

**JAGER METAL CORP.**

**(FORMERLY ANGLO-CANADA GAS CORP.)**

**MANAGEMENT DISCUSSION AND ANALYSIS**

**FOR THE SECOND QUARTER ENDED OCTOBER 31, 2012**

**INTRODUCTION**

The following sets out the Management's Discussion and Analysis ("MD&A") of results of operations and financial condition of Jager Metal Corp. (formerly Anglo-Canadian Gas Cop.) (the "Company", "Jager", "our" and "we") describing the operating and financial results of the Company for the quarter ended October 31, 2012. The following management's discussion and analysis ("MD&A") should be read in conjunction with the unaudited condensed interim financial statements and related notes for the six months ended October 31, 2012 (prepared in accordance with International Financial Reporting Standards ("IFRS")) and with the audited financial statements and related notes thereto of the Company for the year ended April 30, 2012 which were prepared in accordance with IFRS. Comparative figures under IFRS as at the year ended April 30, 2012 are also provided. All dollar amounts herein are in Canadian currency unless otherwise specified. Additional information regarding the Company is available on the SEDAR website at [www.SEDAR.com](http://www.SEDAR.com).

**FORWARD-LOOKING STATEMENTS**

Some statements contained in this MD&A are forward-looking statements, and therefore involve uncertainties or risks that could cause actual results to differ materially. These statements are based on the Company's expectations, estimates and projections regarding its business and the economic environments in which it operates, and readers should not place undue reliance on such statements.

**DATE OF MD&A** This MD&A was prepared on December 14, 2012.

**OVERVIEW**

The Company is a publicly held corporation and a reporting issuer in the jurisdictions of British Columbia and Alberta. The Company was originally incorporated under the name Westerra Resources Ltd. On June 8, 1987 it consolidated its shares; on March 14, 1990 it changed its name to HIS HydroSystems International Inc. and consolidated its shares; on May 6, 1994 it changed its name to R.W. Gas Group Inc. and consolidated its shares; on October 28, 1996 it changed its name to Anglo Canadian Gas Corp.; and on January 20, 2011 it consolidated its shares on a four old for one new share basis and changed its name to Jager Metal Corp.

Prior to March 16, 1998, the Company was a resource exploration company. The Company's right to option an undivided 50% interest in La Turquesa copper concession in Baja Norte, the Company's Joint Venture Agreement on the Lodomilla property in Cajon de San Pedro Community of Qhilotá, Chile, and the Company's agreement to participate in the development of the South Boyleston Unit oil lease were all lost/abandoned due to a lack of funding.

The British Columbia Securities Commission (“BCSC”) and the Alberta Securities Commission (the “ASC”) originally issued a Cease Trade Order (“CTO”) against Anglo-Canadian Gas Corp. on April 24, 1998. The BCSC and the ASC issued another CTO on September 30, 1998. The President at that time was Rod MacKenzie. Roderick Christie became President/CEO in February, 1999, and arranged to bring the Company’s filings and disclosure requirements up to date. The September 30, 1998 CTO was lifted January 6, 1999. The BCSC and the ASC subsequently issued a CTO on January 11, 2000.

At an Extraordinary General meeting held on June 21, 1999, shareholders of the Company approved the following:

- (i) a 4for 1 share consolidation;
- (ii) a change of company name;
- (iii) the sale of the Company’s two inactive subsidiaries, Robinson Willey Heating Canada Ltd. and Tower Flue Components Canada Inc.;
- (iv) the issuance of up to 468,750 additional escrow shares;
- (iv) the settlement of approximately \$200,000 of debt to creditors by the issuance of approximately 1,333,333 post-consolidated shares of the Company;
- (v) any change of control of the Company or creation of a control position resulting from the issuance of the debt settlement shares;
- (vi) the issuance of approximately 1,000,000 post-consolidated shares pursuant to a private placement to fund the Company; and
- (vii) any change of control of the Company or creation of a control position resulting from the issuance of the private placement shares.

As the efforts to relist the Company on the TSX Venture Exchange (“TSXV”) failed in 1999 through 2002, none of these transactions were acted upon until recently. The Company completed the share consolidation and change of name in 2011.

Exploration and development of the Company’s Hele property in the Thunder Bay Mining District, selected as the Company’s “property of merit” pursuant to TSXV policy, did not proceed and the application to the TSXV to return to trade was withdrawn. With no going forward plans and no continued financial statements being filed, the BCSC issued another CTO against the Company on January 11, 2000. The Company was dissolved by the British Columbia Registrar of Companies on November 7, 2003.

The Company was restored by the Registrar of Companies on May 5, 2010, and an application to the BCSC and the ASC for a full restoration was approved and the Cease Trading Order (“CTO”) against the Company was lifted on September 28, 2010.

On April 8, 2011, the BCSC again issued a CTO for failure to file financial statements. The requisite financial statements and Management Discussion & Analysis filed and a Revocation Order was issued by the BCSC on June 9, 2011.

On September 9, 2011, the BCSC issued a CTO for failure to file the financial statements and related documents that are the subject of this MD&A.

The Company is an inactive company. The Company has no revenues, no assets and only liabilities as stated in the financial statements. The expenses incurred are all related to maintaining the Company's status as a reporting issuer.

## **CHANGES IN MANAGEMENT**

Roderick Christie resigned as director, President, and CFO of the Company on February 28, 2011. Also on February 28, 2011, Karl Antonius was appointed President, CFO and director of the Company. Dennis Cox was appointed a director on March 16, 2011, and Carrie Cesarone was appointed a director on April 19, 2011 and subsequently resigned on September 6, 2011. Marcelin O'Neill was appointed a director of the Company on December 22, 2011.

## **SELECTED ANNUAL INFORMATION**

The following is a summary of financial results for the Company's three most recently completed financial years:

<b>Year Ended April 30</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
Total revenues	\$0.00	\$0.00	\$0.00
Net income (loss)	\$(85,118)	\$124,661	\$(5,765)
Earnings (loss) per share – basic and diluted	\$(0.089)	\$0.043	(\$0.006)
Total assets	\$3,048	Nil	Nil
Short term liabilities	\$343,340	\$480,174	\$604,835
Long term liabilities	\$Nil	\$Nil	\$Nil
Cash dividends declared per share	\$Nil	\$Nil	\$Nil

## SUMMARY OF QUARTERLY RESULTS

As required by Form 51-102F1, the following is a summary of the Company's financial results for the eight most recently completed quarters.

<b>For the quarter ended</b>	<b>October 31, 2012</b>	<b>July 31, 2012</b>	<b>April 30, 2012</b>	<b>January 31, 2012</b>
Net loss	\$(6,374)	\$(392)	\$(75,347)	\$(4,906)
Loss per share – basic and diluted	\$(0.01)	\$(0.00)	\$(0.08)	\$(0.01)
<b>For the quarter ended</b>	<b>October 31, 2011</b>	<b>July 31, 2011</b>	<b>April 30, 2011</b>	<b>January 31, 2011</b>
Net income (loss)	\$(4,516)	\$(349)	\$(12,144)	\$(83,733)
Earnings (loss) per share – basic and diluted	\$(0.01)	\$(0.00)	\$(0.00)	\$0.00

## OPERATIONS

The Company had a net loss of \$6,374 for the quarter ended October 31, 2012, compared to a net loss of \$4,516 for the same period in the prior year. The Company is not active. The Company has no revenues and the expenses incurred are all related to maintaining the Company's status as a reporting issuer.

## LIQUIDITY AND CAPITAL RESOURCES

During the quarter ended October 31, 2012, the Company did not have sufficient liquidity or capital resources to meet its disclosure requirements. The Company has no significant assets but has liabilities. The Company had a working capital deficiency of \$347,058 as of October 31, 2012, \$340,292 as of April 30, 2012, and \$480,174 as of April 30, 2011. Management plans to finance the Company through private placements in the coming year to coincide with its reactivation and re-listing on the TSXV.

## COMMITMENT

As at 31 October 2012, share subscriptions received in advance consists of \$225,000 cash received by the Company in relation to 4,500,000 common shares of the Company that were not yet issued by the Company as at 31 October 2012.

## RELATED PARTY TRANSACTIONS

### Due to related parties

The liabilities of the Company include the following amounts due to related parties:

	October, 31 2012	April, 30 2012
	\$	\$
Chief Executive Officer	73,500	69,000
Director	-	2,240
Former director	6,160	6,160
Total amount due to related parties	79,660	77,400

The amounts due to related parties are non-interest bearing, unsecured and due on demand.

### Key management personnel compensation

The remuneration of directors and other members of key management were as follows:

	Three months ended		Six months ended	
	31 October 2012	31 October 2011	31 October 2012	31 October 2011
	\$	\$	\$	\$
Short-term benefits	-	-	-	-
Total key management personnel compensation	-	-	-	-

## CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation and judgment relate to the fair value measurements for financial instruments, the recoverability and measurement of deferred tax assets and liabilities and ability to continue as a going concern. Actual results may differ from those estimates and judgments.

A detailed summary of all the Company's significant accounting policies is included in Note 3 of the interim condensed financial statements for the six month period ended October 31, 2012.

## FINANCIAL INSTRUMENTS AND RISKS

### Categories of financial instruments

	As at October 31, 2012	As at April 30, 2012
	\$	\$
<b>FINANCIAL ASSETS</b>		
<b>FVTPL, at fair value</b>		
Cash and cash equivalents	-	3,048
<b>Total financial assets</b>	-	3,048
<b>FINANCIAL LIABILITIES</b>		
<b>Other liabilities, at amortized cost</b>		
Bank indebtedness	871	-
Trade payables	254,027	253,440
Due to related parties	79,660	77,400
Loans payable	5,000	5,000
<b>Total financial liabilities</b>	339,558	335,840

### Fair value

The fair value of financial assets and financial liabilities at amortized cost is determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices from observable current market transactions. The Company considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the financial statements approximates their fair value due to the demand nature or short term maturity of these instruments.

The following table provides an analysis of the Company's financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs that are not based on observable market data. As at October 31, 2012, the Company does not have any Level 3 financial instruments.

<b>As at October 31, 2012</b>	<b>Level 1</b>	<b>Total</b>
	\$	\$
<b>Financial assets at fair value</b>		
Cash and cash equivalents	-	-
<b>Total financial assets at fair value</b>	<b>-</b>	<b>-</b>

<b>As at April 30, 2012</b>	<b>Level 1</b>	<b>Total</b>
	\$	\$
<b>Financial assets at fair value</b>		
Cash and cash equivalents	3,048	3,048
<b>Total financial assets at fair value</b>	<b>3,048</b>	<b>3,048</b>

There were no transfers between Level 1 and 2 during the six months period ended October 31, 2012.

### **Management of financial risks**

The financial risk arising from the Company's operations are credit risk, liquidity risk, interest rate risk, currency risk and commodity price risk. These risks arise from the normal course of operations and all transactions undertaken are to support the Company's ability to continue as a going concern. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

#### **Credit risk**

Credit risk is the risk of an unexpected loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises primarily from the Company's cash and cash equivalents. The Company manages its credit risk relating to cash and cash equivalents by dealing with only with highly-rated financial institutions. As a result, credit risk is considered insignificant.

#### **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company's trade payables, due to related parties and loans payable are all current. The Company does not have any assets with the exception of cash and cash equivalents of \$Nil as at October 31, 2012 (April 30, 2012: \$3,048) and is pursuing opportunities to reactivate the Company.

#### **Other risks**

Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest or commodity risk arising from these financial instruments.

The Company does not hold or issue financial instruments for trading purposes, nor does it utilize derivative instruments in the management of foreign exchange, commodity price or interest rate market risks.

## **OUTSTANDING SHARE DATA**

As of October 31, 2012, the Company had 1,006,762 common shares issued and outstanding. There are no outstanding and exercisable stock options. As at October 31, 2012, the issued and outstanding common shares of the Company includes 46,875 shares held in escrow. The Company is in the process of obtaining these shares to be returned to treasury for cancellation.

Effective on January 20, 2011, the Company consolidated its share capital on a one new common share without par value for every four existing common shares without par value basis.

## **DISCLOSURE CONTROLS AND PROCEDURES**

The Company maintains a set of disclosure controls and procedures designed to ensure that information required to be disclosed in filings is recorded, processed, summarized and reported within the time periods specified in the Canadian Securities Administrators' rules and forms. Our Chief Executive Officer has designed our disclosure controls and procedures, or caused them to be designed under his supervision, as of October 31, 2012 to provide reasonable assurance that material information relating to the Company was made known to them and reported as required.

## **INTERNAL CONTROL OVER FINANCIAL REPORTING**

The Company's Chief Executive Officer is responsible for the design of internal controls over financial reporting, or for causing them to be designed under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation and fair presentation of external financial statements in accordance with IFRS. Regardless of how well an internal control system is designed and operated, it can provide only reasonable, not absolute, assurance that it will prevent or detect all misstatements resulting from error or fraud due to the inherent limitations of any internal control system. The Chief Executive Officer has evaluated the design of the Company's internal controls and procedures over financial reporting as of the end of the period covered by this filing, and believes that the design to be sufficient to provide such reasonable assurance. There were no changes that occurred during the six month period ended October 31, 2012 that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

## **OFFICERS AND DIRECTORS OF THE COMPANY**

As at December 14, 2012, the officers and directors of the Company are:

Karl Antonius – President, CEO, CFO, Secretary and Director  
Dennis Cox – Director  
Marcelin O'Neill – Director

## **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on the SEDAR website at [www.sedar.com](http://www.sedar.com) or by contacting the company at Suite 1100 - 789 West Pender Street, Vancouver, British Columbia, V6C 1H2.