

SUTTER GOLD MINING INC.
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED MARCH 31, 2008
CONTAINING INFORMATION UP TO AND INCLUDING May 29, 2008

Management's Discussion and Analysis ("MD&A") is intended to help the reader understand Sutter Gold Mining Inc.'s (the "Company") consolidated financial statements. The information provided herein should be read in conjunction with the Company's unaudited interim consolidated financial statements for the period ended March 31, 2008 and audited consolidated financial statements for the year ended December 31, 2007.

Management is responsible for the preparation and integrity of the consolidated financial statements, including the maintenance of appropriate information systems, procedures and internal controls and to ensure that information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable.

The Company's board of directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The board's audit committee meets with management quarterly to review the financial statements including the MD&A and to discuss other financial, operating and internal control matters.

The reader is encouraged to review the Company's statutory filings on www.sedar.com and on the Company's website www.suttergoldmining.com.

All currency amounts are expressed in US dollars unless otherwise noted.

Overall Performance

The Company was incorporated in the Province of British Columbia on June 7, 1990. Effective December 29, 2004, the Company completed a reverse take-over ("RTO") by acquiring Sutter Gold Mining Company ("SGMC") of Riverton, Wyoming.

Approximately 97% of SGMC's shareholders tendered their shares for 43,180,757 common shares of the Company as of March 31, 2008. The Company has allotted another 1,396,610 common shares for the other 3% of SGMC's shareholders to tender their shares in the future.

As at March 31, 2008, the Company's parent company, U.S. Energy Corp. ("USE"), owned 54.4% of the Company's common shares.

The Company's principal business activity is the exploration of mineral properties. The Company's Sutter Gold project contains a 3.2 mile segment of the Mother Lode belt from which 10 historic mines produced 2.3 million ounces of gold, and has been the subject of considerable modern exploration activity. Most of it centering on the Lincoln and Comet zones, which are adjacent to each other and together referred to as the Lincoln project.

In 2006, the Company entered into an Exclusive Option Agreement with a subsidiary of The Alamo Group, Inc. ("The Alamo Group") of Scottsdale, Arizona, to acquire a 100% interest in the Santa Teresa mineral concession located in the historic El Alamo gold mining district southeast of Ensenada, Mexico. In March 2007, the Company signed a letter of intent with Premier Gold Mines Limited ("Premier") to jointly explore the Company's Santa Teresa mineral concession.

In May 2007, the Company settled with USE and Crested the \$2 million debt with the Company's common shares and converted \$4.6 million Contingent Stock Purchase Warrant into a Net Profit Interest Royalty.

The Board of Directors is reviewing various corporate arrangements which will help to maximize shareholder value.

Mining Claims Expenditures

	December 31, 2006	Net Additions	December 31, 2007	Net Additions	March 31, 2008
Lincoln and Comet Project					
Underground drilling	\$ 788,600	\$ 17,700	\$ 806,300	\$ -	\$806,300
Total Mining Claims Expenditures	\$ 788,600	\$ 17,700	\$ 806,300	\$ -	\$806,300

On May 3, 2007, the Company settled the Contingent Stock Purchase Warrant with Crested and USE by the issuance of a Net Profits Interest royalty (“NPIR”) of 5% until the total amount of \$4.6 million is repaid, and granting a 1% NPIR thereafter. NPIR is defined as the price received from the sale of gold or other mineralized product that is mined, saved and sold, less mining, milling, processing or refining and transportation costs and allowable taxes and royalties, but excluding development costs incurred prior to December 31, 2006.

Sutter Gold Project

The Company’s wholly owned subsidiary SGMC owns the Sutter Gold Project that is located in the historic Mother Lode District east of Sacramento, California. The Sutter Gold Project is situated on a contiguous 535-acre block of mining claims 45 miles east-southeast of Sacramento, California, in the central part of the 121-mile-long Mother Lode gold belt. SGMC’s property lies within a 10-mile section of the Mother Lode belt, which is credited with production of 7.8 million ounces of gold. SGMC’s property had a recorded production of 2,350,000 ounces of gold, essentially all recovered prior to 1920. This reported gold was recovered from several mines situated on what are now the SGMC claims. Historical exploration expenditures of US \$22 million have been spent on the project by prior owners to get the project to its current status.

On June 28, 2006, the Company completed an 18,000-foot underground and surface diamond drill program on its advanced stage gold project in the historic Mother Lode, planned and supervised by Mr. Mark Payne, P.Geo.

In the third quarter of 2007, the Company started a Phase 2 surface and underground core drilling program for its Lincoln Project based on the positive results obtained from the 2006-2007 drill program. A 2,100 meter (7,000 ft.) surface drill program of six holes was planned on the Keystone property and one deep exploratory hole of approximately 600 meters (2,000 ft.) was planned from an underground drill station. The expected cost of the program was \$700,000. The Company temporarily suspended this Phase 2 program in October 2007 to devote more financial resources and management time to the exploration of strategic alternatives to maximize shareholder value.

The plans for Sutter Gold properties are focused on a surface drill program which started in July 2007. The goal of this drill program is to increase the size of the resource amount and to expand the inferred resources to determine the limits of the resource, subject to raising additional funds (see “Liquidity and Working Capital” section).

The Company recently updated the Mineral Resource estimate for the Sutter Gold Project. The 2008 Mineral Resource estimate includes the results from 5,945 meters (19,502 feet) of core drilling completed in 2006-2007, and is the subject of an NI 43-101 compliant Technical Report filed on www.sedar.com. The Indicated Mineral Resource base for the Sutter Gold Project has increased 30 percent from the 2006 Resource estimate, resulting from the conversion of Inferred Resources to the Indicated category, and discovery of mineralization in new zones. The summary of the updated Indicated and Inferred Resources for the Sutter Gold Project is available in the February 13, 2008 news release.

The 2008 Indicated Resource estimate represents a 29% increase in ounces and 37% increase in tonnage over the 2006 estimate, with Indicated Resources for the project reported as 612,364 tonnes (673,600 tons) grading 11.3 g/t (0.33 oz/ton) containing 223,044 ounces gold.

Several mineralized zones in both the Lincoln-Comet and Keystone areas remain open down plunge to the southeast and to depth.

Several new zones were encountered during the 2006-2007 drill programs, including the Lincoln 10, 20, 28, 31, and 34 veins, a new shoot at the south end of the Lincoln 61 vein, and the Keystone 23, and 25 veins.

Fourteen significant exploration drilling targets have been identified and described in the Technical Report, based upon continued refinement of the structural geologic and exploration models for the Sutter Gold Project during 2007. This finding suggests good potential for continued discoveries and resource replacement as the project matures.

2008 Mineral Resource estimate for the Sutter Gold Project was completed by Sutter Gold Mining Inc. consulting geologist and Independent Qualified Person Mark Payne, P.Geol. Calif. #7076, and published with all support data as a Technical Report, filed at the website www.sedar.com. Resources were defined according to CIM Definitions for Mineral Resources, and are compliant with NI 43-101, Standards of Disclosure for Mineral Projects. Technical information in this MD&A has been reviewed by Mark Payne.

Lincoln and Comet Properties

The Sutter Gold Project has been the subject of considerable modern exploration activity, most of it centering on the Lincoln and Comet zones, which are adjacent to each other and together referred to as the Lincoln project. A total of 101,385 feet of drilling had been accomplished in 230 diamond drill holes, and modern underground development consisted of a 2,850-foot declined ramp with 2,400 feet of crosscuts plus five raises. The historic gold production was documented in a detailed report completed by Mark Payne, the consulting geologist to Sutter Gold and a qualified person as defined by NI 43-101.

From 2001 to the end of 2003, the Company renegotiated the principal mineral leases with the lessors. The new lease terms are 30 years, broken down into ten year segments carrying a 4% production royalty or minimum annual payments as follows for the Lincoln and Comet property, respectively: \$1,200 and \$2,400 for each of years one to ten; \$2,400 and \$4,800 for each of years eleven through twenty; \$3,600 and \$7,200 for each of years twenty one through thirty; and \$4,800 and \$9,600 for each year thereafter. An additional 0.5% net smelter return royalty is held by a consultant to a lessee prior to the acquisition of the properties, which 0.5% interest covers the same properties in the Lincoln Project. The payments have been made up to date.

An underground contractor rebuilt and reinforced the portal of the underground workings, extended and replaced rusted ventilation pipe, re-timbered raises and prepared underground drilling stations to allow for additional exploratory core drilling. On the surface, water control contouring has taken place, on-site haulage ways have been constructed and the area designated for the mill is being excavated and compacted. In June of 2006, an additional raise was cut, exposing visible gold while intersecting a vein which confirmed continuity of the ore in the previously discovered 40 vein. Free gold exposed in this location ranges from small specks to thick foils up to one-eighth inch in long dimension. Assay results received to date for the 40 Vein yielded a weighted average 0.404 ounces per ton gold.

The Amador County Board of Supervisors issued a mining permit for the Lincoln Project in 1993. In 1998, the permit was modified to allow for mill tailings to be placed in a surface fill unit negating the expense and necessity of a conventional tailings pond facility.

Eureka Mines

On January 21, 2005, the Company entered into a lease agreement to acquire 105 acres of land immediately adjacent to the Company's properties in California, called the Eureka Property. The lease term is 30 years, broken down into ten years segment carrying a 4% production royalty or a minimum annual payment of \$2,400 for each of years one to ten, \$3,600 for each of years eleven to twenty, \$4,800 for each of years twenty-one to thirty, and \$6,000 for each year after the year thirty-one. As of March 31, 2008, 12,000 common shares were issued to the Eureka Property's owner for the first year's payment and the second through fourth years' payments were made up to date.

Keystone Property

Effective August 1, 2003, the Company entered into a lease ("Third Amendment to Mining Lease and Option") with Keystone Mining Corporation. The lease covers certain properties at the Sutter Gold Project and requires payments of \$5,000 per year for the first 10 years of the lease. A royalty of 5% of the net profits on production exists on these properties. The "net profits" will be determined by subtracting from gross mineral revenues an amount equal to 105% of numerous categories of costs and expenses. The payments have been made up to date.

Mexican property

On October 26, 2006, the Company entered into an Exclusive Option Agreement with The Alamo Group to acquire a 100% interest (less royalty provisions) in the Santa Teresa mineral concession located in the historic El Alamo gold mining district southeast of Ensenada, Mexico for C\$500,000 in payments and a minimum of C\$100,000 in work commitments.

The Company made an initial payment of \$13,300 (C\$15,000) on signing the Exclusive Option Agreement and issued 111,111 of its shares at a price of C\$0.36 on signing the Definitive Agreement on February 7, 2007.

The Alamo Group will retain a 3% net smelter royalty if gold is selling for C\$650/ounce or greater and 1.5% if gold is selling for less than C\$650/ounce. The Company has the right to purchase one half of the net smelter royalty for C\$1 after The Alamo Group has received C\$2,000,000 in royalties from commercial operations on the concession.

On March 29, 2007, the Company signed a letter of intent and on August 7, 2007 a Joint Venture Agreement with Premier to jointly explore the Company's Santa Teresa mineral concession. Premier is to earn an initial 50% interest in the project by issuing 100,000 common shares (received) to the Company, completing \$1.5 million in exploration and acquisition within two years and reimbursing the Company for all option payments due to the vendor over four years (total of C\$500,000; \$72,200 was reimbursed to date resulting in \$22,200 being recorded as a gain on the optioned property during the three months ended March 31, 2008). Premier can earn an additional 15% interest in the property (to a 65% interest) by paying a further \$500,000 to the Company, payable in cash or shares, and conducting an additional \$4,000,000 in exploration on the property.

In December 2007, Premier began diamond drilling in the historic and high grade El Alamo District of Baja California Norte, Mexico. Premier plans to test the extent, continuity and grade of known gold-bearing vein structures by preparing an initial 14-hole diamond drill program of 3,650 meters on the Santa Teresa Concession. The initial phase of drilling should be completed in the second quarter of 2008. Major Drilling de Mexico, S.A. de C.V., of Hermosillo, Mexico has been contracted for HQ core drilling and has one drill on site. After a review of Phase I drilling results, Phase II drilling should commence to further define targets tested during Phase I, and test several excellent drill targets identified in the Santa Teresa and new Santa Teresa 2 Concessions.

Results of Operations

Selected Annual Information

	Year ended Dec 31, 2007	Year ended Dec 31, 2006	Year ended Dec 31, 2005
	\$	\$	\$
Total revenues	41,700	47,500	39,700
Operating costs and expenses	2,247,500	1,992,600	1,559,900
Loss for the year	1,587,500	1,856,700	1,528,600
Loss per share – basic and diluted	0.02	0.03	0.03
Total assets	1,940,100	3,581,400	1,335,300
Total long-term financial liabilities	23,300	6,699,600	6,664,000
Cash dividends accrued	Nil	Nil	Nil

Summary of Quarterly Results

Expressed In \$	Mar 08	Dec 07	Sep 07	Jun 07	Mar 07	Dec 06	Sep 06	Jun 06
Operating revenues	7,700	13,700	13,100	7,200	7,700	17,600	11,200	10,500
Net loss	(91,700)	(86,400)	(397,000)	(496,800)	(607,300)	(884,500)	(602,700)	(134,300)
Loss per share	(0.00)	(0.00)	(0.01)	(0.01)	(0.01)	(0.02)	(0.01)	(0.00)

Results of Operations for the First Quarter of 2008 and 2007

In the three months ended March 31, 2008, the Company's net loss decreased by \$515,600 and totaled \$91,700 compared to a net loss of \$607,300 during the same period in 2007.

Operating costs and expenses decreased by \$499,100 and totaled \$126,700 for the first quarter of 2008, compared to \$625,800 for the same period in 2007. The significant decrease was due to the Company temporarily suspending the exploration program and delaying other projects to control costs, with exploration of mining properties decreased from \$309,000 to \$Nil. Other decreases were mine and property holding costs by \$41,400, professional and contract services by \$49,200, wages and benefits by \$37,700, and prefeasibility study by \$26,200.

During the period, the Company sold 55,000 common shares of Premier for a gain of \$6,900. In addition, the Company reported a gain of \$22,200 on the optioned property as a result of Premier reimbursing the Company a total of \$72,200 while the Company only paid The Alamo Group \$50,000.

Operating revenues were comparable for the first quarter of 2008 and 2007, and totaled \$7,700. Interest income decreased by \$8,900 in the three months ended March 31, 2008. The net losses per share were \$0.00 in the first quarter of 2008 and \$0.01 in 2007.

Liquidity and Working Capital

The Company's working capital as at March 31, 2008 was \$305,800 (December 31, 2007: \$431,900). Cash and cash equivalents totaled \$351,500 as at March 31, 2008, an increase of \$325,200 from \$26,300 as at December 31, 2007.

During the three months ended March 31, 2008, the Company received proceeds of \$123,100 from the sale of marketable securities, \$178,900 cash inflow from operating activities due to accounts payable and due to/from related parties (see also "Results of Operations" section), and \$23,200 from notes payable.

The Company has working capital for the next few months; however, it does not have sufficient funds for completing the 2007 Lincoln Project exploration program and working capital for the next 12 months. The Company will be required to raise additional funding in 2008 for further exploration and/or to prepare the plans and economic studies required to make a production decision. Exploration will continue on the Mexican property in 2008 since it is being funded by Premier.

Marketable Securities

The Company owned 45,000 shares of Premier, valued at \$81,400 as at March 31, 2008. The Company had no unrealized gain recorded as "Other Comprehensive Income" during the three months ended March 31, 2008 as the market price of Premier's common shares was the same on March 31, 2008 as was on December 31, 2007.

Property and equipment

As at March 31, 2008, the cost of the Company's property and equipment totaled \$1,005,600 offset by accumulated depreciation of \$490,600. For the period ended March 31, 2008, depreciation totaled \$12,700 (2007 - \$13,000).

Reclamation Bond

Future reclamation and mine closure costs will be the responsibility of the Company and are based on legal and regulatory requirements. The laws and regulations are continually changing and are generally becoming more restrictive. The Company believes it is in compliance with applicable laws and regulations and expects to make future expenditures to comply with these laws and regulations. Current estimated reclamation obligations are secured by a \$27,000 reclamation bond as at March 31, 2008.

Capital Resources

The authorized share capital of the Company consists of unlimited number of common shares without par value and unlimited number of preference shares without par value. As at March 31, 2008, the Company's share capital was \$22,015,300 (December 31, 2007 - \$22,015,300) representing 78,282,045 (December 31, 2007 - 78,282,045) common shares, of which 1,396,610 were allotted to former SGMC's shareholders to tender their shares in the future. The Company also had 254,414 preference shares outstanding as at March 31, 2008 valued at \$211,200 (December 31, 2007 - \$211,200 representing 254,414 preference shares).

As at March 31, 2008 the Company had 4,465,000 stock options outstanding at an exercise price ranged from C\$0.20 to C\$0.35 and expiry dates from November 14, 2008 to August 16, 2011. If all the remaining outstanding options were to be exercised, the Company's available cash would increase by C\$1,353,550.

As at March 31, 2008, the Company had a total of 16,312,000 warrants outstanding with an exercise price from C\$0.30 to C\$0.35 per share expiring from April 13, 2008 to May 25, 2008. Subsequently, all the Company's warrants expired.

As at the date of this report, the Company had 78,282,045 common shares issued and outstanding of which 1,396,610 common shares were allotted. On a diluted basis the Company had 83,001,459 shares outstanding.

As at March 31, 2008, the deficit was \$26,407,000 (December 31, 2007: \$26,315,300). The increase was the result of the net loss of \$91,700 for the three months ended March 31, 2008. The other comprehensive income totaled \$Nil as of March 31, 2008 (2007: \$47,100).

Transactions with Related Parties

During the period ended March 31, 2008, the Company incurred C\$12,500 (2007 - C\$11,500) for accounting, administrative and secretarial fees to a private company controlled by a director. \$21,000 was owed to this company as

at March 31, 2008 (December 31, 2007 - \$5,800) for the unpaid portion of these and expense reimbursement amounts. \$17,100 was due from this company for the marketable securities sold on behalf of the Company.

Effective June 1, 1996, SGMC entered into a Management Agreement with USE and Crested whereby a joint venture between those companies, USECB Joint Venture ("USECB") serves as the manager of the Company's mine development and exploration activities, among other duties, and provides administrative staff and services to the Company. Under the terms of the Management Agreement, USECB is reimbursed for actual costs incurred plus, initially, 10% of allowable costs as defined in the Management Agreement. USECB invoiced SGMC \$9,000 and \$90,000 for the three month periods ended March 31, 2008 and 2007, respectively, which included general administration costs, note payments, lease payments and other costs. The Company owed \$5,000 to this company as at March 31, 2008 (December 31, 2007 - \$Nil) for the unpaid portion of these amounts.

The Management Agreement may be terminated by the Company at any time with one month's advance notice to USECB.

On May 3, 2007, the Company settled its outstanding debt of \$2,025,700 (C\$2,362,800) with USE and Crested by the issuance of 7,621,868 common shares of the Company at C\$0.31 per share (Note 8c).

On May 3, 2007, the Company also settled the Contingent Stock Purchase Warrant with Crested and USE by the issuance of a Net Profits Interest royalty (see "Mining Claims Expenditures" section).

USE and Crested agreed during fiscal 2007 to provide a \$1,000,000 line of credit to the Company at 12% annual interest, drawable and repayable at anytime in tranches of \$50,000 or more by the Company. The line of credit became due no later than two years from June 20, 2007. It was collateralized by the Company's California properties. USE and Crested had the sole option to have the Company repay the debt in cash or the Company's common shares at a 10% discount to the 10 day volume weighted average price ("VWAP") before payment (subject to the TSX Venture Exchange approval). Terms of the credit agreement were negotiated and approved by the independent directors of USE, Crested and the Company. As of December 31, 2007, USE had loaned \$723,300 to the Company, with an accrued interest of \$12,000, totalling \$735,300. On December 31, 2007, the Company settled the outstanding debt through the sale of its 225,000 USE shares valued at the last 5 days VWAP for \$4.37 and totalling \$983,300, of which \$735,300 was used to settle the line of credit. A balance of \$247,600 owed to the Company as of December 31, 2007 was received in 2008.

Related party transactions are measured at their fair value amounts as determined by management. The amounts bear no interest and are unsecured with no repayment terms.

Change in Accounting Policy

On January 1, 2008, the Company adopted the following provisions of the Canadian Institute of Chartered Accountants ("CICA") Handbook Sections. There was no material impact on the Company's financial condition or operating results as a result of the adoption of these new standards:

- (a) Section 3862 – Financial Instruments – Disclosures, which replaces Section 3861 and provides expanded disclosure requirements that provide additional detail by financial asset and liability categories.
- (b) Section 3863 – Financial Instruments – Presentation, to enhance financial statement users' understanding of the significance of financial instruments to an entity's financial position, performance and cash flows.
- (c) Section 1535 – Capital Disclosures, which establishes standards for disclosing information about an entity's capital and how it is managed. Under this standard, the Company will be required to disclose the following:
 - qualitative information about its objectives, policies and processes for managing capital;

- summary quantitative data about what it manages as capital;
- whether during the period it complied with any externally imposed capital requirement to which it is subject; and
- when the Company has not complied with such externally imposed capital requirements, the consequences of such non-compliance.

(d) Section 1400 – General Standards of Financial Statement Presentation, to include requirements for management to assess and disclose an entity’s ability to continue as a going concern.

Financial Instruments and Other Instruments

The Company designated its cash and cash equivalents as held-for-trading, which are measured at fair value. Accounts receivable are classified as loans and receivables, which are measured at amortized cost. Accounts payable and leases payable are classified as other financial liabilities. Marketable securities are classified as available-for-sale which are measured at fair value with changes in fair value recorded in other comprehensive income until the investment is derecognized or impaired at which time the amounts would be recorded in net income.

The Company had no "other comprehensive income" during the period ended March 31, 2008.

Internal Controls Over Financial Reporting

Changes in Internal Control Over Financial Reporting (“ICFR”)

No changes occurred in the current period of the Company’s ICFR that have materially affected, or are reasonably likely to materially affect, the Company’s ICFR.

Outlook

Management of the Company plans the following activities in 2008 to increase liquidity, generate the capital necessary to continue the exploration of the Sutter Gold Mine and the Santa Teresa concession:

- Continue to lease the property to the 3rd party tour operator which partially covers overhead costs.
- Raise sufficient funds through either the sale of equity investments, sell its marketable securities holdings or attracting an industry partner to provide sufficient capital to construct a mill and complete mine development in anticipation of putting the mine into production.

Management believes that if it is successful in these endeavors and the project is financially justified that the mill and mine could be in production within 18 months of financing. The spot and long-term price for gold is volatile. These price fluctuations are a risk to the economic performance of the property. There is no assurance that the plans will be accomplished.

The Board of Directors is reviewing various corporate arrangements which will help to maximize shareholder value.

Risks and Uncertainties

The success of the Company will depend on numerous factors, including availability of development and construction capital; the spot price of gold; preparation and execution of an underground development and mining plan which produces the amounts and grades of ore targeted by the plan; construction of a mill which recovers the percentages of gold estimated by the Company; ongoing delineation of sufficient ore reserves in addition to current estimates to sustain mining operations; absence of delays due to unanticipated underground engineering or production problems, and other factors such as environmental and permitting delays. There is no assurance of favorable determinations of such factors.

An unfavorable determination of any one of such factors could significantly delay operations and impair the chances of success for the Company.

All of the Company's short to medium term operating and exploration cash flow must be derived from external financing. Actual funding may vary from what is planned due to a number of factors including the progress of exploration and development on its current properties. Should changes in equity market conditions prevent the Company from obtaining additional external financing, the Company will need to review its exploration property holdings to prioritize project expenditures based on funding availability.

The Company competes with larger and better financed companies for exploration personnel, contractors and equipment. Increased exploration activity has increased demand for capital, equipment and services. There can be no assurance that the Company can obtain required capital, equipment and services in a timely or cost effective manner.

The Company's operations in the United States and financing activities in Canada make it subject to foreign currency fluctuations and such fluctuations may materially affect its financial position and results.

Forward Looking Statements

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

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