | | | | | | |
|--|-------------------|---------------------|------------|--------------------|----------------------|---------------------|
| Net loss | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(1,424,252)</u> | <u>(1,424,252)</u> |
| Balance, December 31, 2006 | 44,931,579 | 14,578,137 | - | 2,379,682 | (5,773,711) | 11,184,108 |
| Sale of common shares for cash | 4,152,800 | 725,560 | - | - | - | 725,560 |
| Common shares issued on settlement of debt | 380,000 | 57,000 | - | - | - | 57,000 |
| Common shares issued for mining claims | 166,668 | 50,000 | - | - | - | 50,000 |
| Reduction for future income tax liability | - | (722,400) | - | - | - | (722,400) |
| Fair value of stock based compensation | - | - | - | 1,422,264 | - | 1,422,264 |
| Reallocation on exercise of options and warrants | - | 350,525 | - | (350,525) | - | - |
| Net loss | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(2,481,664)</u> | <u>(2,481,664)</u> |
| Balance, December 31, 2007 | 49,631,047 | 15,038,822 | - | 3,451,421 | (8,255,375) | 10,234,868 |
| Sale of common shares for cash | 40,000 | 6,000 | - | - | - | 6,000 |
| Common shares issued for mining claims | 200,000 | 44,000 | - | - | - | 44,000 |
| Net loss | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(248,761)</u> | <u>(248,761)</u> |
| Balance, March 31, 2008 | <u>49,871,047</u> | <u>\$15,088,822</u> | <u>\$-</u> | <u>\$3,451,421</u> | <u>\$(8,504,136)</u> | <u>\$10,036,107</u> |

 **GOLDEN HOPE**
MINES LIMITED**MANAGEMENT'S DISCUSSION AND ANALYSIS****Three month period ended March 31, 2008**

This Management's Discussion and Analysis ("MD&A") of results of operations and financial condition of Golden Hope Mines Limited ("Golden Hope" or "the Company") describes the operating and financial results of the Company for the three month period ended March 31, 2008. The MD&A supplements do not form part of the Financial Statements of the Company and should be read in conjunction with Golden Hope's unaudited Financial Statements and related notes for the three month period ended March 31, 2008.

The Company prepares and files its Financial Statements in accordance with Canadian generally accepted accounting principles ("GAAP"). All dollar amounts herein are in Canadian currency unless otherwise specified.

Forward-looking Statements

Some statements contained in this MD&A are forward-looking, and therefore involve uncertainties or risks that could cause actual results to differ materially. The Company disclaims any obligation to update forward-looking statements.

Date of MD&A

This MD&A was prepared using information that is current as at May 21, 2008, unless otherwise stated.

Overall Performance

Golden Hope Mines Limited is a junior mining company focused on the acquisition, exploration and development of potentially large-scale gold and base metal projects with both underground and open-pit mining potential. Golden Hope's projects are located in Quebec, Canada and Maine, USA.

During the 2006 fiscal year, the Company was able to successfully complete a turnaround. Management closed multiple rounds of financings, hired James Tisley, P.Eng. to lead the exploration team and received research coverage from Cormark Securities. In February 2007, the Board of Directors invited Louis Hoël to become a director and in March he was appointed President of Golden Hope. In September 2007, Frank Candido was appointed Vice President and a Director.

In April 2008 Mr. Andre J. Douchane was appointed to the Board of Directors. Mr. Douchane has over 35 years mining industry experience at all levels.

Mr. Douchane is currently the President and CEO of Starfield Resources Inc. (SRU: TSX); the Chairman of the Board of North American Palladium Ltd. (PDL: TSX), (PAL: AMEX) and a member of the Board of Directors of Osisko Exploration Ltd. (OSK:TSX), (EWX: Deutsche Bourse).

From 1996 to 2001 Mr. Douchane was also the Vice President of Operations for Franco-Nevada Mining Corporation (FNV: TSX). During that time, Mr. Douchane's responsibilities included putting together the team that permitted, designed, engineered, developed, constructed, and managed the operations of Franco-Nevada's high grade underground gold mine and mill in Midas, Nevada.

Mr. Douchane holds a Bachelors Degree in Mining Engineering from the New Mexico Institute of Mining and Technology. He has also completed the Executive Business Program at the Kellogg School of Business.

Mineral Properties

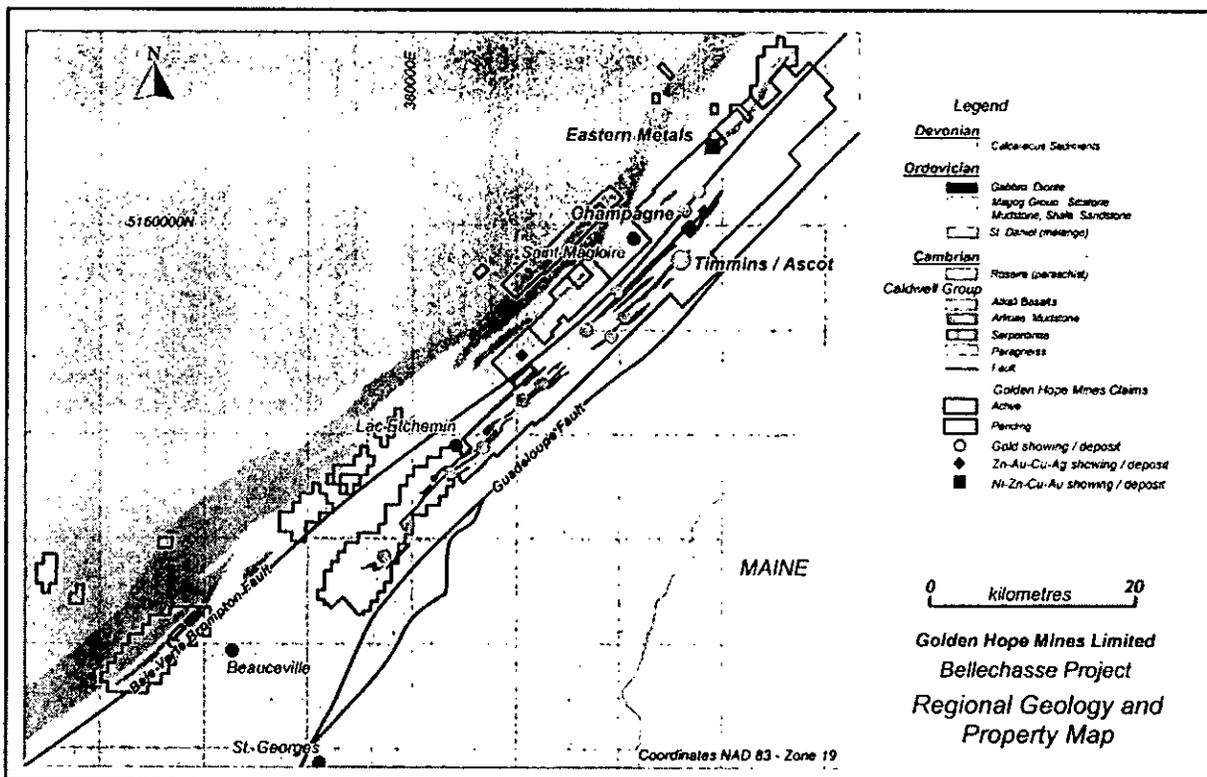
The Company's exploration focuses are a large mineral property in Bellechasse, south east of Quebec City as well as a regional approach in Maine, USA.

Bellechasse Gold Project

The 100% owned Bellechasse property is located south east of Quebec City at the end of the Appalachian mountain range of mountains. The property consists of approximately 1,100 claims totaling 47,837ha (118,205 acres). It covers over 85% of a known mineralized belt. The Quebec property covers an area of continental collision in which thrust faulting is common. Locally, this collision terrain is part of the Appalachian Mountain fold belt. Widespread gold mineralization has also been found between Bellechasse and west of the Chaudière River.

Mineralization with potential economic interest is hosted in zones of fracturing and brecciation in the older intrusives or other pre-existing competent rocks in structural features related to regional trans-current/transform faults.

Regional prospecting has located a series of post-Taconic ultrabasic bodies with associated alteration zones that contain base and precious metals. These are being mapped geologically and geophysically. Further detailed examination including trenching, sampling and diamond drilling is planned.



Background Information

Timmins Gold Deposit

The Timmins gold zone is hosted by an early diorite intrusive emplaced in Lower Palaeozoic sediments of southeastern Quebec. Gold was first confirmed in the Bellechasse area in 1950, and the Ascot and Timmins 1 zones were discovered at that time.

A third mineralized body was indicated by shallow diamond drilling in 1952 and referred to as the Timmins South Zone (now called Timmins 2). Due to thick overburden, trenching did not reach bedrock and the mineralized zone was not exposed. Little subsequent work was done until the current program began in the fall of 2006.

The Timmins 1, Timmins 2, and Ascot zones appear to be parts of one structural system. These three mineralized zones lie within an area measuring approximately 150 meters by 450 meters.

Management believes that, because of the geological setting, these mineralized zones show potential for significant continuity to depth (at least 1,000 meters). The deepest diamond drill hole at Timmins 1 reached 308 metres below surface and confirmed vertical continuity of the mineralized system.

The Ascot Zone in Lot 10, Range 2 Bellechasse Township has been exposed by trenching along a strike length of 210 metres where the overburden cover is less than two metres, and channel sampling of the exposed portion will be completed shortly. Additional trenching to the west and to the east followed by diamond drilling for structure and possibly large-diameter drilling to establish grade is planned.

2007 Exploration Program and Results

Timmins

In May, the Company hired Major Kennebec Drilling of Quebec (a subsidiary of Major Drilling Group International) to conduct a 5,700-foot diamond drilling program on several promising targets across the Bellechasse project. The first phase of this latest drilling is focused on the Timmins gold deposit, aiming to define the structure, continuity and extent of this particular quartz vein deposit, which is one of numerous mineralized zones identified on the property thus far. Nineteen diamond drill holes (1,5 metres were completed on the Timmins Zone and three holes (472.2 metres) tested the nearby Timmins 2 Zone.

Table 1 - Assay Results For Two Diamond Drill Holes at Timmins 2 Zone *

| Hole no. | From (m) | To (m) | Length (m) | Grade Au (g/t) |
|------------------|----------|--------|------------|----------------|
| BD2007-66 | 48.62 | 55.07 | 6.45 | 7.51 |
| Including | 51.98 | 53.07 | 1.09 | 34.8 |
| | | | | |
| BD2007-67 | 37.86 | 56.64 | 18.78 | 1.85 |
| Including | 48.75 | 53.77 | 5.02 | 4.07 |

In October and November of 2007, trenching and excavation along Timmins 2 indicated a length of at least 200 metres. This expanded zone features a surface width of 10 metres at the western end, widening to over 80 metres in Trench 2, while still being open to the northeast.

The bedrock exposed by trenching was sampled by blasting a series of 140 contiguous advances. Each advance measured 1.0 metre x 1.5 metres x 1.5 metres and broke approximately 6 tonnes, of which 100kg to 200kg has been collected for processing. An additional 45 similar blast samples were taken from Timmins 1. All samples were crushed to 95%+ passing 20 mesh and progressively riffle split at our sample preparation facility to give two one-kilogram samples for Standard Fire Assay at Eastern Analytical Limited, Springdale Newfoundland.

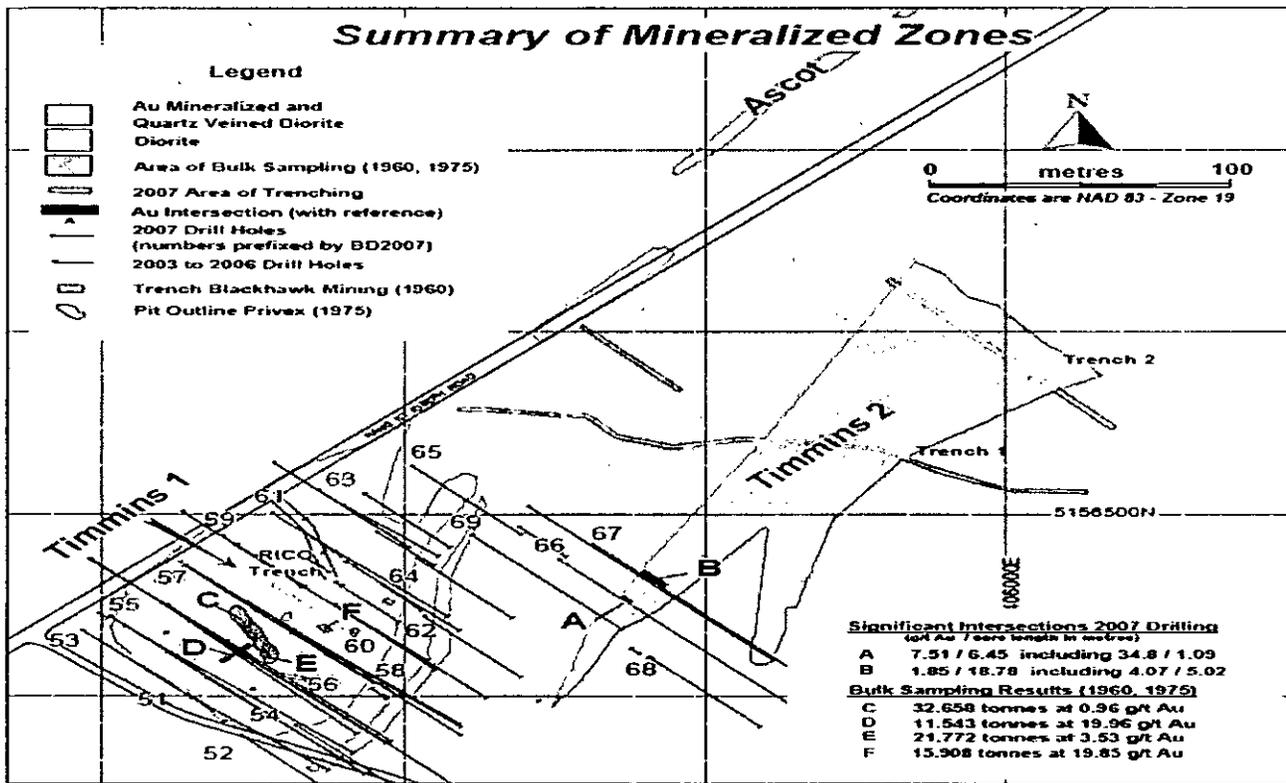


Table 1. Weight and grades of samples and splits:

| SAMPLE # | area | TYPE | Interval | | Sample weight as received (kg) | 1 kilogram SAMPLE SPLITS | Au | Simple weighed av. grade |
|----------|------|--------|----------|-------|--------------------------------|--------------------------|------|--------------------------|
| | | | begin m | end m | | | | |
| 74302 | Rico | trench | | | 74.4 | | | 2.000 |
| | | | | | | 74302-40C | 337 | |
| | | | | | | 74302-40D | 3690 | |
| 74761 | Rico | trench | 2.00 | 3.00 | 81.6 | | | 1.250 |
| | | | | | | 74761-40C | 1105 | |
| | | | | | | 74761-40D | 1397 | |
| 74762 | Rico | trench | 3.00 | 4.00 | 76.8 | | | 1.955 |
| | | | | | | 74762-40C | 2080 | |
| | | | | | | 74762-40D | 1830 | |
| 74763 | Rico | trench | 4.00 | 5.00 | 90.5 | | | 2.620 |
| | | | | | | 74763-40C | 3615 | |
| | | | | | | 74763-40D | 1630 | |
| 74764 | Rico | trench | 5.00 | 6.00 | 90.000 | | | 3.068 |
| | | | | | | 74764-40C | 2758 | |
| | | | | | | 74764-40D | 3379 | |
| 74765 | Rico | trench | 6.00 | 7.00 | 96.800 | | | 2.920 |
| | | | | | | 74765-40C | 4448 | |
| | | | | | | 74765-40D | 1395 | |
| 74766 | Rico | trench | 7.00 | 8.00 | 81.400 | | | 0.947 |
| | | | | | | 74766-40C | 585 | |
| | | | | | | 74766-40D | 1310 | |
| 74768 | Rico | trench | 9.00 | 10.00 | 69.900 | | | 1.069 |

| | | | | | | | |
|--------------|-------------|---------------|-------|-------|---------------|-------|---------------|
| | | | | | 74768-40C | 1073 | |
| | | | | | 74768-40D | 1066 | |
| 74774 | Rico | trench | 15.00 | 16.00 | 69.400 | | 27.030 |
| | | | | | 74774-40C | 34669 | |
| | | | | | 74774-40D | 19388 | |
| 74775 | Rico | trench | 16.00 | 17.00 | 88.2 | | 1.860 |
| | | | | | 74775-40C | 2210 | |
| | | | | | 74775-40D | 1503 | |
| 74776 | Rico | trench | 17.00 | 18.00 | 86.200 | | 6.360 |
| | | | | | 74776-40C | 7060 | |
| | | | | | 74776-40D | 5661 | |
| 74777 | Rico | trench | 18.00 | 19.00 | 75.300 | | 1.280 |
| | | | | | 74777-40C | 1093 | |
| | | | | | 74777-40D | 1472 | |
| 74778 | Rico | trench | 19.00 | 20.00 | 65.2 | | 13.950 |
| | | | | | 74778-40C | 16570 | |
| | | | | | 74778-40D | 11335 | |
| 74779 | Rico | trench | 20.00 | 21.00 | 71.5 | | 9.050 |
| | | | | | 74779-40C | 7943 | |
| | | | | | 74779-40D | 10166 | |
| 74781 | Rico | trench | 22.00 | 23.00 | 79.3 | | 1.040 |
| | | | | | 74781-40C | 1346 | |
| | | | | | 74781-40D | 734 | |
| 74782 | Rico | trench | 23.00 | 24.00 | 72.3 | | 10.850 |
| | | | | | 74782-40C | 21648 | |
| | | | | | 74782-40D | 54 | |
| 74785 | Rico | trench | 26.00 | 27.00 | 72.200 | | 9.290 |
| | | | | | 74785-40C | 11051 | |
| | | | | | 74785-40D | 7524 | |
| 74786 | Rico | trench | 27.00 | 28.00 | 96.1 | | 20.370 |
| | | | | | 74786-40C | 20178 | |
| | | | | | 74786-40D | 20553 | |
| 74787 | Rico | trench | 28.00 | 29.00 | 75.3 | | 4.240 |
| | | | | | 74787-40C | 4764 | |
| | | | | | 74787-40D | 3724 | |
| 74788 | Rico | trench | 29.00 | 30.00 | 62 | | 7.710 |
| | | | | | 74788-40C | 14323 | |
| | | | | | 74788-40D | 1098 | |
| 74789 | Rico | trench | 30.00 | 31.00 | 79 | | 3.770 |
| | | | | | 74789-40C | 5503 | |
| | | | | | 74789-40D | 2032 | |
| 74790 | Rico | trench | 31.00 | 32.00 | 61.1 | | 1.430 |
| | | | | | 74790-40C | 1490 | |
| | | | | | 74790-40D | 1374 | |
| 74791 | Rico | trench | 32.00 | 33.00 | 67.8 | | 1.250 |
| | | | | | 74791-40C | 977 | |
| | | | | | 74791-40D | 1519 | |
| 74794 | Rico | trench | 35.00 | 36.00 | 77.800 | | 1.190 |
| | | | | | 74794-40C | 793 | |
| | | | | | 74794-40D | 1579 | |
| 74795 | Rico | trench | 36.00 | 37.00 | 72.8 | | 1.010 |
| | | | | | 74795-40C | 1129 | |
| | | | | | 74795-40D | 884 | |

28 consecutive samples have a weighed average of 4.65g/t Au for a length of 28 meters.

Ascott Vein

A total of 68 preliminary samples were collected from seven trenches across the Ascot vein, which is part of the large Timmins gold deposit (see accompanying maps). Sample weights ranged from approximately seven to 37 kg, for a total of 1,473 kg. Each sample was crushed, quartered, and four cuts of one kg each were sent for standard fire assay at Eastern Analytical Limited of Springdale, Newfoundland.

Individual assays ranged from 0 to 34 g/t, while the weighted average gold content for those of the 68 samples taken from within the vein range from mineralized background (more than 150 ppb) to a maximum of 4.38 g/t.

Maine, USA

The Company has taken a regional approach in Maine, USA. Management recognized that the geological environment is very similar to the one in New Brunswick, where mining and exploration activity is presently booming. Golden Hope built an extensive database of known deposits and grass roots properties. The results of this investigation have shown great potential for the region and its mineral resources. They also established and targeted diverse ownership groups and have started negotiations to lease or acquire mineralized zones. The goal is to build a portfolio of deposits in Maine to facilitate potential mining operations and ensure their economical potential.

The Company established relationships with the diverse government bodies responsible for the regulation of natural resources, exploration and extraction in Maine. These relationships include such offices as the Department of Environmental Protection (DEP), the State Geologist and the Governor's office. Management's current understanding of the state, its geology and working environment will be a key factor in the Company's success in Maine. Golden Hope will aggressively pursue its acquisition and exploration program there in the next few years.

Capital Resources

Financings

During 2006 the Company was able to substantially increase its capital reserves through multiple rounds of financings at increasing prices per share. From May to August 2006, Golden Hope raised a total of \$835,000, issuing a total of 7,685,065 shares and 7,685,065 warrants.

On December 6, 2006 the Company closed a \$4.2 million brokered private placement led by Spratt Securities and Dundee Securities of Toronto. This placement included \$2 million of flow-through shares, to pay exploration expenses (as such term is defined in the Canadian Income Tax Act) on its Bellechasse Gold Project.

During the year ended December 31, 2007, 2,630,000 options were exercised to purchase common shares at a price of \$0.15 per share for \$394,500 cash, 400,000 options were exercised to purchase common shares at a price of \$0.20 per share for \$80,000 cash an additional 50,000 options were exercised to purchase common shares at a price of \$0.35 per share for \$17,500 cash and 1,452,800 warrants were exercised to purchase common shares at a price of \$0.20 per share for \$290,560 cash.

On February 22, 2008, 40,000 options were exercised by a Director to purchase common shares at a price of \$0.15 per share for \$6,000 cash.

As at March 31, 2008 the Company's cash, cash equivalents and short-term investments were \$358,314. These funds will allow the Company to meet all its obligations to the end of the fourth quarter of 2008, including all projected exploration/development costs and corporate expenses.

Results of Operations

Summary of Quarterly Results

The following tables set out financial performance highlights for the last eight quarters and were prepared in accordance with Canadian GAAP.

| | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 |
|--|------------|-------------|------------|------------|------------|-------------|-----------|-----------|
| | 31-Mar-08 | 31-Dec-07 | 30-Sep-07 | 30-Jun-07 | 31-Mar-07 | 31-Dec-06 | 30-Sep-06 | 30-Jun-06 |
| Revenues | \$7,217 | \$9,880 | \$24,588 | \$30,618 | \$28,360 | \$7,680 | \$0 | \$0 |
| Expenses | 255,978 | 1,402,289 | 588,009 | 321,822 | 262,990 | 1,467,494 | 216,210 | (268,506) |
| Net income (loss) | (248,761) | (1,392,409) | (563,421) | (291,204) | (234,630) | (1,459,814) | (216,210) | 268,506 |
| Net income (loss) per share | \$0.01 | \$(0.02) | \$(0.01) | \$(0.01) | \$(0.01) | \$(0.01) | \$(0.01) | \$0.01 |
| Cash flow from (used in) operations | (110,483) | (679,760) | (476,644) | (442,732) | (528,129) | 543,752 | (379,095) | (261,479) |
| Cash & cash equivalents, end of period | 358,314 | 775,577 | 2,040,616 | 2,660,000 | 3,194,888 | 3,888,343 | 166,600 | 265,106 |
| Assets | 11,283,207 | 11,461,198 | 11,705,747 | 11,905,454 | 11,828,829 | 12,210,970 | 8,004,000 | 7,839,906 |
| Long-term liabilities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Dividends | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Golden Hope's operations during the three month period ended March 31, 2008 were focused on exploration. During the three month period ended March 31, 2008, the Company's expenses decreased to \$255,978 from \$262,990 for the three month period ended March 31, 2007 due to decreased overhead costs associated with the closing of the executive office formerly located in Montreal. The Company's net loss for the three month period ended March 31, 2008 increased to \$248,761 from \$234,630 for the three month period ended March 31, 2007 due to a decrease in interest earned.

Summary of Annual Results

The following tables set out financial performance highlights for the past three fiscal years, prepared in accordance with Canadian GAAP.

| | Twelve months ended December 31, 2007 | Twelve months ended December 31, 2006 | Twelve months ended December 31, 2005 |
|--|---------------------------------------|---------------------------------------|---------------------------------------|
| Revenues | 93,446 | \$7,680 | 0 |
| Expenses | 2,575,110 | 1,431,932 | 73,405 |
| Net income (loss) | (2,481,664) | (1,424,252) | (73,405) |
| Net income (loss) per share | \$(0.05) | \$(0.05) | \$(0.01) |
| Cash flow from (used in) operations | (2,127,265) | (55,001) | (68,499) |
| Cash & cash equivalents, end of period | 775,577 | 3,888,343 | 3,343 |
| Assets | 11,461,198 | 7,210,970 | 7,322,200 |
| Long-term liabilities | 0 | 0 | 0 |
| Dividends | 0 | 0 | 0 |

Off-Balance Sheet Arrangements

The Corporation has no off-balance sheet arrangements.

Transactions with Related Parties

Notes for \$50,000 are receivable from a company in which the Vice President and a director of the Company has an interest, are non-interest bearing, unsecured and due on or before March 31, 2008.

The President of the Company was paid \$23,000 in management fees (2007 – \$52,000) and was reimbursed expenses of \$15,745 (2007 – \$9,525). Also during the period, a company of which the Vice President of Golden Hope is sole director, officer and shareholder, was paid \$24,000 in management fees (2007 – \$8,000) and was directly reimbursed expenses of \$3,412 (2007 – \$11,223).

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Changes in Accounting Policies

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 1530"), Section 3251 "Equity", Section 3855 "Financial Instruments – Recognition and Measurement" ("Section 3855"), Section 3861 "Financial Instruments – Disclosure and Presentation" and Section 3865 "Hedges". These new 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 Canadian generally accepted accounting principles.

Under Section 3855, all financial instruments are classified into one of five categories: held-for-trading, held-to-maturity investments, loans and receivables, available-for-sale financial assets or other financial liabilities. All financial instruments and 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: (1) held-for-trading financial assets are measured at fair value and changes in fair value are recognized in net income; (2) available-for-sale financial instruments are measured at fair value with changes in fair value recorded in other comprehensive income until the instrument is unrecognized or impaired; and (3) all derivative instruments, including embedded derivatives, are recorded in the balance sheet at fair value unless they qualify for the normal sale normal purchase exemption and changes in their fair value are recorded in income unless cash flow hedge accounting is used, in which case changes in fair value are recorded in other comprehensive income.

As a result of the adoption of these new standards, the Company has classified its cash as held-for-trading.

Receivables are classified as loans and receivables. Accounts payable and accrued liabilities are classified as other financial liabilities, all of which are measured at amortized cost.

Section 3855 also provides guidance on accounting for transaction costs incurred upon the issuance of debt instruments or modification of a financial liability. Transaction costs are now deducted from the financial liability and are amortized using the effective interest method over the expected life of the related liability.

As a result of the application of Section 3855, the Company has determined that no adjustment is necessary to the opening deficit balance.

Asset Retirement Obligations

The Company follows CICA Handbook Section 3110 "Asset Retirement Obligations" which establishes standards for asset retirement obligations and associated retirement costs related to site reclamation and abandonment. The fair value of the liability for an asset retirement obligation is recorded when it is incurred and the corresponding increase to the asset is depreciated over the life of the asset.

The liability is increased over time to reflect an accretion element considered in the initial measurement at fair value. As at March 31, 2008 the Company has not incurred any significant asset retirement obligations related to the exploration and development of its mineral properties.

Impact of accounting policies not yet adopted

In December 2006, the Canadian Institute of Chartered Accountants published new Section 1535, "Capital Disclosures". The new section establishes standards for disclosing information about an entity's capital and how it is managed. This new standard is effective for fiscal years beginning on or after October 1, 2007 and the Company implemented it as of January 1, 2008. The new accounting standard only addresses disclosures and will have no impact on the Company's financial results.

In June 2007, the Canadian Institute of Chartered Accountants modified Section 1400, "General Standards of Financial Statement Presentation", in order to require that management make an assessment of the Company's ability as a going concern over a period which is at least, but is not limited to, twelve months from the balance sheet date. These new requirements are effective for fiscal years beginning on or after January 1, 2008 and the Company implemented them as of January 1, 2008. The new requirements only address disclosures and will have no impact on the Company's financial results.

Financial Instrument-Disclosures, Section 3862, describes the required disclosures related to the significance of financial instrument on the entity's financial position and performance and the nature and extent of risks arising from financial instruments to which the entity is exposed and how the entity manages those risks. The section complements the principles of recognition, measurement and presentation of financial instruments of section 3855, Financial instrument-Recognition and Measurement.

Section 3863 Financial Instruments-Presentation. This section establishes standards for presentation of financial instruments and non-financial derivatives. It complements standards of Section 3861 Financial Instruments-Disclosures and Presentation. The Company is currently evaluating the impact of the adoption of this new Section on the financial statements.

Risk Considerations

Nature of Mineral Exploration and Development Projects

Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that exploration efforts will continue to be successful. Success in establishing reserves is a result of a number of factors, including the quality of management, the Company's level of geological and technical expertise, the quality of land available for exploration and other factors. Once mineralization is discovered, it may take several years in the initial phases of drilling until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable reserves through drilling, to determine the optimal metallurgical process to extract the metals from the ore and, in the case of new properties, to construct mining and processing facilities.

Because of these uncertainties, no assurance can be given that exploration programs will result in the establishment or expansion of resources or reserves. Whether a resource deposit will ultimately be commercially viable depends on a number of factors, including the particular attributes of the deposit such as the deposit's size; its proximity to existing infrastructure; financing costs and the prevailing prices for the applicable minerals. Development projects have no operating history upon which to base estimates of future cash operating costs. Particularly for development projects, resource estimates and estimates of cash operating costs are, to a large extent, based upon the interpretation of geologic data obtained from drill holes and other sampling techniques, and feasibility studies, which derive estimates of cash operating costs based upon anticipated tonnage and grades of ore to be mined and processed, ground conditions, the configuration of the ore body, expected recovery rates of minerals from the ore, estimated operating costs, anticipated climatic conditions and other factors. As a result, it is possible that actual cash operating costs and economic returns could differ significantly from those estimated for a project before production. It is not unusual for new mining operations to experience problems during the start-up phase, and delays in the commencement of production often can occur. The Company's business of exploring for mineral resources involves a variety of operational, financial and regulatory risks that are typical in the natural resource industry. The Company attempts to mitigate these risks and minimize their effect on its financial performance, but there is no guarantee that the Company will be profitable in the future, and the Company's common shares should be considered speculative.

There can be no assurance that any funding required by the Company will become available to it, and if so, that it will be offered on reasonable terms, or that the Company will be able to secure such funding through third party financing or cost sharing arrangements. Furthermore, there is no assurance that the Company will be able to secure new mineral properties or projects, or that they can be secured on competitive terms.

Proposed Transactions

There are no material decisions by the board of directors of the Company with respect to any imminent or proposed transactions that have not been disclosed.

Critical Accounting Estimates

Critical accounting estimates represent estimates that are highly uncertain and for which changes in those estimates could materially impact the financial statements. The following accounting estimates are critical: the measurement of future income tax assets and liabilities and assessment of the need to record valuation allowances against those assets; valuation of options; and capitalized mineral property and deferred exploration expenditures.

Costs relating to the acquisition, exploration and development of non-producing resource properties are capitalized until such time as either economically recoverable reserves are established or the properties are sold or abandoned. Based on the results at the conclusion of each phase of an exploration program, management re-evaluates properties that are not suitable as prospects to determine if future exploration is warranted, and that carrying values are appropriate. The decision to capitalize exploration expenditures and the timing of the recognition that capitalized exploration is unlikely to have future economic benefits can materially affect the reported earnings of the Corporation.

Summary of Significant Accounting Policies

The accompanying Financial Statements have been prepared on the basis of accounting principles applicable to a going concern which presumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

The Company is in the process of exploring its resource properties and has not yet determined whether the properties contain economically recoverable reserves. The recovery of the amounts shown for resource properties and the related deferred expenditures is dependent upon the existence of economically recoverable reserves, confirmation of the Company's interest in the underlying mining claims, the ability of the Company to obtain necessary financing to complete the development, future profitable production and the support of the Company's trade creditors.

The Financial Statements do not give effect to any adjustments to the amount of assets and liabilities that might be necessary should the Company be unable to continue as a going concern and therefore, be required to realize its assets and discharge its liabilities in other than the ordinary course of business.

Mining Claims

Mining claims are carried at cost until they are brought into production at which time they are depleted on a unit-of-production basis.

Exploration expenditures relating to mining claims are deferred until the properties are brought into production at which time they are amortized on a unit-of-production basis.

The cost of claims abandoned or sold and the deferred exploration costs relating to claims abandoned or sold are charged to operations in the current year.

If, in the opinion of management, the results of exploration are not sufficiently promising to warrant further work, or further development has not occurred over a three-year period there is a presumption of impairment and, accordingly, the carrying values will be written down to a nominal carrying value.

Administrative Expenses

Administrative expenses are charged to operations in the year incurred.

Stock-based Compensation

The Company accounts for stock-based compensation in accordance with CICA Handbook section 3870 "Stock-Based Compensation and Other Stock-Based Payments". This standard requires that stock-based payments to non-employees and direct awards of stock to employees and non-employees are accounted for using a fair-value method of accounting.

Flow-through Shares

The Company will from time to time issue flow-through shares to finance a portion of its capital expenditure program. Pursuant to the terms of flow-through share agreements, the tax deductions associated with the expenditures are renounced to the subscribers. Accordingly, share capital will be reduced and a future tax liability will be recorded equal to the estimated amount of future income taxes payable by the Company as a result of the renunciations, when the renunciations are made.

Earnings per Share

Basic income per share is computed using the weighted *average* number of common shares outstanding during the year. Diluted income per share is computed using the weighted *average* number of common and potential common shares outstanding during the year. Potential common shares consist of the incremental common shares issuable upon the exercise of stock options and warrants using the treasury stock method.

Mining Claims and Deferred Exploration Expenditures

| | Opening | Additions | Closing |
|---|---------------------|-------------------|---------------------|
| Bellechasse, Panet and Ware Townships, Quebec | | | |
| Acquisition | \$ 933,053 | \$ 113,000 | \$ 1,046,053 |
| Exploration | 9,144,986 | 243,780 | 9,388,766 |
| Pembroke, Maine, USA | | | |
| Acquisition | <u>166,051</u> | <u>-</u> | <u>166,051</u> |
| | <u>\$10,244,090</u> | <u>\$ 356,780</u> | <u>\$10,600,870</u> |

Bellechasse, Panet and Ware Townships Property

On November 19, 2007, the Company acquired the remaining interest in claims located in Bellechasse Township, Quebec, for \$275,000 on the following terms: (i) the issue of 166,668 common shares of the Company valued at \$0.30 for \$50,000 in order to earn an additional 25% interest; (ii) \$100,000 cash payable on or before May 10, 2008 in order to earn an additional 25% interest and (iii) \$125,000 cash payable on or before November 28, 2008 in order to earn the remaining 25% interest. The claims would not be subject to any royalties.

On March 3, 2008, the Company acquired five additional contiguous claims located in Bellechasse Township, Quebec on the following terms: (i) \$25,000 cash payment and the issue of 200,000 common shares of the Company valued at \$0.22 for \$44,000 upon signing the agreement and (ii) the issue of 200,000 common shares of the Company valued at \$0.22 for \$44,000 on or before December 31, 2008. The claims would not be subject to any royalties.

The property now consists of approximately 1,100 claims for a total of 47,837 hectares (118,205 acres).

Pembroke, Maine, USA

Pursuant to an agreement dated October 1, 2007, the Company had purchased the surface rights in certain properties located in Pembroke in the state of Maine, U.S.A. and described as follows:

Mains Properties - containing approximately 160 acres.

Gardner Property - containing approximately 67 acres.

Part of Wilder Properties - containing approximately 15 acres.

The properties were acquired for \$122,375 (\$125,000 USD).

On May 15, 2007, the Company reached a settlement agreement for the purchase of the land located in Pembroke, Washington County, U.S.A., being the northwestern half of lot number six (6) in the fourth (4th) range, containing approximately 100 acres, from Irene and Gary Moore, for a total settlement amount of \$41,056 (\$36,000 USD).

Accounts payable and accrued liabilities

Included in accounts payable is an accrual for a judgement rendered on December 2, 2004 against the company in the amount of \$79,833. At March 31, 2008, this amount is still outstanding and bears interest plus costs.

Also included in accounts payable is an accrued liability of \$225,000 for the purchase of the remaining 50% interest in claims in Bellechasse Township, Quebec, pursuant to the agreement of November 19, 2007. An additional accrued liability of \$44,000 has been recorded for the acquisition of claims located in Bellechasse Township, Quebec on March 3, 2008.

Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that material information is generated and reported to senior management, including President and Secretary, as appropriate to permit timely decisions and to permit timely and accurate public disclosure.

Management, including the President and Secretary, has evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures as of March 31, 2008. Based on this evaluation, the President and Secretary have concluded that the Company's disclosure controls and procedures, as defined in Multilateral Instrument 52-109 (Certification of Disclosure in Issuers' Annual and Interim Filings), are effective to ensure that information required to be disclosed in reports filed or submitted by the Company under applicable Canadian Securities Legislation is recorded, processed, summarized and reported within the time limits specified in such rules.

For further information regarding the company, see the Company's documents filed on www.sedar.com or visit www.goldenhopemines.com.

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