



First Quarter

Interim Report

Three Months Ended March 31, 2007

Dublin Office
74 Haddington Road
Dublin 4, Ireland
Tel : (353) 1-667-7611
Fax : (353) 1-667-7622
E-mail : www.moydow.com

Toronto Office
Suite 1220, 20 Toronto Street
Toronto, Ontario M5C 2B8
Tel : (416) 703-3751
Fax : (416) 367-3638
E-mail : info@moydow.com

Message to Shareholders

Dear Shareholder,

Your Company continues to focus on those areas which management believe offer the greatest potential for exploration success.

At the Dala diamond project in Angola, we continue to explore and our efforts have resulted in the identification of numerous anomalous areas which merit drill testing. A series of geophysical surveys, both airborne and ground based, have resulted in a significant number of targets which bear all the hallmarks of kimberlitic bodies in this highly prospective area.

During the first quarter of 2007, final permitting and ratification of the kimberlite licence were received from the Government of Angola and Endiama, the state diamond company. Now that all necessary legal structures are in place, a drilling campaign has been planned to test the diamondiferous potential of a number of the areas identified. A contract to drill in excess of 5,000 metres has already been signed and a rig is currently being mobilised to the site. It is currently expected that drilling will commence in the middle of June and will continue for two to three months. Results of the drilling will be available on an on-going basis during the course of the program and follow up analysis of the drill core for micro diamonds and indicator minerals will take place concurrently with the drilling campaign.

Moydow has continued to increase its holding in the Dala project and currently has a 36% interest in the kimberlite licence.

One of the most significant assets of your Company is the 2% net smelter return royalty which Moydow retains on any production in excess of 1.2 million gold equivalent ounces from the Ntotoroso portion of the Newmont owned Ahafo project in Ghana.

Production at Ahafo commenced in the second quarter of 2006 and Moydow has since received quarterly updates on production. The most recent statement shows that production on the Ntotoroso portion of the project alone is currently running at in excess of 75,000 ounces per quarter and accounts for more 50% of the total production at Ahafo. In just nine months, the Ntotoroso portion of Ahafo has produced over 200,000 ounces of gold. If current rates of production are maintained then it is expected that the royalty will become payable within the next 3 years.

Although Newmont do not disclose reserve figures for the Ntotoroso licence separately, the Subika pit is known to contain in excess of 2.5 million ounces and possibly as much as 4 million ounces. At the very least, this means that the royalty is worth, on a non-discounted basis, US\$17 million at current gold prices. .

Further growth in the value of this royalty is anticipated as Newmont has publicly stated that it is examining the potential of a second stage underground development at Subika. When Moydow drilled the depth extension of the Subika deposit, results in the order of 10 grams of gold over 10 metres (100 gram metres) were encountered. Newmont have subsequently encountered grades in the order of 450 gram metres at depth on the deposit, pointing towards a large upside potential at depth.

This royalty with its anticipated revenue stream, while not reflected fully in the current share price, clearly underpins the value of the Company.

“Signed”

Brian Kiernan
President and CEO

May 11, 2007

Moydow Mines International Inc.

Management's Discussion and Analysis of Financial Condition And Operating Results

General

This interim management discussion and analysis ("MD&A") is a review of Moydow's financial and operating results for the first quarter ending March 31, 2007 and is compared with those for the corresponding quarter of 2006. In order to better understand the MD&A, it should be read in conjunction with the audited consolidated financial statements of the Company and notes thereto for the year ended December 31, 2006. The MD&A has been prepared as at May 9, 2007. The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The reporting currency for the Company is the United States dollar, and all amounts in the following discussion are in United States dollars unless otherwise noted. The attached financial statements have not been reviewed by the Company's auditors.

Company Overview

Moydow Mines International Inc. ("Moydow" or the "Company") is an international exploration company with primary interests in precious metals, diamonds and industrial minerals. Exploration activities are focused principally in Africa. Moydow Mines' common shares are listed on both the Toronto Stock Exchange and the Alternative Investment Market ("AIM") of the London Stock Exchange (symbol "MOY"). For further information on the Company please visit our website at www.moydow.com or view our public filings on the SEDAR website at www.sedar.com.

Subsidiaries and affiliated companies of Moydow are organized internationally so that each has a specific geographic area or mineral project interest. Moydow provides administrative, technical and financial assistance to these companies.

Forward-Looking Statements

This MD&A contains "forward-looking statements" that are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in our forward looking statements. Factors that could cause such differences include: changes in metal prices, equity markets, results of exploration and related expenses, drilling activity, sampling and other data, currency exchange rates, change in governments, ability to raise finances and changes to regulations affecting the mining industry. Such forward-looking statements involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results implied or expressed in such forward-looking statements.

Disclosure Controls and Procedures

As at March 31, 2007, an evaluation was carried out under the supervision of and with the participation of the Company's management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the Company's disclosure controls and procedures. Based on that evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that the design and operation of these disclosure controls and procedures were effective as at March 31, 2007, to provide reasonable assurance that material information relating to the Company and its consolidated subsidiaries would be made known to them by others within those entities.

Application of Critical Accounting Estimates

Moydow's accounting policies are described in note 2 to the Consolidated Financial Statements for the year ended December 31, 2006. Set out below is a discussion of the application of Moydow's critical accounting policies that

require the Company to make assumptions about matters that are uncertain at the time the accounting estimate is made, and where different estimates that could reasonably have been used in the current period, or changes in the accounting estimate that reasonably likely to occur from period to period would have a material impact on Moydow's financial statements.

Carrying value of mineral properties

Acquisition costs of mineral properties, together with direct exploration and development expenses incurred thereon, are deferred and capitalized on a property by property basis. Upon reaching commercial production, these capitalized costs are transferred from exploration properties to producing properties on the consolidated balance sheets and are amortized into operations using the unit-of-production method over the estimated useful life of the estimated related ore reserves.

In the event that the long-term expectation is that the net carrying amount of these capitalized exploration costs will not be recovered, the carrying amount is written down accordingly and the write-down amount charged to operations. Such would be indicated where:

- Exploration activities have ceased;
- Exploration results are not promising such that exploration will not be planned for the foreseeable future;
- Lease ownership rights expire; or
- Insufficient funding is available to complete the exploration program.

The amount shown for mineral properties represents costs incurred to date net of recoveries from option or joint venture participants and write-downs, and does not necessarily reflect present or future values.

Overview of Exploration Activities, Contractual Obligations and Commitments

Dala project, Angola

The Company is party to two separate exploration projects with the same partners on the Dala property in Angola, relating to the exploration for alluvial and kimberlite diamonds.

Alluvial diamonds

On October 1, 2004, the Company signed an agreement with Empresa Nacional De Diamantes De Angola (Endiama), the Angolan state diamond mining company and Cimader-Comercio Geral Limitada (Cimader), a local Angola company, to explore for alluvial diamonds on the Dala concession, located near the town of Saurimo, in north-east Angola. The concession comprises 3,000 square kilometres. To obtain a 33% interest, the Company will have to incur expenditures of not less than \$5,000,000 on or before October 1, 2007. Cimader and Endiama have a free carried interest in the exploration phase of the project.

The Company entered into a separate agreement with Concord Minerals LLC (Concord), a private Nevada company, whereby Concord was granted the right to earn up to 50% of Moydow's interest in the concession by funding exploration expenditures under Moydow's agreement with Endiama and Cimader. However, Concord has not exercised this right in full and it presently holds a 10% interest in the Moydow-Concord agreement.

The Company's cumulative expenditures on the alluvial licence to March 31, 2007 amounted to \$3,569,086 of which \$313,476 was incurred during the first quarter 2007. In addition, Concord's cumulative expenditures to March 31, 2007 amounted to \$688,797.

Kimberlite

On December 16, 2005, the Company signed another agreement with Endiama and Cimader to explore for kimberlite (primary) diamonds on the Dala concession. Under the terms of the agreement, the Company can earn a 40% interest in the concession with the remaining percentages held by Endiama and Cimader. To obtain its interest,

the Company will have to incur expenditures of not less than \$10,000,000 on or before January 14, 2009. Cimader and Endiama have a free carried interest in the exploration phase of the project. The granting of the licence was ratified by the Angolan Council of Ministers on October 18th, 2006 and was subject to the Company making a deposit of \$1 million with the Angolan government. The deposit was made in 2006 and may be refunded provided that Moydow meet certain conditions. The deposit has been included as a component of the cost to acquire an interest in the Dala project.

The Company also has an agreement with Concord, whereby Concord was granted the right to earn up to 50% of Moydow's interest in the kimberlite concession, by funding exploration expenditures under Moydow's agreement with Endiama and Cimader. As in the case of the alluvials, Concord has not exercised its right in full and its interest presently stands at 10% in the Moydow-Concord agreement.

The Company's cumulative expenditures on the kimberlite licence to March 31, 2007 amounted to \$2,144,284 of which \$480,641 was incurred during the first quarter of 2007.

Port Loko property, Sierra Leone

The Company has a 50% interest in the Port Loko bauxite exploration project in Sierra Leone, West Africa. The other 50% interest in the project is held by Gondwana Investments Limited (Gondwana), a company incorporated in Luxembourg.

On December 13, 2006 Gondwana and Moydow agreed to allow Titanium Resource Group, Ltd. ("TRG") the right to acquire a one-third interest in the project by submitting a bankable feasibility study on or before December 31, 2007 and expending on the project an amount not less than \$2,538,996.

Since the licence expires in November 2007, the Company has applied to the Sierra Leone government for a renewal of its licence in respect of its activity at Port Loko and expects to receive the licence in mid 2007. In the event that the licence is not renewed, the Company will be required to write-off its investment in this project.

Cumulative expenditures by the Company to March 31, 2007 amounted to \$2,719,368 of which \$132,873 was incurred in the first quarter of 2007.

Ntoroso property, Ghana

On December 8, 2003, the Company sold its wholly owned subsidiary, Moydow Limited (Isle of Man), which, following an internal restructuring, owned the Company's 50% joint venture interest in the Ntoroso gold property in Ghana but no other mineral properties, to Newmont Mining Corporation ("Newmont").

In connection with the sale, the Company entered into a royalty agreement whereby the Company acquired the right to a net smelter return royalty of 2% on all recovered ounces of gold and silver produced from the Ntoroso property after the first 1.2 million gold equivalent ounces for a consideration for \$0.25 million. No value has been ascribed to the royalty rights acquired by the Company due to the uncertainty associated with this asset. Newmont commenced production on this property during 2006.

Hwidem property, Ghana

On October 3, 2005, the Company was granted a two-year extension to its prospecting licence with respect to the Hwidem property, by the Minister for Lands, Forestry and Mines in Ghana. The licence area covers 24.7 square kilometres and it adjoins the Kenyase-Ntoroso area currently under lease to Rank Mining Company Limited, a subsidiary of Newmont. The Company incurred exploration expenditures on this property of \$0.06 million during 2005. Cumulative exploration expenditures to maintain the licence are \$0.51 million of which \$0.02 million was incurred in the first quarter of 2007. If gold mineralization does not exist in sufficient quantities in the area to warrant completion of the work program, the Company is not liable for any shortfall on the minimum exploration expenditures.

Okumpreko property, Ghana

On September 17, 2004, the Company signed an agreement with PW Limited, an international engineering and mining contractor. Under the terms of the agreement, the Company can earn a majority interest in the Nyaduom and Kushea mining leases, which are collectively known as the Okumpreko gold project. On January 23, 2007, the Minerals Commission cancelled the mining lease for non-performance. The Company wrote off its investments in the amount of \$404,222 in December 2006.

Kanyankaw property, Ghana

On October 3, 2005, the Company was granted a two-year extension to its prospecting licence with respect to the Kanyankaw property, by the Minister for Lands, Forestry and Mines in Ghana. The carrying value of the Kanyankaw property was written off in 2005 in the amount of \$0.33 million as exploration results are not promising such that exploration will not be planned for the foreseeable future.

Commitments

The Company, either directly or through certain joint ventures, has obligations to expend various amounts on its mineral properties and projects in order to keep its mineral property rights in good standing. All agreements are in the normal course of business.

Payments due (\$ thousand)	Total	Less than 1 year	1 to 3 years
Exploration and development	\$15,523	\$523	\$15,000

Segmented Information

The Company has one reportable operating segment, being exploration of mineral properties in geographic areas disclosed in note 3.

Results of Operations

Net loss for the quarter ended March 31, 2007 was \$0.26 million or \$0.007 per share compared to a earnings of \$0.03 million in same period in 2006 or \$0.001 per share.

During the first quarter of 2006, the Company sold 45,000 Newmont common shares for proceeds of \$2.52 million. The Company recognized a gain of \$0.31 million on the sale of these shares.

General and administrative expenses were \$0.26 million in the first quarter of 2007 as compared with \$0.25 million in same period of 2006.

The foreign exchange loss for the period ended March 31, 2007 was \$0.003 million compared to a loss of \$0.008 million in the same period of 2006. The foreign exchange loss resulted from the movements in exchange rates between operating currencies and the United States dollar.

The Company earned dividend income of \$nil and \$0.001 million during the first quarter of 2007 and 2006, respectively. The dividend income was received from the Company's shareholding in Newmont. During 2006, the Company disposed of its shares in Newmont.

The Company earned deposit interest income of \$0.001 million and \$0.005 million in the first quarter of 2007 and 2006, respectively.

The Company's revenues are derived from: interest and dividend income, which is dependent on available cash balances and prevailing interest rates and returns on investments which are dependent on the prevailing market at the time of sale.

In the first quarter of 2006, the Company recorded a provision of income taxes in the sum of \$0.02 million.

Liquidity and Capital Resources

At March 31, 2007, the Company had negative working capital of \$1.82 million (December 31, 2006 - \$2.24 million). Cash and cash equivalents at March 31, 2007 amounted to \$0.04 million compared to cash and cash equivalents at the end of 2006 of \$0.14 million.

During 2006, the Company entered into an unsecured loan agreement with certain parties. The Company was advanced \$1.43 million (including \$0.13 million for related parties) which is repayable on demand. The loan is non-interest bearing. On March 30, 2007, the Company closed a private placement of 9,547,186 common shares of the Company at a price of Cdn\$0.20 per share in settlement of US\$1.6 million of debts owed for loans to the Company.

These financial statements have been prepared using Canadian generally accepted accounting principles applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. As at March 31, 2007, the Company had an excess of current liabilities over current assets of \$1.82 million (December 31, 2006 - \$2.24 million) and has recorded losses and net cash outflows from operations for the past two years. The Company is also required to make expenditures in the near term to keep its mineral property rights in Angola. The Company will have to secure additional financing to meet its required commitments. These circumstances lend substantial doubt as to the ability of the Company to meet its obligations as they come due and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

In recognition of these circumstances, the Company is exploring various initiatives to secure capital so that Moydow can continue as a going concern. It is not possible to determine, with any certainty, the success, adequacy or sufficiency of these initiatives.

Cash Flow Statements

Cash flow provided in operating activities for the year ended March 31, 2007, including changes in non-cash working capital of \$0.75 million, totalled \$0.49 million as compared to cash flow used of \$1.00 million in the first quarter of 2006. In the three months ended March 31, 2007 cash used in investing activities was \$0.94 million (2006 - \$1.62 million), which was expended on exploration of mineral properties incurred principally in Angola and Sierra Leone (2006 - \$0.9 million). During 2006, the Company received \$2.52 million from the sale of 45,000 Newmont common shares.

Cash flow from financing activities for the period ended March 31, 2007, was \$0.35 million, principally from the issue of 9,547,186 shares for cash in the amount of \$1.62 million (2006 cash flow from financing activities - \$nil). During 2006, the Company was advanced \$1.43 million (including \$0.13 million for related parties) which is repayable on demand. The loan is non-interest bearing. On March 30, 2007, Moydow closed a private placement of 9,547,186 common shares of the Company at a price of Cdn\$0.20 per share in settlement of \$1.62 million of debts owed for loans to the Company.

Use of Financial Instruments

The Company has not entered into any specialized financial agreements to minimize its investment risk, currency risk or commodity risk. There are no off-balance sheet arrangements.

Changes in Accounting Policies

There was no change in accounting policies during the first quarter of 2007 and 2006.

Outstanding Share Data

As at May 9, 2007, the Company has 47,822,904 common shares in issue. Holders of common shares are entitled to one vote on any ballot at meetings in respect of each common share held. The Company has 1,600,000 stock options outstanding at a weighted average price of Cdn\$0.33.

Transactions with Related Parties

Related party transactions relate primarily to the payment of fees under contracts for services with companies in which a Moydow director is a shareholder and director. The Company was charged a total of \$0.13 million during the first three months of 2007 (2006 - \$0.14 million) with respect to drilling and administration services.

The Company's primary legal counsel is a firm in which directors of the Company are partners. The Company was charged \$nil million during the first quarter of 2007 (2006 - \$0.10 million) for legal services provided by this firm.

These transactions are made in the normal course of business.

Selected Consolidated Annual Financial Information

Set forth below is certain financial data for the last three completed financial years:

	December 31,2006	December 31,2005	December 31,2004
	\$	\$	\$
Total revenue	-	-	-
Basic and diluted (loss) earning per share	(0.03)	(0.05)	(0.07)
Total assets	8,358,027	6,334,596	9,296,704
(Loss) net income for the year	(1,060,179)	(1,612,359)	(1,938,765)
Total long term financial liabilities	-	-	-
Dividends declared	-	-	-

Quarterly Information

The following table summaries the results of the Company for each of the most recent eight quarters:

	March 2007	March 2006	June 2006	June 2005	Sept 2006	Sept 2005	Dec 2006	Dec 2005
Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net profit/(loss)	(262,548)	33,490	(331,574)	(678,423)	(335,633)	(735,771)	(426,462)	331,297
Basic and diluted (loss)/ earnings per Common share	(0.007)	0.001	(0.011)	(0.023)	(0.010)	(0.025)	(0.011)	0.011
Total assets	9,150,435	6,841,872	7,110,675	6,821,886	8,931,585	6,662,268	8,358,027	6,334,596
Number of common shares outstanding	47,822,904	30,620,575	30,620,575	28,964,382	38,275,718	30,620,575	38,275,718	30,620,575

Regulatory, Environmental and Other Risk Factors

The Company intends to fulfil all statutory commitments on its current licences over the next year and will apply for licence renewals in the normal course of business.

The Company's operating income and cash flow are affected by changes in the U.S./Canadian dollar exchange rate together with movement in the local currencies in Angola, Sierra Leone, Ghana, and Ireland, as a portion of the Company's costs are incurred in these currencies.

The profitability of any mining operation will be significantly affected by changes in the market price of commodities. Commodity prices fluctuate on a daily basis and are affected by numerous factors such as world supply, Central Bank selling, stability of exchange rates, forward sales and inflationary forces, among other factors beyond Moydow's control.

Exploration companies are subject to various laws and regulations including but not limited to environmental and, health and safety matters together with political risks which are outside the Company's control. Moydow is committed to a program of environmental protection at all of its projects and exploration sites.

The financial statements of the Company have been prepared on the basis that the company will continue as a going concern which presumes that it will be able to realize its assets and discharge its liabilities in the normal course of business. The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern. If management is unsuccessful in securing capital, the Company's assets may not be realized or its liabilities discharged at their carrying amounts and these differences could be material.

Outlook

The Company will focus its efforts on securing capital to continue to add value to its diamond property in Angola, complete the feasibility study on the bauxite property in Sierra Leone and evaluate new opportunities.

MOYDOW MINES INTERNATIONAL INC.
CONSOLIDATED BALANCE SHEETS
(expressed in United States dollars, unless otherwise stated)

	March 31, 2007 (unaudited)	December 31 2006 (audited)
Assets		
Current assets		
Cash and cash equivalents	\$35,322	\$143,046
Accounts receivable and prepaid expenses	52,397	99,245
Current income taxes recoverable	101,641	101,641
	<hr/> 189,360	<hr/> 343,932
Mineral properties (Note 3)	8,940,967	7,993,987
Other assets	<hr/> 20,108	<hr/> 20,108
	<hr/> 9,150,435	<hr/> 8,358,027
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	1,852,963	1,148,007
Loan	<hr/> 159,101	<hr/> 1,433,601
	<hr/> 2,012,064	<hr/> 2,581,608
Shareholders' Equity		
Capital stock (Note 4)	19,638,863	18,014,363
Contributed surplus	414,726	414,726
Deficit	<hr/> (12,915,218)	<hr/> (12,652,670)
	<hr/> 7,138,371	<hr/> 5,776,419
	<hr/> 9,150,435	<hr/> 8,358,027

Nature of operations and going concern (note 1)

MOYDOW MINES INTERNATIONAL INC.
CONSOLIDATED STATEMENT OF EARNINGS
(expressed in United States dollars, unless otherwise stated)

For the three months ended March 31,	2007	2006
	(unaudited)	(unaudited)
Expenses		
General and administrative expenses	\$259,845	\$246,880
Foreign exchange loss	3,003	7,991
	<u>262,848</u>	<u>254,871</u>
Other income and expenses		
Interest income	300	4,686
Gain on Newmont common shares (note 2)	-	306,882
Dividend income	-	850
	<u>300</u>	<u>312,418</u>
Net (loss)/ profit before income taxes	(262,548)	57,547
Income tax (provision)/recovery		
Current	-	(184,223)
Future	-	160,166
Total provision for income taxes	-	(24,057)
Net (loss) earnings for the period	<u>(262,548)</u>	<u>33,490</u>
Basic and diluted (loss)/ earnings per common share	<u>\$(0.007)</u>	<u>\$0.001</u>
Weighted average number of common shares outstanding	<u>38,381,798</u>	<u>30,620,575</u>

For the three months ended March 31,	2007	2006
	(unaudited)	(unaudited)
Consolidated statements of deficit		
Deficit, beginning of period	\$(12,652,670)	\$(11,592,491)
Net profit/(loss)for the period	(262,548)	33,490
Deficit, end of period	<u>\$(12,915,218)</u>	<u>\$(11,559,001)</u>

MOYDOW MINES INTERNATIONAL INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
(expressed in United States dollars, unless otherwise stated)

For the three months ended March 31,(unaudited)	2007	2006
Cash provided by (used in)		
Operating activities		
Net earnings/(loss) for the period	\$(262,548)	\$33,490
Adjustments for non-cash items:		
(Gain) on Newmont common shares	-	(306,882)
Future Income taxes	-	(160,166)
	(262,548)	(433,558)
Changes in non-cash working capital:		
Accounts receivable and prepaid expenses	46,848	(207,952)
Accounts payable and accrued liabilities	704,956	633,952
Deposit	-	(1,000,000)
	751,804	(574,000)
	489,256	(1,007,558)
Investing activities		
Proceeds from sale of Newmont shares	-	2,520,882
Exploration of mineral properties	(946,980)	(903,147)
	(946,980)	1,617,735
Financing activities		
Proceeds from issue of capital stock	1,624,500	-
Loan	(1,274,500)	-
	350,000	-
Increase/(decrease) in cash and cash equivalent	(107,724)	610,177
Cash and cash equivalents-Beginning of period	143,046	18,344
Cash and cash equivalents-End of period	35,322	628,521

MOYDOW MINES INTERNATIONAL INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(expressed in United States dollars, unless otherwise stated)

1) Nature of operations and going concern

Moydow Mines International Inc. (Moydow or the Company) is an international exploration company with primary interests in precious metals, diamonds and industrial minerals. Moydow's common shares are listed on both the Toronto Stock Exchange and the Alternative Investment Market of the London Stock Exchange.

The Company is exploring its mineral properties and, as at March 31, 2007, had not determined the existence of economically recoverable reserves (note 3). The recoverability of the amounts shown for mineral properties is dependent upon the existence of economically recoverable mineral reserves, the preservation of the Company's interest in the underlying mineral claims, the ability to obtain necessary financing, to obtain government approval and to attain profitable production or, alternatively, upon the Company's ability to profitably dispose of its interests.

These financial statements have been prepared using Canadian generally accepted accounting principles applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. As at March 31, 2007, the Company had an excess of current liabilities over current assets of \$1,822,704 and has recorded losses and net cash outflows from operations for the past two years. The Company is also required to make expenditures in the near term to keep its mineral property rights in Angola. The Company will have to secure additional financing to meet its required commitments. These circumstances lend substantial doubt as to the ability of the Company to meet its obligations as they come due and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

In recognition of these circumstances, the Company is exploring various initiatives to secure capital so that Moydow can continue as a going concern. It is not possible to determine, with any certainty, the success, adequacy or sufficiency of these initiatives.

The Company's ability to continue as a going concern is dependent upon its ability to fund its working capital and exploration requirements and eventually to generate positive cash flows, either from operations or sale of a property. These financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption inappropriate. These adjustments could be material.

Operating results for the periods ended March 31, 2007 are not necessarily indicative of the results that may be expected for the full year ended December 31, 2007. For further information, see the Company's consolidated financial statements including the notes thereto included in the Annual Report for the year ended December 31, 2006.

2) Newmont common shares

Loss on Newmont common shares comprises:	2007	2006
	\$	\$
Gain on sale of 45,000 shares	-	306,882
	-	<u>(194,400)</u>
Gain/(loss) on Newmont common shares for the three months to March 31,	-	<u>306,882</u>

The Company's investment in Newmont common shares is carried at the lower of cost and market value. The market value of the Newmont common shares held at March 31, 2007 and 2006 was \$nil.

3) Mineral properties

The Company, either directly or through certain joint ventures, has obligations to expend various amounts on its mineral properties and projects in order to keep its mineral property rights in good standing. All agreements are in the normal course of business.

Mineral exploration properties in Africa are recorded with their carrying values as follows:

	Angola	Sierra Leone	Ghana	Total
	\$	\$	\$	\$
Balance-December 31, 2006	4,919,253	2,586,495	488,239	7,993,987
Costs-March 31, 2007	<u>794,117</u>	<u>132,873</u>	<u>19,990</u>	<u>946,980</u>
Balance-March 31, 2007	<u>5,713,370</u>	<u>2,719,368</u>	<u>508,229</u>	<u>8,940,967</u>

4) Capital stock

Authorized

Unlimited number of common shares

Issued

	Number of shares	\$
Balance - December 31, 2006	38,275,718	18,014,363
Issue of shares – March 30, 2007	<u>9,547,186</u>	<u>1,624,500</u>
Balance – March 31, 2007	<u>47,822,904</u>	<u>19,638,863</u>

On March 30, 2007, Moydow closed a private placement of 9,547,186 common shares of the Company at a price of Cdn\$0.20 per share in settlement of US\$1,624,500 of debts owed for loans to the Company.

5) Related party transactions

Related party transactions relate primarily to the payment of fees under contracts for services with companies in which a Moydow Mines' director is a shareholder and director. The Company was charged a total of \$126,179 during the quarter March 31, 2007 (2006 - \$137,183) with respect to drilling and administration services.

The Company's primary legal counsel is a firm in which a director of the Company is a partner. The Company was charged \$nil during the quarter March 31, 2007 (2006 - \$101,846) for legal services provided by this firm.

These transactions are made in the normal course of business.

Corporate Information.

Directors and Officers

Noel P. Kiernan - *Director, Chairman*

Brian P. Kiernan - *Director, President & CEO*

Peter Villani - *Director*

Michael E. Power - *Director, Vice President & Secretary*

J. Joseph Breen - *COO*

Rosemary G. O'Mongain - *CFO*

Toronto Office

12th Floor

20 Toronto Street

Toronto, Ontario

Canada, M5C 2B8

Tel: (416) 703 3751 Fax: (416) 367 3638

Registered Office

Suite 2100, 1075 Georgia Street West

Vancouver, British Columbia V6E 3G2

Dublin Office

74 Haddington Road

Dublin 4, Ireland

Tel: (353) 1 667 7611 Fax: (353) 1 667 7622

Transfer Agent

Computershare Trust Company of Canada

100 University Avenue, 8th Floor

Toronto, Ontario

Canada, M5J 2Y1

Exchange Listing

The Toronto Stock Exchange

Symbol: MOY

CUSIP: 62472V 100

Shares outstanding: 47,822,904

Shares fully diluted: 49,422,904

To contact the Company

In order to contact the Company or to request to be added to our mailing list please email info@moydow.com

website: www.moydow.com