



OPEL INTERNATIONAL INC.

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MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE QUARTER ENDED SEPTEMBER 30, 2009

The following discussion and analysis of the operations, results, and financial position of OPEL International Inc., (the "Company") for the quarter ended September 30, 2009 (the "Period") should be read in conjunction with the Company's interim financial statements for the periods ended September 30, 2009 and the December 31, 2008 audited consolidated financial statements and the related notes thereto. Such financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The effective date of this report is November 24, 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 in achieving 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. These solar trackers can improve the performance of all types of solar panels from 20-40% over a fixed installation. 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 initial 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, and selling electricity to the grid. OPEL looks for partners that are solar integrators or other parties interested in building solar grid fields. OPEL formed OPL Solar Europe ("OSE"), a Belgium-based subsidiary, to better address other ASM like opportunities in Europe. The second such opportunity was Betasol Energias Alternativas, S.L. ("Betasol"), a Spanish limited liability company formed to install solar grid fields to be sold to third parties once completed. The first project with Betasol is for 440kW and is currently being installed in northwestern Spain. The second project identified is a 2.375MW solar farm, also in Spain. ASM and Betasol report to OSE.

OPEL, through its ODIS, Inc. ("OPEL Defense Integrated Systems") subsidiary, designs infrared sensor type products for military and industrial applications. ODIS continues to develop gallium arsenide-based processes and semiconductor 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 potentially 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 and two major US defense contractors. OPEL provides this activity through its subsidiary, ODIS, Inc.

Industry Outlook

Alternative energy has attained a position of heightened awareness due to the high cost of oil over the past few years as well as the world wide concern over the pollution caused by the use of fossil fuels and the resulting global warming. Still, widespread adoption and installation of alternative energy sources, like solar and wind, require a financial subsidy or feed-in-tariff to make them competitive with fossil fuels. We have seen the average selling price “ASP” of silicon solar panels drop from \$4.50 per watt in early 2008 to \$2.50 per watt today, which aids in the adoption of solar and its ability to approach grid parity with other fossil fuels.

In the current economic environment, the worst in two decades, many planned funding sources for renewable solar energy projects worldwide were suspended or cancelled which has resulted in a difficult environment to secure loans, credit lines, or raise funds for small to large solar projects. OPEL recognized this environment towards the end of 2008 and implemented a strategy to move forward but at the same time preserving cash, a strategy that has continued thru the first three quarters of 2009. However OPEL choose not to wait on its development programs and to make customer headway during this difficult period so that when the economic situation improves OPEL will have strong customer momentum. OPEL has worked to install its first fully operational and revenue producing HCPV solar grid field in Spain. This grid once fully completed will be sold to a power provider who will receive the generous feed in tariff for solar issued by the Spanish Government. This strategy has allowed OPEL to step up its production capability and start to drive down the costs of its HCPV solar panels to ensure OPEL is competitive as the market for larger HCPV projects in the backlog start up in late 2010. This strategy has also allowed OPEL to show potential customers working solar grid fields of its HCPV solar panels, to demonstrate their functionality and output as compared to silicon based solar panels, which are more prevalent in the industry. OPEL is actively cultivating customers and projects in several European countries that have active feed-in-tariffs. OPEL believes that the financing of solar projects is starting to pick up and that the US alternative energy stimulus package as well as the revised Ontario Standard Offer will start to stimulate growth. OPEL has also worked to grow its customer base in these locations which should yield projects from those relationships. OPEL is currently working on several opportunities for both solar panels and tracker systems for these locations.

Significant Events in 2009

OPEL continues to make 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 in Betasol, 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. As of September 30, OPEL has delivered 363kW of panels to this project representing approximately \$1,000,000 in revenue that will be recognized once this grid field is sold to a third party. 220kW of this installation was already producing power to the grid at the end of the Period and potential customers are now being hosted at the site. The third section, which will raise the installation to 330kW, was completed after the Period. Commencement of the fourth section of this 440kW installation will await customer funding.
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 power purchase agreement (“PPA”) with the Plainville School System over the next twenty years. OPEL received reimbursement of \$526,500 from the Connecticut Clean Energy Fund. As a part of the new American Recovery & Reinvestment Act (“the stimulus package”), OPEL is expecting an additional cash

payment, in lieu of a tax credit, from the U.S. Federal Government for 30% of the net after the above mentioned funds, amounting to about \$179,000. The cash payment was received after the Period.

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. OPEL has completed Phase I of its UL certification program for the Mk-I HCPV panel in the second quarter and is working on Phase II.
4. 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 dual 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 begin installation in late 2010. Once installation is complete, this solar field will be sold to a third party that will provide electrical power to the Spanish grid.
5. OPEL has made a strong commitment to Asia with the addition of a new Director of Asian Business Development. This position will address the rapidly expanding markets in Korea, India and China.
6. OPEL has entered a new European marketplace the June quarter with an initial delivery of HCPV panels and dual axis trackers to Portugal.
7. The ODIS subsidiary has continued to work with various US military agencies and two large defense contractors in identifying two new products they will support through funding to ODIS.

Third Quarter

8. OPEL introduces two new tracker systems to be manufactured in the USA. One can be ground or roof mounted and the second is larger and best ground mounted and is well suited for utility scale installations.
9. OPEL has delivered an installation of HCPV panels and dual axis trackers to a second location in Italy.
10. OPEL added another regional Director of Sales to cover the Eastern portion of the USA and Canada.
11. OPEL began strengthening its Public & Government Relations efforts resulting in CPV Technology related wording being proposed for US Federal legislation and proposed financial incentives to be submitted to the US House and Senate for adoption as The Solar Technology Roadmap Act ("STRA"). These activities greatly expand OPEL's public recognition and future project quoting opportunities.

Summary of Quarterly Results

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

	<u>Sep.</u> <u>30/09</u>	<u>Jun.</u> <u>30/09</u>	<u>Mar.</u> <u>31/09</u>	<u>Dec.</u> <u>31/08</u>	<u>Sep.</u> <u>30/08</u>	<u>Jun.</u> <u>30/08</u>	<u>Mar.</u> <u>31/08</u>	<u>Dec.</u> <u>31/07</u>
Sales	156,157	134,921	255,737	939,440	449,607	110,234	17,557	209,347
Cost of goods sold	94,475	291,563	58,043	808,907	-	-	-	-
Research and development	800,384	1,244,154	867,874	592,735	1,048,429	835,885	501,333	409,379
Depreciation and amortization	59,155	58,959	48,044	5,177	60,102	51,772	31,389	34,552
Professional fees	130,309	108,886	152,872	164,936	81,821	149,581	139,441	188,431
Stock-based compensation	75,519	103,700	143,991	306,848	363,711	430,308	297,115	894,084
General and administrative	961,707	1,006,811	1,294,686	942,625	678,333	722,204	777,685	841,660
Investment (income) expense	(18,457)	(62,531)	(44,154)	(1,843,161)	(50,418)	(150,406)	(270,208)	31,567
Foreign exchange (loss) gain	(41,996)	(64,880)	35,811	(84,465)	-	-	-	-
Net (loss) income	(1,904,939)	(2,551,741)	(2,301,430)	45,838	(1,732,371)	(1,929,110)	(1,459,198)	(2,190,326)

Explanation of Quarterly Results

In the third quarter, revenue increased by \$21,236 over the second quarter of 2009, but was lower than the third quarter of 2008. The Company's net loss for the three months ended September 30, 2009 was \$1,904,939 compared to a net loss of \$1,732,371 for the same period in 2008. The three months ended September 30, 2009 included a non-cash

expense of \$75,519 related to stock options, some of which were granted in a prior year. Stock-based compensation is \$288,192 lower than the same quarter of 2008. The Company believes it is necessary to issue options to attract and hold highly skilled employees. OPEL has decreased its R&D expenses by \$248,000 when compared to the same quarter of 2008, related to subcontracting expenses used to support manufacturing start-up and to cost reduce the next generation solar panels and tracker. OPEL's G&A expenses were higher by \$283,400 year over year due to additional marketing and sales activities in the quarter ended September 30, 2009.

Explanation of Results for the Nine Months Ended

In the first nine months, revenue was \$546,815, \$30,600 lower than the same period in 2008. The Company's net loss for the three months ended September 30, 2009 was \$6,758,110 compared to a net loss of \$5,120,679 for the same period in 2008. During the first nine months of 2009, \$170,000 in inventory related to our prototype and pre-production manufacturing runs was written off. The nine months ended September 30, 2009 included a non-cash expense of \$323,210 related to the valuation of stock options, some of which were granted in a prior year. Stock-based compensation was lower by \$767,800 than the same period in 2008. The Company believes it is necessary to issue options to attract and hold highly skilled employees. OPEL experienced an increase of \$526,700 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 \$1,085,000 year over year due to additional employees and the build-up of marketing and sales activities in the nine months ended September 30, 2009.

Liquidity and Capital Resources

The Company had working capital of \$15,777,350 at September 30, 2009, compared to \$21,157,130 at December 31, 2008.

During the first nine months of 2009, there were 900,000 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 \$18,438,917 of assets, \$16,476,791 is classified as current assets, which includes \$6,287,479 of cash and cash equivalents, and \$2,449,272 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 for at least the next twelve months and beyond even if the economic down-turn should continue.

The Company is not currently contemplating any new financing in the near future. Management is satisfied that the current cash balances and other liquid resources are sufficient to fund the Company's expansion, inventory purchase commitments and research programs for the next twelve months.

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 for stock options granted over the vesting period with the related credit 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 determined by first-in, first-out basis or current market value.

The finished goods portion of OPEL's inventory includes a significant amount related to the solar panels currently installed and being installed in the Spanish grid field which will be relieved once sold to a third party and revenue is recognized.

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 for the Shelton, CT facility extends to June, 2014. The lease on the research facility at the University of Connecticut was just extended on July 1, 2009 to June 30, 2010. The total obligation to the end of both leases is \$427,065.

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 financial 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, 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 and accounts receivable. 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 September 30, 2009, accounts receivable balances were concentrated among a limited number of 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 is exposed to foreign currency risk are mainly 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 \$73,811 and \$11,659 respectively. Since the Company's operations predominantly transact their sales and purchases in their respective domestic currencies, the exposure is reduced. Therefore, the Company typically does not hedge accounts receivable and accounts payable that are 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 previous equity funding for liquidity 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 latest 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 \$352,852 and other comprehensive income (loss) by \$4,780 respectively.

Environmental and Climate Change Issues

OPEL faces few, if any, of these issues directly as it uses contract manufacturers and the inherent 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 by a customer avoids 600 tons of CO₂ 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").
- Heighten prospects of US Solar Legislation favoring HCPV incentives and other solar related financial opportunities, like feed-in-tariffs or State and Federal grants.

Significant Events Since September 30, 2009

On October 20th, OPEL and Betasol completed the third phase of the Company's four-phase, 440kW, HCPV solar installation in Spain. This is one of the world's first commercial HCPV power installations, and it now feeds 330kW of electricity into the grid. The fourth phase will be complete by when investor financing has been secured.

On October 30th, OPEL received the final 10% payment of \$53K from the Connecticut Clean Energy Fund as the system had been in place and producing power for the required six months. OPEL also received notification from the U.S. Department of Energy & US Treasury Department that OPEL's Federal stimulus package payment of \$179K would be paid. These payments are being made on the same Connecticut School installation.

Outstanding Share Data

Common Shares

As of September 30, 2009, there were 58,302,862 shares of OPEL International common shares issued and outstanding.

Special Voting Share

Additionally, there was one (1) special voting share which carries 3,182,987 votes. These votes are for the benefit of the holders of 3,182,987 exchangeable shares of OPEL, Inc., a subsidiary of the Company. The exchangeable are convertible into common of the common shares of the Company on a one for one basis.

Stock Options and Warrants

As of September 30, 2009, the Company had 19,689,249 warrants outstanding for the purchase of common shares priced between US\$0.60 and \$1.88.

Total stock options outstanding at September 30, 2009 were 7,491,000 shares, of which 86% are exercisable between CA\$0.13 and 1.48 per common share.

Additional detailed share data information is available the Company's Consolidated Financial Statement.

Off-Balance Sheet Arrangements

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

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 September 30, 2009 that these controls and procedures were effective.

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 September 30, 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 to the Company's current 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 at the pace required to serve its customer base, if substantial orders were received and were backlogged.

Ability to Reach Profitability - OPEL has no history of profitability and may not be able to sell enough products at a high enough margin to cover its costs of operation on an ongoing basis.

Lack of Project Financing - OPEL's customers may not be able to find adequate financing to support the build-out of larger solar projects using OPEL products.

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

Market Acceptance of New Products - OPEL's HCPV solar panels are a new technology which as yet little installed base and may not be embraced for large scale installation.

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 thereby having a material adverse effect on the Company.

Additional Information

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