OPEL INTERNATIONAL INC.

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MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE QUARTER ENDED MARCH 31, 2009

The following discussion and analysis of the operations, results, and financial position of OPEL International Inc., (the "Company") for the quarter ended March 31, 2009 should be read in conjunction with the December 31, 2008 audited consolidated financial statements and the related notes thereto. The financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The effective date of this report is May 21, 2009. All financial figures are in United States dollars (US) unless otherwise indicated.

Forward-Looking Statements

This management discussion and analysis contains forward-looking statements that involve risks and uncertainties. It uses words such as "may", "would", "could", "will", "likely", "except", "anticipate", "believe", "intend", "plan", "forecast", "project", "estimate", and other similar expressions to identify forward-looking statements. Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation, risks and uncertainties relating to the early stage of the Company's development and the possibility that future development of the Company's technology and business will not be consistent with management's expectations, difficulties with achieving in commercial production or interruptions in such production if achieved, the inherent uncertainty of cost estimates and the potential for unexpected costs and expenses, the uncertainty of profitability and failure to obtain adequate financing on a timely basis. The Company undertakes no obligation to update forward-looking statements if circumstances or Management's estimates or opinions should change. The reader is cautioned not to place undue reliance on forward-looking statements.

Business Overview

The Company is incorporated under the laws of the Province of New Brunswick. Through its subsidiary, OPEL Inc. ("OPEL") founded in December of 2000, it is engaged principally in the development and marketing of concentrating solar panels and single and dual axis solar tracking systems for commercial applications and the development of a gallium arsenide microchip for numerous applications, including solar cells. The Company's shares trade under the symbol "OPL" on the TSX Venture Exchange.

OPEL designs, manufactures and markets high performance concentrating photovoltaic ("HCPV") panels to transform solar energy into electricity for worldwide application. OPEL's HCPV panels can generate up to 40% more kilowatt-hours than conventional flat plate silicon solar panels, resulting in more cost effective electricity generated from the sun. With its unique design and high efficiency, OPEL strives to become the leader in HCPV solar panels. OPEL is working on a product roadmap to lower the cost of its HCPV panels to grid parity in 2011. OPEL also markets a complete line of single and dual axis solar trackers to mount solar panels for the optimum power output. Moving to increase OPEL's presence in Europe, OPEL and two partners formed Alcapi Solartwent Management GmbH ("ASM"), a German limited liability company. ASM was formed for the purpose of developing a grid field installation of 712kW in Spain, know as Segovia 1 SL which will be sold to a third party, once completed, that will sell electricity to the grid. OPEL looks for partners that are solar integrators or other parties interested in building solar grid fields. OPEL has now formed OPL Solar Europe ("OSE"), a Belgium-based subsidiary, to better address other ASM like opportunities in Europe. The second such opportunity is Betasol Energias Alternativas, S.L. ("Betasol"), a Spanish limited liability company was formed to install solar grid fields to be sold to third parties once completed. The first project with Betasol is 440kW and is currently underway in northwestern Spain. ASM and Betasol report to OSE.

OPEL, through its ODIS, Inc. ("OPEL Defense Integrated Systems") subsidiary, also designs infrared sensor type products for military and industrial applications. ODIS continues to develop gallium arsenide-based processes and semi-conductor microchip products having several potential major market applications: infrared sensor arrays for Homeland Security monitoring and imaging along with the unique combination of optical lasers, and electronic control circuits on the same microchip for potential applications in various military programs and telecom for Fiber To The

Home ("FTTH"). The use of gallium arsenide is a key material in ODIS's POET process development for these products. OPEL/ODIS has been awarded several US Department of Defense projects since 2000. These have been and continue today to support OPEL's Planar Opto-Electronic Technology ("POET") process development, infrared sensing technology, optical/laser development and the combination of electronic circuits and lasers on the same microchip. OPEL remains active in this area with several recent projects underway with the US Department of Defense. OPEL provides this activity through its subsidiary, ODIS, Inc..

Significant Events in 2009

OPEL continues to made great strides in 2009, and the following are significant to the development of the Company and are considered necessary foundation achievements to the Company's future success:

1. OPEL, through OPL Solar Europe ("OSE") has entered into a partnership with Fuerza Solar S.L., a Spanish solar integrator, forming Betasol Energias Alternativas, S.L. OSE acquired a 50% interest amounting to $2,293 (Euros 1,750). The Betasol partnership is installing a 440kW grid field in Spain in the second and third quarters of 2009. During the quarter ended March 31, OPEL delivered 138kW to this project. This represents approximately $400,000 in revenue that will be recognized once this grid field is sold to a third party, along with the revenue from the balance to be installed in the second and third quarters.
2. On March 20, 2009, OPEL completed Connecticut's first rooftop solar tracker system. The 131kW solar system was installed on the Linden Street School in Plainville, CT and is supplying a significant portion of their electric needs and eliminating 79 tons of carbon emissions over the next 20 years. OPEL retains ownership of this $1.1M system and will receive payment for the electricity generated from this installation through a PPA with the Plainville School System over the next twenty years. OPEL will receive reimbursement of $526,500 ($263,259 received as at March 31, 2009) from the Connecticut Clean Energy Fund.
3. OPEL started the UL certification process for its Mk-I HCPV panels with the delivery of several panels to the Underwriter Labs for evaluation.

Summary of Quarterly Results

Following are the highlights of financial data of the Company for the most recently completed eight quarters which have been prepared in accordance with Canadian generally accepted accounting principles. All amounts herein are expressed in United States dollars unless otherwise indicated:

	Mar. 30/09	**Dec. 31/08**	**Sep. 30/08**	**Jun. 30/08**	**Mar. 31/08**	**Dec. 31/07**	**Sep. 30/07**	**Jun. 30/07**
Sales	255,737	939,440	449,607	110,234	17,557	209,347	233,795	204,340
Cost of goods sold	58,043	808,907	-	-	-	-	-	-
Research and development	867,874	592,735	1,048,429	835,885	501,333	409,379	374,763	276,752
Depreciation and amortization	46,996	5,177	60,102	51,772	31,389	34,552	28,939	27,079
Professional fees	152,872	164,936	81,821	149,581	139,441	188,431	79,249	52,994
Stock-based compensation	143,991	306,848	363,711	430,308	297,115	894,084	463,028	214,020
General and administrative	1,295,366	961,016	678,333	722,204	777,685	841,660	955,677	683,426
Investment (income) expense	(43,764)	(1,843,161)	(50,418)	(150,406)	(270,208)	31,567	(114,457)	85,565
Foreign exchange gain	35,789	(84,465)	-	-	-	-	-	-
Net income (loss)	(2,301,430)	45,838	(1,732,371)	(1,929,110)	(1,459,198)	(2,190,326)	(1,553,404)	(1,135,496)

Explanation of Quarterly Results

In the first quarter, sales rose significantly over the first quarter of 2008. The Company's net loss for the three months ended March 31, 2009 was $2,301,430 compared to a net loss of $1,459,198 for the same period in 2008. The three months ended March 31, 2009 included a non-cash expense of $143,991 related to the valuation of stock options, some of which were granted in a prior year. Stock-based compensation is $153,000 lower than the same quarter of 2008. This expense is necessary to attract and hold highly skilled employees. OPEL experienced an increase of $366,500 in R&D expenses related to several additional engineers hired in 2008 and subcontracting expenses related to cost reducing our next generation solar panels and tracker. Our G&A expenses were higher by $520,000 year over year due to additional employees and marketing and sales activities in the quarter ended March 31, 2009.

Liquidity and Capital Resources

The Company had working capital of $19,258,593 at March 31, 2009, compared to $21,157,130 at December 31, 2008.

During the first quarter of 2009, there were no warrants and broker warrants or stock options exercised.

The Company continues to be very liquid, even during times of economic uncertainty and instability. Of the Company's $22,869,903 of assets, $20,913,071 is classified as current assets, which includes $11,780,685 of cash and cash equivalents, and $2,455,292 of short-term investments. With annual operating expenses of approximately $6.6 million dollars and OPEL's revenue starting to increase, the Company has sufficient cash to carry it through the projected term of the economic down-turn.

The Company is not currently contemplating any new financing in the near future. Management is satisfied that the current cash reserves are sufficient to fund the Company's expansion, inventory purchase commitments and research programs through 2009.

Critical Accounting Estimates

Stock-based Compensation

The Company uses the fair value method to account for stock options granted after January 1, 2003. Under the fair value method, the Company recognizes estimated compensation expense related to stock options over the vesting period of the options granted, with the related credit being charged to contributed surplus. Upon exercise of these stock options, amounts previously credited to contributed surplus are reversed and credited to share capital.

The dilutive effect of stock options is determined using the treasury stock method and the if-converted method for convertible debentures.

Other stock-based payments

The Company accounts for other stock-based payments based on the fair value of the equity instruments issued or service provided, whichever is more reliable.

Inventory Valuation

Inventory consists of solar panels, solar trackers, and the components necessary to produce the Company's solar products. Inventory is stated at the lower of cost or current market value, determined by the first-in, first-out basis.

Cumulative Translation Adjustment

GAAP requires certain gains and losses such as certain exchange gains and losses arising from the translation of the financial statements of a self-sustaining foreign operation to be included in comprehensive income.

Contractual Obligations

In December 2007, the Company made an initial prepayment of $1,000,000 as evidence of its commitment to ensure the available supply of solar cells on a timely basis from its supplier, Boeing-Spectrolab. The unapplied balance of this prepayment is included in prepaids and other current assets.

OPEL leases office space and research facilities. The office lease extends to June, 2014. The lease on the research facility at the University of Connecticut expired in September, 2007 and an extension is in process, but due to renovations on that facility, it will not be finalized until after all renovations are completed. The total obligation to the end of both leases is $444,697.

Adoption of New Accounting Policies

Effective January 1, 2009, the Company adopted the provisions of the following new CICA Handbook

Sections:

(a) Goodwill and Intangible Assets

In February 2008, the CICA issued Section 3064, Goodwill and Intangible Assets, replacing Section 3062, Goodwill and Other Intangible Assets and Section 3450, Research and Development Costs. The new pronouncement establishes standards for the recognition, measurement, presentation, and disclosure of goodwill subsequent to its initial recognition and of intangible assets by profit-oriented enterprises. Standards concerning goodwill are unchanged from the standards included in the previous Section 3062.

(b) Financial statement concepts

In February 2008, the CICA issued amendments to Handbook Section 1000, "Financial Statement Concepts" to clarify the criteria for recognition of an asset and the timing of expense recognition. The new requirements are effective in the first quarter of 2009.

(c) International Financial Reporting Standards

The accounting framework under which financial statements are prepared in Canada for all publicly accountable enterprises is scheduled to change to International Financial Reporting Standards ("IFRS") by January 1, 2011. GAAP in Canada will cease to apply and will be replaced by IFRS. Commencing in fiscal 2010, the Company will need to prepare accounts in accordance with Canadian GAAP and IFRS in order to have comparative financial statements on full implementation of IFRS in 2011.

In addition, on January 20, 2009, the CICA issued Emerging Issues Committee Abstract 173, "Credit Risk and the Fair Value of Financial Assets and Financial Liabilities" ("EIC 173"), to be applied without restatement of prior periods to all financial assets and liabilities measured at fair value in interim and annual consolidated financial statements. EIC 173 requires the Company to consider the Company's own credit risk and the credit risk of the counterparty in determining the fair value of financial assets and financials liabilities, including derivative instruments. The Company adopted EIC 173 in the quarter.

Future Accounting Pronouncements

In January 2009, the CICA issued the following new Handbook sections:

a) Section 1582, "Business Combinations", which replaces Section 1581, "Business Combinations". The Section establishes standards for the accounting for a business combination. It provides the Canadian equivalent to IFRS 3, "Business Combinations". For the Company, this Section applies prospectively to business combinations for which the acquisition date is on or after January 1, 2011. Earlier application is permitted but must be applied together with Section 1601 "Consolidated Financial Statements" and Section 1602 "Non-Controlling Interests". The Company is currently evaluating the impact of the adoption of this new Section on the consolidated financial statements.

b) Section 1601, "Consolidated Financial Statements" and Section 1602, "Non-Controlling Interests", which together replace Section 1600, "Consolidated Financial Statements". Section 1601 establishes standards for the preparation of consolidated financial statements. Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. It is equivalent to the corresponding provisions of IFRS standard, IAS 27, "Consolidated and Separate Financial Statements". For the Company, this Section applies prospectively to business combinations for which the acquisition date is on or after January 1, 2011. Earlier application is permitted but must be applied together with Section 1582. The Company is currently evaluating the impact of the adoption of this new Section on the consolidated financial statements.

Financial Instruments and Risk Management

The Company's financial instruments consist of cash, short-term investments, accounts receivable, marketable securities, loan to ASM and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest or credit risks arising from these financial instruments. The Company estimates that the fair value of these instruments approximate the carrying values due to their short term nature.

Financial instruments that potentially subject the Company to concentrations of credit risk consist of short-term investments, accounts receivable and loan to ASM. Short-term investments consist of US Treasury notes, held with reputable financial institutions from which management believes the risk of loss is remote. The Company has accounts receivable from parties in various industries and governmental agencies that are currently concentrated in the United States of America. While economic factors can affect credit risk, the Company manages risk by providing credit terms on a case by case basis. The Company has not experienced any significant instances of non-payment from its customers. At year end, accounts receivable balances were concentrated among two customers.

Exchange Rate Risk

The functional currency of the Company is the Canadian dollar. The Company's operations in the United States and Germany are considered to be self-sustaining. The Company's operations in foreign markets expose it to the risk of foreign currency fluctuations. Potential exposure relates to currency risk on sales, purchases and loans that are denominated in a currency other than the functional currency of the Company's foreign operations. Currencies in which the Company's exposure to foreign currencies mainly include the Canadian dollar and Euro. A 1% change in the Canadian dollar and the Euro would increase or decrease other comprehensive income (loss) and net income by $86,962 and $1,776 respectively. Since the Company's operations predominantly transact their sales and purchases in their respective domestic currencies, the exposure is reduced and, therefore, the Company typically does not hedge accounts receivable and accounts payable that may be denominated in a foreign currency.

Interest Rate Risk

Short-term investments bear interest at fixed rates, and as such, are subject to interest rate risk resulting from changes in fair value from market fluctuations in interest rates.

Liquidity Risk

The Company currently does not maintain credit facilities, and relies on equity funding to ensure it has sufficient available funds to meet current and foreseeable financial requirements. The contractual maturity of financial liabilities mainly comprising accounts payable and accrued liabilities is less than one year, as at the reporting date.

Fair Value

Market risk arises from the possibility that changes in market prices will affect the value of the financial instruments of the Company. The Company is exposed to fair value fluctuations on its short-term investments and marketable securities. The Company's other financial instruments (cash, accounts receivable and accounts payable and accrued liabilities) are not subject to market risk, due to the short-term nature of these instruments. A 5% change in fair values of short-term investments and marketable securities would decrease or increase net loss by $108,993 and other comprehensive income (loss) by $335 respectively.

Environmental and Climate Change Issues

OPEL faces few, if any, of these issues directly as it uses contract manufacturers and the characteristics of its products are not environmentally hazardous. However, OPEL's products allow its customers to make great contributions to climate change. Each 1MW of OPEL's HCPV panels installed avoids 600 tons of CO_2 from being discharged into the atmosphere each year, the equivalent of planting 93 acres of trees.

Strategy and Outlook

The Company made the transition from a development stage company to one of sales of commercial solar products in 2008. For 2009, there are a number of projects planned which will address the short-term and long-term goals of the Company including, but not limited to the following:

- Continue to work on a series of phased cost reductions geared at lowering the cost of our Mk-I HCPV solar panels by up to 40%, while continuing to increase their efficiency.
- Ramp up US production for the SF-20 dual axis tracking system.
- Implement cost-reductions and increase the production of OPEL's Sequoia rooftop tracker system.
- Identify a second source European/Asian contract manufacturer to allow increased manufacturing capability for OPEL's HCPV solar panels.
- Fill out key management positions within OPEL, ie. VP Sales and VP Operations.
- Continue the sales efforts initiated in India and Asia.
- Add key sales positions in Europe, Asia and US/Canada.

- Establish dealer and representative networks for our solar products in Mexico, Canada and the US.
- Transfer the patented POET technology to a fabrication facility that can prove its viability and product potential through OPEL Defense Integrated Systems ("ODIS").

Significant Events Since March 31st, 2009

OPEL, through its Spanish partner Betasol, has agreed to install an additional 2.375 megawatt (MW) of solar power using OPEL's HCPV panels and duel axis trackers at a new location in Spain. A local Spanish bank, with its own funds, has provided the US$1,500,000 aval or guarantee for the project, which is scheduled to be installed mid 2010. Once installation is complete, this solar field will be sold to a third party that will provide electrical power to the Spanish grid.

OPEL has completed Phase I of its UL certification program for the Mk-I HCPV panel.

Outstanding Share Data

Common Shares	Number of Shares	Amount
Balance, December 31, 2008 and March 31, 2009	55,599,862	$29,299,882

Special Voting Share	Number of Shares	Amount
Balance, December 31, 2008 and March 31, 2009	1	$ 100

Outstanding Warrant Data

As at December 31, 2008 the following warrants were outstanding:

	Number of Warrants	Fair Value ($)	Exercise Price ($)	Expiry Date
Broker warrants	644,530	138,184	0.60	May 11, 2009
Broker warrants	80,658	17,362	0.60	May 28, 2009
Broker warrants	732,145	156,300	0.60	June 5, 2009
Broker warrants	132,040	28,260	0.60	June 5, 2009
Broker warrants	20,000	6,677	0.60	June 5, 2009
Broker warrants	500,000	71,343	0.40	June 5, 2009
	166,667	56,326	1.00	November 20, 2009
	7,500,000	3,063,951 (1)	1.88	December 13, 2009
Broker units	1,500,000	612,790 (1)	1.88	December 13, 2009
	1,332,500	280,306	1.00	March 9, 2010
	2,662,835	560,656	1.00	March 26, 2010
	692,000	146,089	1.00	April 11, 2010
	2,563,000	542,154	1.00	May 11, 2010
	672,149	142,836	1.00	May 28, 2010
	2,600,098	1,509,930	0.60	June 25, 2010
	21,798,622	$ 7,333,164		

(1) These warrants were issued in Canadian dollars and are exercisable at $1.90 CDN

Outstanding Stock Options

Details of the stock options outstanding at March 31, 2009 were as follows:

Value ($)	Exercisable Options	Number of Options	Exercise Price ($)	Expiry Date
-	400,000	400,000	0.001	March 14, 2010
105,519	310,000	310,000	0.50	March 15, 2011
6,674	20,000	20,000	0.50	June 26, 2011
111,907	300,000	300,000	0.50	September 30, 2011
122,942	305,000	305,000	0.60	April 26, 2012
32,824	200,000	200,000	0.25	May 15, 2012
45,133	275,000	275,000	0.25	May 18, 2012
120,920	300,000	300,000	0.60	May 24, 2012
20,154	50,000	50,000	0.60	May 31, 2012
20,154	50,000	50,000	0.60	June 22, 2012
1,472,016	3,119,000	3,119,000	0.94 (1)	September 21, 2012
239,423	292,500	390,000	1.48 (1)	December 14, 2012
55,819	123,750	165,000	1.18 (1)	February 12, 2013
71,220	95,000	190,000	1.46 (1)	April 29, 2013
6,154	12,500	25,000	1.03 (1)	June 19, 2013
65,080	112,500	225,000	0.44 (1)	July 29, 2013
9,299	27,500	110,000	0.11 (1)	November 6, 2013
9,900	22,500	90,000	0.15 (1)	December 5, 2013
94,970	216,250	865,000	0.15 (1)	February 13, 2014
$ 2,610,108	6,231,500	7,389,000		

(1) These stock options were issued in Canadian dollars and are exercisable at prices ranging from CDN $ 0.13 - $1.48.

Off-Balance Sheet Arrangements

The Company has not entered into any off-balance sheet transactions.

Disclosure Controls

Based on an evaluation of the Company’s disclosure controls and procedures, the Company’s Chief Executive Officer and Chief Financial Officer have concluded at March 31, 2009 that these controls and procedures operated effectively.

Internal Controls over Financial Reporting

The Chief Executive Officer and the Chief Financial Officer have evaluated the effectiveness of the Company’s internal control over financial reporting as of March 31, 2009. It was concluded that there is a weakness in the Company’s ability to adequately segregate the duties of the Chief Financial Officer due the Company’s size and limited number of employees. Management concluded, and the Board of Directors agreed, that this weakness has not resulted in any material errors in the financial statements of the Company.

This weakness will be mitigated as the Company grows and increases staffing levels.

Convergence with International Financial Reporting Standards

In 2006, Canada’s Accounting Standards Board ratified a strategic plan that will result in Canadian GAAP, as used by public companies, being evolved and converged with International Financial Reporting Standards (IFRS) over a transitional period to be complete by 2011. The official changeover date from Canadian GAAP to IFRS is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. As the International Accounting Standards Board currently has projects underway that should result in new pronouncements and since this Canadian convergence initiative is very much in its infancy as of the date of these statements, the Company has not yet assessed the impact of the ultimate adoption of IFRS on the Company.

The Company is assessing the potential impacts of this changeover and is developing its IFRS change over plan, which will include project structure and governance, resourcing and training, analysis of key GAAP differences and a phased plan to assess accounting policies under IFRS as well as potential IFRS 1 exemptions. The Company will disclose key elements of our plan and processes as the information becomes available during the transition period.

Key Business Risks and Uncertainties

Dependence Upon Key Personnel – OPEL depends on its senior management and technical staff. If OPEL is unable to attract and retain key personnel, it may have a material adverse effect on the Company.

Product Development – Delays in product development or the transition to commercial scale production may cause a material adverse effect to the Company.

Financial Liquidity – OPEL may not have adequate financial reserves to enable it to grow rapidly enough to serve its customer base.

Production Capability – OPEL has no history of product production and must rely on outsourcing its products to other companies for production.

Technology Changes – OPEL's products are highly reliant upon keeping pace with technological changes. OPEL's products are complex and rely on state-of-the-art design methodologies to optimize them for market. If OPEL can not afford to keep pace with these changes, it may have a material adverse effect on the Company.

Major Competitors – OPEL may face several competitors before or after it brings its products to market which could result in the loss of market share which may have a material adverse effect on the Company.

Additional Information

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