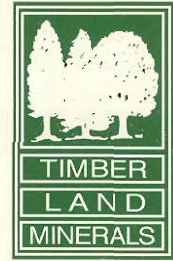


KEWEENAW

LAND ASSOCIATION, LIMITED



First Quarter Report For the Period Ending March 31, 2008 Issue Date April 30, 2008

Highlights

- First Quarter Net Loss of \$.03 Per Share
- Timber Operations Income Shows Increase Over First Quarter of 2007

To Our Share Holders:

Keweenaw Land Association, Limited announces a first quarter 2008 net loss of \$.03 per share compared to a net loss of \$.10 for the same period in 2007. Net income (loss) per share arose from the following sources:

	Earnings Per Share	
	1st Qtr 08	1st Qtr 07
Timber Operations Income	\$ 0.45	\$ 0.14
Capital Gains-Sale of Land	0.06	0.02
Capital Gains-Investments	(0.16)	-
Other Income	0.13	0.15
Other Expenses	(0.47)	(0.39)
Income Taxes	(0.04)	(0.02)
	<u>\$ (0.03)</u>	<u>\$ (0.10)</u>

In the first quarter of 2008, Keweenaw produced logs totaling 26,783 cord equivalents (c.e.), less than a 1% increase over the same period in 2007. Lower than normal temperatures and limited amounts of snowfall produced excellent conditions for winter logging. All of the first quarter's harvest originated on company land, compared to 2007 when Keweenaw produced 5,643 c.e. from non-company lands. Total logs harvested included 2,608 thousand-board feet (mbf) of sawtimber and 21,044 cords of pulpwood. This represented a production mix of 21% sawtimber and 79% pulpwood, equivalent to last year. The company's log sales totaled \$2,887,261, up 9% from 2007. Log sales realization per unit was up 6% over the same period last year. Overall log sales per c.e. was \$107 in 2008 compared to \$101 in 2007. Despite a weakening economy, pulpwood prices have increased as the mills have implemented fuel bonuses to adjust for the record-high diesel fuel prices. Pulpwood, which continues to be Keweenaw's most significant product by volume, has driven the average pulpwood price up in excess of \$9 per cord since last year, a 12% increase. In the first quarter of 2008, housing starts were down significantly over the same period last year adding to a 5% price decrease in sawtimber realization. As the American economy and the housing markets improve, sawtimber prices are also expected to increase as well.

Keweenaw's cost of goods sold for the first quarter was \$2,077,178, compared to \$2,093,391 last year, a 1% decrease. Per cord equivalent, cost of goods sold was \$77 compared to \$80 last year. Due to increased fuel costs, freight expense averaged \$3 per c.e. more than in the first quarter of 2007. Road costs were down \$13,000 over the same period last year. Logging costs were up \$1 per c.e. over the prior year. Keweenaw's gross margin on timber sales was \$810,083 or \$30 per c.e. versus \$559,900 or \$21 per c.e. last year.

Winter logging ended on March 15 when the local jurisdictions imposed seasonal weight restrictions on all roads in the region, temporarily limiting the delivery of logs to market. As in the early months of 2007, demand for Keweenaw forest products varied during the quarter. The demand for Hard Maple veneer remains strong with buyers requesting additional volume when available. There has also been increased interest in our minor species. Regional sawmills have stated their concern over the weak lumber markets as a result of the slowdown in the housing market. Downward pressure on sawlog prices is anticipated to continue through the summer. With regard to pulpwood, demand remained high during the first quarter as mills instituted volume incentives to insure adequate inventory levels heading into spring break-up. Because of market demand and optimal winter logging conditions, Keweenaw was able to exceed contractual volume agreements and take advantage of production incentives offered by mills. Diesel fuel prices continue to be of concern for both the mills and the company as many of our contractors are feeling the effects of sustained high energy prices. As in previous market slowdowns, Keweenaw does not expect any problems in marketing its log production because of its long-term relationships with customers and its proven ability to be a reliable provider of raw forest products.

During the first quarter, the company recognized a loss of \$101,311 from the sale of stock in its investment portfolio. Despite the recent poor performance of the U.S. stock market, Keweenaw's investment portfolio has historically outperformed the S&P 500, Dow Jones, and the NYSE Indices.

Keweenaw's common stock traded in a range of \$221.00 to \$263.00 per share during the first quarter with an ending price of \$245.00. 6,340 Keweenaw shares were traded, less than 1% of outstanding shares. This compares to 11,701 shares traded or 2% of shares outstanding last year. As with any investment, past performance is not a guarantee of future results.

At its March 14, 2008 meeting the Keweenaw Board of Directors declared a \$ 0.20 dividend for the first quarter. This dividend is payable June 15, 2008 to shareholders of record on May 15, 2008.

The annual meeting of Keweenaw shareholders will be held June 16, 2008, in Ironwood MI. Shareholders as of the end of business April 16, 2008, will be provided with notice and voting information.

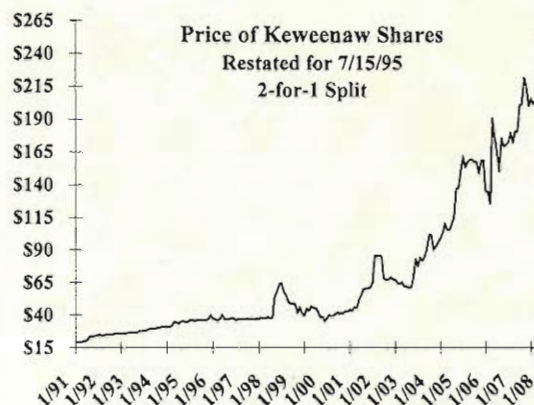
Sincerely,

David Ayer, Chairman

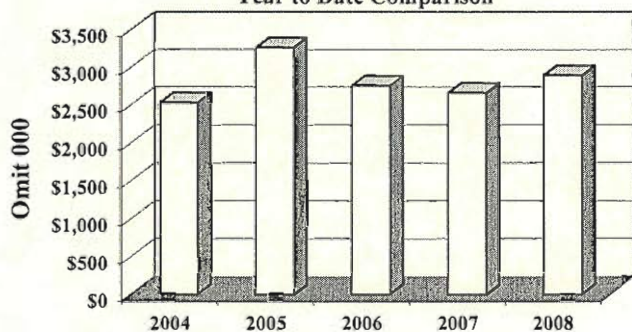
KEWEENAW LAND ASSOCIATION, LIMITED

CONSOLIDATED FINANCIAL HIGHLIGHTS

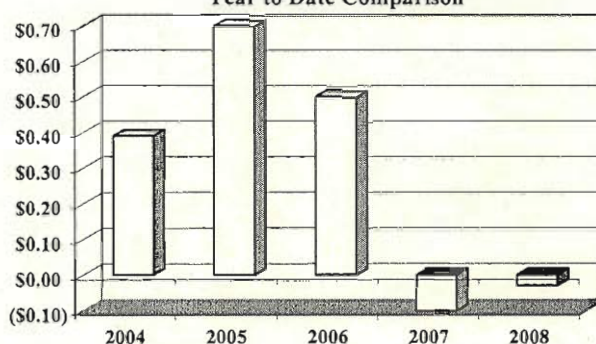
For the Quarter	2008		2007	
	1st Qtr	YTD	1st Qtr	YTD
Receipts	\$2,940	\$2,940	\$2,775	\$2,775
Net Income (Loss)	(18)	(18)	(64)	(64)
Comprehensive Income	71	71	3	3
Capital Employed	16,577	16,577	14,520	14,520
*Dollar amounts in thousands				
Per Common Share	2008		2007	
Net Income	(\$0.03)	(\$0.03)	(\$0.10)	(\$0.10)
Comprehensive Income	0.11	0.11	0.00	0.00
Dividends Paid	0.20	0.20	0.20	0.20
*Based on weighted average shares outstanding				
Statistics	2008		2007	
Return on Capital Emp.	-0.4%	-0.4%	-1.8%	-1.8%
Dividend Payout Ratio	666.7%	666.7%	200.0%	200.0%
Avg Shares Outstanding	644,765	644,765	643,784	643,784
Curr Shares Outstanding	644,803	644,803	644,017	644,017



Keweenaw Log Sales
Year to Date Comparison



Keweenaw Earnings Per Share
Year to Date Comparison



SHAREHOLDER INFORMATION

First Quarter 2008 Highlights:

High: \$263.00, Low: \$221.00, Last: \$245.00
Source: Real Tick-Townsend Analytics, Ltd.

First Quarter Dividend Information:

Dividend Rate: \$0.20 per share
Payable Date: May 15, 2008
Record Date: June 15, 2008
Declaration Date: March 14, 2008

Dividend Disbursing Agent:

Keweenaw Land Association, Limited
1801 E Cloverland Dr, POB 188
Ironwood MI 49938
Phone: (906) 932-3410 or
Toll Free: (877) 539-3362
Fax: (906) 932-5823
Email: investors@keweenaw.com
Web Page: www.keweenaw.com

Transfer Agent:

Wells Fargo Shareowner Services
161 N. Concord Exch, POB 64854
South St. Paul, MN 55164-9440
(800) 468-9716 or (651) 450-4002

Stock Exchange Information:

Keweenaw's common stock trades under "KEWL" in the Pink Sheets.

GLOSSARY:

Board Foot (BF) - a measurement of sawtimber 12 inches x 12 inches x one inch. When used in conjunction with sawtimber or logs, a measurement system to approximate the output of lumber that can be expected from a given quantity of sawtimber or logs. **Cord Equivalent** - a measurement of logs in cords including logs converted in measurement from other measurement methods. For example, one thousand board feet (MBF) equals approximately 2.2 cords. **Cord** - a measurement of logs containing 128 cubic feet. **MBF** - a thousand board feet. **Production Mix** - the ratio of a category of production to total production. **Pulpwood** - logs cut primarily to be converted to wood pulp for the manufacture of paper and other wood fiber products. **Sawbolt** - a lower grade or smaller size sawlog typically sawn for the manufacture of pallets or other coarse wood products. **Sawlogs** - a higher grade or larger size sawtimber sawn for the manufacture of furniture grade lumber, flooring, lumber, or other high quality wood products. **Sawtimber** - a category of logs suitable for veneer, sawlogs, or sawbolts. **Veneer** - a category of sawtimber clear of defects suitable for manufacture as veneer paneling, furniture and cabinetry veneer.

KEWEENAW LAND ASSOCIATION, LIMITED

Consolidated Balance Sheet (Unaudited)

March 31, 2008

ASSETS	Note	Mar. 31, 2008	Mar. 31, 2007	% Chg
Current Assets				
Cash & Cash Equivalents		\$944,831	\$1,401,668	-33%
Accounts Receivable		212,082	241,175	
Investments in Government Obligations		504,766	501,795	
Other Current Assets		276,762	248,936	
Total Current Assets		1,938,441	2,393,574	-19%
Investments in Marketable Securities		4,153,885	3,766,347	10%
Other Non-Current Assets		202,309	22,313	
Equipment		676,979	735,211	-8%
Properties		11,197,027	8,858,787	26%
TOTAL ASSETS		\$18,168,641	\$15,776,232	15%
 LIABILITIES & CAPITAL				
Current Liabilities				
Accounts & Deposits Payable		\$91,972	\$61,406	
Commercial Lines of Credit & Other Debt		290,000	80,000	
Other Accrued Liabilities		274,271	286,983	
Total Current Liabilities		656,243	428,389	53%
Non-Current Liabilities				
Long Term Debt		2,277,500	660,000	
Deferred Federal Income Tax Liability		1,225,774	907,806	
Non-Current Liabilities		3,503,274	1,567,806	
Total Liabilities		4,159,517	1,996,195	108%
Capital				
Common Stock Issued	(1)	84,330	84,227	
Accumulated Other Comprehensive Income		1,806,691	1,539,917	
Retained Earnings		12,118,103	12,155,893	
Total Capital		14,009,124	13,780,037	2%
TOTAL LIABILITIES & CAPITAL		\$18,168,641	\$15,776,232	15%
Capital Per Common Share		\$21.75	\$21.42	

Notes:

(1) 644,803 no par value common shares are issued and outstanding on March 31, 2008. 644,017 shares were outstanding on March 31, 2007. 2,500,000 shares are authorized.

KEWEENAW LAND ASSOCIATION, LIMITED
Consolidated Statement of Income and Expense (Unaudited)
March 31, 2008

	1st Quarter		% Chg
	2008	2007	
INCOME			
Timber Operations			
Timber Sales	\$2,887,261	\$2,653,291	
Cost of Sales	<u>2,077,178</u>	<u>2,093,391</u>	
Gross Margin on Timber Sales	810,083	559,900	45%
Timber Operations Expenses			
Forestry Expenses	209,728	165,181	
Management and General Administration	<u>311,358</u>	<u>307,616</u>	
Total Operations Expenses	<u>521,086</u>	<u>472,797</u>	
Timber Operations Income	288,997	87,103	232%
Real Estate Development			
Developed Lot Sales	71,950	23,500	
Development Costs	<u>41,919</u>	<u>24,569</u>	
Gross Margin on Developed Lot Sales	<u>30,031</u>	<u>(1,069)</u>	
Total Operations Income	319,028	86,034	271%
Other Income			
Mineral Royalties	6,913	5,295	
Lease and Rental Income	45,618	46,154	
Investment Earnings	27,574	28,788	
Profit (Loss) on Security Sales	(101,311)	0	
Land Sales	8,320	11,073	
Other	<u>2,042</u>	<u>18,176</u>	
Total Other Income	(10,845)	109,486	-110%
Other Expenses			
Land Management Expenses	111,217	116,165	
Board of Directors Expenses	<u>192,732</u>	<u>133,437</u>	
Total Other Expenses	<u>303,948</u>	<u>249,602</u>	22%
Net Income Before Federal Income Taxes	4,235	(54,082)	108%
Provision for Federal Income Taxes	<u>22,176</u>	<u>10,228</u>	
Net Income	<u>(17,941)</u>	<u>(64,310)</u>	72%
Other Comprehensive Income, Net of Tax			
Unrealized Gains (Losses) on Securities			
Unrealized Holding Gains Arising			
During the Period	22,233	67,514	
Less: Reclassification Adj. For Gains Included in Net Income	<u>66,865</u>	<u>0</u>	
Other Comprehensive Income	<u>89,099</u>	<u>67,514</u>	
Comprehensive Income	<u>\$71,158</u>	<u>\$3,204</u>	2121%
Per Share Net Income	(\$0.03)	(\$0.10)	
Per Share Comprehensive Income	\$0.11	\$0.00	
Dividends Per Share	\$0.20	\$0.20	
Based on Weighted Average Shares Outstanding			