

EAGLECREST EXPLORATIONS LTD.
Management Discussion and Analysis (Form 51-102F1)
For The Six Months Ended March 31, 2008

The management discussions and analysis, prepared as of May 23, 2008, review and summarize the activities of Eaglecrest Explorations Ltd. (“Eaglecrest” or the “Company”) and compare the financial results for the period ended March 31, 2008 with those from March 31, 2007. The following information should be read together with the un-audited consolidated financial statements for the six months ended March 31 2008 and related notes attached thereto, which were prepared by management in accordance with Canadian Generally Accepted Principles. The reader should also refer to the annual audited financial statements of the Company for the years ended September 30, 2007 and 2006 and the related notes attached thereto. All amounts are stated in Canadian dollars unless otherwise indicated.

Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on such forward-looking statements.

Disclosure Controls and Procedures

Management has assessed the effectiveness of the Company's disclosure controls and procedures used for the financial statements and MD&A as at March 31, 2008. Although certain weaknesses such as lack of segregation of duties are inherent with small office operations, management has implemented certain controls such as frequent reviews and regular preparations of reconciliations of transactions to ensure absence of material irregularities. Management has concluded that the disclosure controls are effective in ensuring that all material information required to be filed has been made known to them in a timely manner. The required information was effectively recorded, processed, summarized and reported within the time period necessary to prepare the interim filings. The disclosure controls and procedures are designed to ensure effective information required to be disclosed pursuant to applicable securities laws are accumulated and communicated to management as appropriate to allow timely decisions regarding required disclosure.

Overview

Eaglecrest is involved in the acquisition, exploration, and development of resource properties. The Company has exploration and production rights to 38 contiguous mineral concessions and properties on the San Simon plateau located in the Department of Beni in northeast Bolivia. Collectively, the concessions and properties cover 296.75 square kilometers and are referred to as the San Simon property. The Company also has rights to the 11 square kilometer Gran San Simon mineral concession located just south of the San Simon plateau. The Company first worked in the area of the San Simon property in 1995. The properties have five areas of known gold mineralization called Doña Amelia, San Simon, Marco Maria, Doña Angela, and the new Aguila 5 exposures.

Highlights for the period ended March 31, 2008 include:

- On January 14, 2008, Eaglecrest announced further high-grade gold intervals identified in the new L484 gold shoot at the San Simon project in Bolivia. The L484 gold shoot is the second recognized high-grade gold shoot at San Simon and is located approximately 150 metres west of the L463 gold shoot, which returned the best drill hole gold assay results in the Company's history during fiscal 2007. Eaglecrest began its infill and delineation program on the L484 gold shoot in late October 2007.
- On January 22, 2008, Eaglecrest announced it had completed its sixth gold concentrate shipment. The 1.31 tonne shipment, produced at Eaglecrest's onsite bulk sampling mill at the San Simon project, contains approximately 162 ounces of gold at a grade of 124 ounces per tonne. The shipment consists

of 0.16 tons of ball mill clean-up material and 1.15 tons of concentrate from bulk sample milling. Based on calculated head grades for the individual bulk samples, this concentrate represents a weighted-average recovery of 84.6%

- On February 15, 2008, Eaglecrest announced it had further strengthened its exploration team with the addition of Dr. Keith B. Campbell and Francisco Ramos as Senior Geologist and Gold Resource Specialist, respectively. Dr. Campbell will manage exploration at San Simon and will assist Walter Lienhard, Eaglecrest's Vice President of Exploration, with technical decisions related to the project. Mr. Ramos will calculate the company's first in-house gold resource employing his experience from multiple resource calculations for exploration and mining companies in Nevada.
- On March 15, 2008, Eaglecrest announced it had begun to drill a third gold shoot, called San Pedro West, at its San Simon project in Bolivia. The shoot is located about 200 metres east of the L463 gold shoot and 350 metres east of the L484 gold shoot, the first two gold shoots recognized by Eaglecrest. All three shoots are within a one kilometre sector of the four kilometre long Trinidad-Manganese Thrust, which is one of several thrust faults that have been identified as a host of gold mineralization in the San Simon district.
- On March 31, 2008, Eaglecrest announced it had completed its seventh gold concentrate shipment. The 1.28 tonne shipment contains approximately 122 ounces of gold at a grade of 95 ounces per tonne. Based on average mill feed grades of the individual bulk samples, the concentrates represent a weighted-average recovery of 92.5%.

San Simon Property, Bolivia

Since 2003, the Company's exploration and development activities at San Simon have been focused on the Doña Amelia zone. The original gold discovery on the San Simon plateau was made in 1742 by Jesuit priests, who found gold in a northeast-striking shear zone. The area of that discovery is now called Mina Vieja ("old mine") and it is within the Trinidad sector, where the Company's underground development is located and where drilling has been concentrated to date.

Gold mineralization at San Simon is mostly found in or near quartz veins emplaced in a moderately South-dipping thrust fault zone (previously referred to as the Trinidad-Manganese Thrust or "TMT"). The thrust fault zone is a curvilinear structure that generally strikes east-northeast. Numerous subordinate faults and shear zones are developed in the footwall and the hanging wall of the TMT. Quartz veins and gold are found within the TMT and subordinate structures.

Since the mid-1980's, artisanal or informal miners have extracted gold from shallow workings along the TMT, mostly in the Trinidad and Mina Vieja sectors, and from lesser structures and quartz vein stockwork in the San Simon or Paititi area seven kilometers east of Trinidad. As many as 1,000 informal miners were working in these areas in the mid-1990s. In the last calendar quarter of 2007, informal miners began working in an area called Aguila 5 located three kilometres east of Paititi.

Diamond drilling and surface mapping in the Doña Amelia zone has traced the TMT along more than four kilometres of strike length and more than 700 metres down-dip. The quartz vein along the TMT, previously referred to as the MQV, varies in thickness from less than one to almost 16 metres. This vein locally splits into multiple veins that vary in thickness down-dip and along strike.

In early 2007, the Company's new management team evaluated all prior drill results and found that the gold mineralization is focused in vertically-elongate shoots in and along the TMT. The Company intends to thoroughly evaluate the thickness and grade of gold mineralization along the TMT and expects that closely-spaced drilling will be required to define gold resources.

Drilling

The 2008 drilling program commenced in early January and through March 31, 2008, the Company's drill contractor completed 27 holes, designated dh300 to dh326, and totaling 6,821 metres. All of these holes were drilled in the Trinidad sector of the Doña Amelia zone; six holes were drilled into the L463 gold shoot, 12 were drilled into the L484 gold shoot, and nine were drilled into the new San Pedro West gold shoot. Drilling results were announced in April for some of the latest drill holes in March, as mentioned in Subsequent Operating Events.

Underground Bulk Sampling Program and Processing Plant

The underground bulk sampling program was suspended in the quarter ending December 31, 2007, as the company decided to dedicate its financial resources to focus on definition drilling of the gold shoots and exploring new targets in the San Simon property. The underground program was originally established to obtain underground bulk samples and compare assay results for them with those for the much smaller samples from drill holes collared at the surface. The program permitted gaining valuable information on sampling, mining techniques, and the processing efficiencies of the bulk sampling mill, but its continuation is a secondary priority for the Company compared with definition of gold resources.

On March 31, 2008, Eaglecrest announced it had completed its seventh gold concentrate shipment. The 1.28 tonne shipment contains approximately 122 ounces of gold at a grade of 95 ounces per tonne. Based on average mill feed grades of the individual bulk samples, the concentrates represent a weighted-average recovery of 92.5%. The shipment includes clean-up material and some partial lots in addition to concentrates that represent 64 bulk samples totaling 1619 tons extracted in July and August, 2007.

Operation of the gold processing plant has clearly demonstrated the ability to extract gold to a concentrate and achieve recoveries that vary between 85 and 95%. The metallurgy is quite simple and recovery at the mentioned levels requires only conventional grinding and flotation circuits. Future studies will assess the costs and benefits of other recovery techniques in a larger scale production scenario.

On-site Assay Laboratory

The on-site Fire Assay laboratory is operated independently by Analab S.A. of Peru and is under the overall supervision of Mr. Gary Hawthorn, a Mineral Processing Engineer and independent Qualified Person. The laboratory performs standard Fire Assays on diamond drill core and other exploration samples. The laboratory also analyzed samples for the bulk sampling program, including underground geology samples, bulk sample process plant materials, and concentrates. The laboratory also prepares screened Metallic Fire Assays on selected higher grade samples of specific interest.

Subsequent Operating Events

In early April, 2008, the Company's drill contractor completed one drillhole, designated dh327, with a depth of 386 metres. This hole was drilled in the L484 shoot in the Trinidad area. Drilling was suspended after the completion of this drillhole as the Company began negotiations to purchase the drill rigs and supply inventory from its drilling contractor. The purchase would enable the Company to have greater flexibility with its drilling schedule and to drill at a lower cost.

On April 8, 2008, the Company announced results from 16 drill holes completed in February and March 2008 at the San Simon project in northeastern Bolivia. Highlights include dh314, with 9.3 metres at 10.5 grams per tonne gold, located in the San Pedro West high-grade gold shoot, and dh311, with 3.1 metres at 7.2 grams per tonne gold in the L463 E high-grade gold shoot. These results demonstrated the potential for good gold grades and thicknesses in the new San Pedro West gold shoot.

On April 29, 2008, the Company reported the highest gold grade-thickness interval in the company's drilling history at the San Simon project the final drill hole in its current drilling program. Hole dh327 was completed in the L484 gold shoot and returned an estimated true thickness of 3.7 meters of 27.8 grams/tonne gold, for a grade-thickness product of 103 gram-metres/tonne (27.8 grams/tonne multiplied by 3.7 metres), which is the best grade-thickness interval in the company's history at San Simon. These results further demonstrate that the L484 high-grade gold shoot has potential for high gold grades, and the goal for the future infill drilling program is the discovery of these high gold grades with a significant thickness.

In January, 2008, approximately 200 soil samples from the Gran San Simon concession were sent for gold and multi-element geochemical analysis. Late in the quarter ending March 31, 2008, the Company received the assay results for these and the previously submitted rock and sediment samples. Based on the lack of significant gold in the results, the Company decided, in April 2008, to not continue with the option agreement for the concession.

Future Outlook

The forward-looking annual budget for district exploration and completion of the detailed drilling in the gold shoots of the Trinidad area is estimated to be US\$6.94 million. Management is confident that it can leverage its drilling results and land position by completing the following objectives:

During fiscal 2008:

- Complete an in-house resource calculation on San Simon.
- Drill the new exploration targets at San Simon, e.g. the eastern extension of Trinidad mineralization, the San Francisco zone or the new zone at Doña Angela.
- Continue to build both the active and advisory board of directors with members who have financial, M&A and junior exploration resource development experience.

The Company further intends to complete its first NI 43-101 gold resource on San Simon in 2008.

Selected Annual Information

	Year Ended September 30 2007 \$	Year Ended September 30 2006 \$	Year Ended September 30 2005 \$
Interest income	19,507	41,719	12,062
Net loss	(2,527,412)	(1,592,579)	(1,433,839)
Basic loss per share	(0.01)	(0.01)	(0.01)
Total assets	40,519,660	35,567,409	27,550,804
Current liabilities	2,108,561	825,262	528,074
Working capital (deficiency)	(1,068,205)	1,635,581	421,193
Cash dividends	Nil	Nil	Nil

The Company has been and is still in the stages of exploring and developing its mineral properties. To date, the Company has not been in a position to earn any revenues from its projects.

Accounting policy is to record the Company's mineral properties at cost. Exploration and development expenditures are deferred until the properties are brought into production, and at which time, they will be amortized on a unit of production basis. In the event the properties are sold or abandoned, the deferred cost will be written off. Considerable sums have been spent on the development of the Company's properties in the past several years, thus resulting in the sizable increases in the Company's total asset base. Working capital was significantly higher in 2006 as in excess \$2.9 (US \$2.6) million in warrants were exercised during the fourth quarter of that year.

Consolidated net loss for the Company in fiscal 2007 was substantially higher as advertising, corporate development, legal, stock-based compensation, travel and other financing related costs increased substantially during the year.

The Company has not paid any dividends on its common shares and does not intend to pay dividends until such time as the Company is able to earn substantial revenue. All available funds and resources are intended for use in exploring and developing the Company's properties and to finance the operations of the Company.

Consolidated Results

For the six months ended March 31, 2008 the Company incurred a consolidated net loss of \$1,170,811 as compared to a net loss of \$1,305,215 for the same period of the previous year - a decrease of \$134,404.

Even though real expenditures actually increased in 2008, the overall net loss decreased mainly as a result of realizing only \$186,545 in stock-based compensation for 2008 while the stock-based compensation for 2007 was \$515,600. Furthermore, foreign exchange gain recorded decreased from \$38,338 in 2007 to \$7,108 in 2008.

Main increases to operating accounts were in accounting and audit, corporate development and interest. Auditing fees increased substantially as the incumbent auditor resigned the Company's audit due to insufficient staffing, and extra verification procedures that were required of the new auditor.

Corporate developments increased substantially to \$325,342 in 2008 (2007 - \$178,237) as management engaged other major corporate development firms to assist the Company in reaching out to a broader base of investors in its continual efforts to raising the necessary funds to support the Company's exploration and development programs.

The Company secured convertible debt financing in 2008, and as a result, posted \$63,915 in interest on convertible debenture for the six months ended March 31, 2008.

2nd Quarter Review:

During the second quarter ended March 31, 2008, the Company posted a consolidated net loss of \$675,111 as compared to a net loss of \$983,511 for the same quarter ended of 2007. Significant accounts and deviations between the quarters are as follows:

Administration – \$27,000 (2007 – \$19,500) - administration fees are paid to an officer of the Company.

Consulting – \$4,999 (2007 – \$66,239) – 2007 fees paid to company owned by former president of the Company. The agreement for services expired December 31, 2007.

Corporate development – \$164,859 (2007 - \$106,705) - \$36,000 was paid to a Director of the Company in charge of corporate development. The remaining amount of \$124,506 was mainly paid to three other corporate development companies (one in Europe) for development and distribution of Company information material and assisting in making introductions and presentations to potential investors. Due to the continual needs of fund raising and increasing shareholders' awareness, corporate development efforts were intensified in the latter part of fiscal 2007.

Filing fees - \$15,528 (2007 – \$13,693) – consist mainly of \$10,900 in 2008 sustaining fees paid to the TSX Venture Exchange and \$3,578 annual fees pertaining to the BCCS, ASC, CDS and the EDF.

Foreign exchange loss - \$7,219 (2007 – gain of \$3,550) – all financing raised are in US funds and most of the cash are kept in US deposits as the majority of the Company's exploration activities are transacted in US dollars. Because the financial statements are reported in Canadian dollars, the Company will experience gains or losses due to the fluctuations of the Canadian to the US dollar.

Insurance - \$13,907 (2007 - \$15,009) – quarterly amortization of general liability, property and officer and directors’ insurance.

Interest on convertible debenture - \$32,196 (2007 – nil) – interest on convertible debenture financing in 2008 is as follows:

- 8% coupon rate per annum \$12,334
- accretion of convertible debenture 19,862

Legal - \$8,172 (2007 - \$16,478) – legal fees pertain mainly to preparing and filing of financing and option documents and other general corporate matters.

Management fees – \$45,000 (2007 - \$52,722) – paid to a private company owned by the president of the Company. Such fees are currently US\$15,000 per month and as these figures are reported in Canadian dollars, amounts will fluctuate in accordance to changes in exchange rates.

Stock-based compensation - \$186,545 (2007 - \$515,600) – calculated using the Black-Scholes valuation model and amounts will vary depending mainly on the number of options granted. 2.25 million options were granted in 2008, and 4 million options were granted in the same period of 2007.

Travel & promotion – \$78,604 (2007 – \$90,131) – in addition to shows and conventions and trips by Company personnel throughout the US and Europe meeting with potential investors in their efforts to procure financing, Company personnel also travels on occasions to and from Bolivia – the site of the Company’s mineral properties. Such costs can be higher or lower pending the occurrences of such trips during any one quarter.

Resource Property Values

Mineral property costs increased by \$1,641,681 during the quarter ended March 31, 2008 (2007 - \$1,048,990).

For a detailed breakdown, see the mineral property schedule in the Company’s financial statements.

Summary of Selected Quarterly Information

Quarter Ended	March 31 2008	December 31 2007	September 30 2007	June 30 2007	March 31 2007	December 31 2006	September 30 2006	June 30 2006
Current assets	428,444	1,202,115	1,040,356	1,199,610	872,307	368,831	2,460,843	1,867,389
Resource assets	42,053,106	40,411,425	38,903,501	37,533,256	35,137,272	34,088,282	32,579,485	30,581,497
Current liabilities	1,258,215	450,641	2,108,561	1,745,894	1,299,850	501,559	825,262	899,177
Shareholders' Equity								
Capital stock	60,461,025	60,423,025	55,887,682	55,479,776	52,821,541	51,679,629	51,668,343	48,652,438
Share subscriptions	1,609,596	1,156,000	2,003,570	1,303,068	1,185,268	1,156,000	1,156,000	1,184,935
Contributed surplus	2,855,739	2,669,194	2,715,544	2,354,876	2,360,446	1,844,846	1,844,846	1,836,868
Deficit	(23,625,265)	(22,950,154)	(22,454,454)	(21,776,385)	(21,232,257)	(20,248,746)	(19,927,042)	(19,538,616)
Net loss	(675,111)	(495,700)	(678,069)	(544,128)	(983,511)	(321,704)	(388,426)	(312,818)
Working capital (deficit)	(829,771)	751,474	(1,068,205)	(546,284)	(427,543)	(132,728)	1,635,581	968,212
Basic loss per share	(\$0.00)	(\$0.00)	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)

Significant Item(s) Within the Quarter:

For the three months ended March 31, 2008

- deferred resources property costs increased by \$1,641,681
- recorded stock-based compensation of \$186,545
- working deficit of \$829,771

For the three months ended December 31, 2007

- deferred resource property costs increased by \$1,507,924
- incurred filing fees of \$39,273 due to filing of private placement, convertible debenture and stock option plan
- recorded convertible debenture interest of \$31,719
- working capital of \$751,474

For the three months ended September 30, 2007

- foreign exchange gain of \$76,343 due to strength of Canadian dollar
- interest expense of \$132,448 due to incurrence of large load of debt financing
- working capital deficit of \$1,068,205
- stock-based adjustment of 164,400

For the three months ended June 30, 2007

- deferred resource property costs increased by \$2,395,984
- working capital deficit of \$546,284

For the three months ended March 31, 2007

- deferred resource property costs increased by \$1,048,990
- recorded stock-based compensation of \$515,600
- working capital deficit of \$427,543

For the three months ended December 31, 2006

- \$10,039 in earned interest as a result of cash deposits with bank.
- deferred resource property costs increased by \$1,508,797
- working capital deficit of \$132,728

For the three months ended September 30, 2006

- \$16,829 in earned interest as a result of cash deposits with bank.
- issued 26,263,938 shares pursuant to the exercise of warrants at average price of US\$0.10
- stock-based compensation of \$65,670 was expensed as a result of options granted
- deferred resource property costs increased by \$1,997,988
- working capital surplus of \$1,635,581

For the three months ended June 30, 2006

- \$14,334 in earned interest as a result of cash deposits with bank.
- issued 13,066,482 shares through the exercise of warrants at average price of US\$0.11
- deferred resource property costs increased by \$1,789,376

For the three months ended March 31, 2006:

- issued 14,860,875 shares pursuant to a private placement at US\$0.16
- issued 15,003,115 shares through the exercise of warrants at average price of US\$0.10
- stock-based compensation of \$407,295 was expensed as a result of options granted
- deferred resource property costs increased by \$1,935,627

Corporate Development

In addition to in-house corporate development activities such as answering telephone and email enquires, dissemination of Company material, attending trade shows, and maintenance of the Company's website, management in July, 2007, appointed Barnes McInerney Inc., an established investor relations consulting firm based in Toronto as its head advisor. Barnes McInerney Inc. has served the needs of more than 500 public companies in every sector of Canada's capital markets by providing effective strategic consulting and shareholder communications services supported by leading-edge multi-media capabilities. For further information on Barnes McInerney Inc., visit www.barnesmcinerney.com.

Liquidity and Solvency

At this time, the Company has no operating revenues and does not anticipate any operating revenues until the Company is able to find, acquire, place in production and operate a mining property. Historically, the Company has raised funds through loans, shares for debt settlements, private placements and the exercise of options and warrants. Approximately US\$5 million was raised during fiscal 2007 (2006 – US\$8 million) using these methods and management plans to continue to raise the working capital required in the usual manner for 2008.

The Company has not yet determined whether its properties contain ore reserves. The recoverability of amounts shown for mineral properties is dependent upon the discovery of ore reserves in its mineral properties, the ability of the Company to obtain the necessary financing to complete development, confirmation of the Company's interest in the underlying mineral claims and leases, and upon sufficient future profits or proceeds from the disposition of its mineral properties.

The market price of metals is highly speculative and volatile. Instability in metal prices may affect interest in mining properties and the development of and production from such properties. Although recent metal prices have been at record highs, they may not be sustained, and lower metal prices may adversely affect the Company's ability to raise capital to explore existing or new mineral properties.

The Company has incurred losses since inception, and the long term survival of the Company depends on the ability of management to continue raising capital. Due to a continuing aggressive exploration program, without further financing, there will not be sufficient funds to meet the Company's property exploration commitments and payments, and to cover administrative and office expenses for the 2008 fiscal year. Additional funds will be required to continue operations and meet Company objectives. During the first quarter ended December 31, 2007, the Company closed a non-brokered private placement of approximately US\$4.8 million and in February, 2008, management announced another proposed non-brokered private placement in the amount of US\$1.6 million. While management has successfully raised the necessary capital to finance the Company's operations in the past, there is no assurance that it will continue to be able to do so in the future.

Outstanding Share Capital

As at May 23, 2008, the Company had the following number of securities outstanding:

Securities	Number	Weighted-Average Exercise Price \$	Expiry Date
Common shares issued and outstanding	341,935,334	N/A	N/A
Share purchase options	12,950,000	0.20	Jun. 10, 2008 – Jan. 8, 2013
Share purchase warrants	35,570,783	0.31	Aug. 07, 2009 – Nov. 9, 2009
Fully diluted share capital	390,456,117	N/A	N/A

Related Party Transactions

All transactions with related parties have occurred in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. The unpaid period end balances referred to below are payable on demand and have arisen from the provision of services described:

During the period ended March 31, 2008:

- A director of the Company was paid or accrued \$71,977 (2007: \$82,288 for corporate development fees and one officer of the Company was paid or accrued \$52,500 (2007: \$36,000) for administration services.
- Two private companies owned or controlled by a director and a former director of the Company were paid or accrued \$89,135 (2007: \$133,740) in management fees.
- A law firm of which an officer of the Company is a partner charged the Company \$23,826 (2007: \$27,374) for legal services. At March 31, 2008, this related party was owed \$33,508 (2007: \$34,970) for the unpaid portion of this amount, which is included in accounts payable.
- An officer of the Company and a company controlled by a director of the Company were paid or accrued \$84,437 for geological consulting services. At March 31, 2008, \$13,363 (2007: \$Nil) of this amount was included in accounts payable.

As at March 31, 2008, accounts payable include \$50,454 (2007: \$51,129) due to related parties.