

GELUM CAPITAL LTD, (formerly JAGERCOR ENERGY CORP.)
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED APRIL 30, 2018

OVERVIEW

The following sets out the Management's Discussion and Analysis ("MD&A") of results of operations and financial condition of Gelum Capital Ltd. (formerly Jagercor Energy Corp (the "Company", "Gelum", "our" and "we")) describing the operating and financial results of the Company for the year ended April 30, 2018. The following MD&A should be read in conjunction with the Company's audited consolidated financial statements and related notes for the year ended April 30, 2018, copies of which are filed on the SEDAR website: www.sedar.com. The Company prepares its consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS"). The audited consolidated financial statements of the Company are presented on a consolidated basis. All dollar figures included herein and in the following discussion and analysis are quoted in Canadian dollars unless otherwise noted.

The financial information in this MD&A is derived from the Company's consolidated financial statements prepared in accordance with IFRS. This MD&A may contain forward looking statements based on assumptions and judgments of management regarding events or results that may prove to be inaccurate as a result of risk factors beyond its control. Actual results may differ materially from the expected results.

COMPANY OVERVIEW

The Company is a publicly traded Canadian company listed on the Canadian Securities Exchange under the symbol 'JEM', with an emphasis on acquiring and developing oil and gas properties.

The Company is focused on becoming a diversified upstream oil and gas services company, who focuses on acquiring mature fields in South America and increasing their production efficiently with the work of a skillful technical team. We will base our long term business plan in Farm In/Out agreements with operational control, designed to help manage operating expenses, maximize reserve recovery, and boost overall return on investment throughout the life of an oil or gas asset.

The Company is committed to be a premier oil and gas company, respected throughout the industry for the quality and technicality of its people, the efficiency of its operations by sustainable value creation, growth in reserves and production, and by contributing to the country's energy self-sufficiency goal.

OVERALL PERFORMANCE

The Company will continue actively sought new opportunities in Oil & Gas sector while maintaining the Company's status as a reporting issuer on the Canadian Securities Exchange.

OPERATIONAL UPDATE

Under the terms of the Development Agreement signed on August 7, 2014, the Company paid \$4,644,326 (US\$4,153,378) to drill, complete and equip three development wells. In the initial phase of the project, 70% of gross proceeds flow to the Company in order to recover its investment. As at 30 April 2017, the Company had realized accumulated investment returns of \$2,717,566 (US\$2,139,390). During the year ended 30 April 2017, realized investment returns were \$485,601 (US\$371,483).

According to Central production reports, since the first well started producing oil in October, 2014 until October 26, 2016, gross cumulative production of the three wells drilled in the Catriel Oeste field reached 57,483 barrels of crude oil, generating net proceeds of \$2,717,566 which represents the 70% take that Jagercor received from the total sales of crude oil.

The Catriel Oeste concession expired on October 25, 2016. In January, Central advised Jagercor that Central continued to be involved in negotiations with the Rio Negro Province to extend the concession. Then Central advised Jagercor that the Province of Rio Negro rejected its offer, denying an extension of the concession agreement. Central has operated the Catriel Oeste oilfield until the end of February 2017. The Province transferred the asset (concession) to Provincial Hydrocarbons Company. As a result of Central's inability to obtain a concession extension, production rights over the 3 wells terminate.

The Development Agreement has been impacted (and effectively terminated) by Central's inability to obtain a concession extension.

RESULTS OF OPERATIONS

The Company reported comprehensive loss of \$385,741 for the year ended April 30, 2018 (2017 – comprehensive loss of \$3,213,813). Net loss for the year ended April 30, 2018, was \$688,900 (2017 – net loss of \$3,391,809). The main difference relies on the Central's contract termination. Cumulative translation adjustment was \$ 303,159 (2016 - \$177,996) as at April 30, 2018.

During the year ended April 30, 2018, cash received from the return of investment in Catriel Oeste Project was \$Nil; compared to \$485,601 received in the year ended April 30, 2017 from the return of investment in Catriel. The Company wrote off the investment as at the year ended April 30, 2017.

The Company's operating expenses for the year ended April 30, 2018, included the following:

- General & administrative of \$645,554 (2017 - \$721,936)
- Operating costs of \$179,419 (2017 - \$Nil)
- Business development of \$26,434 (2017 - \$32,688)
- Share-based payments of \$70,430 (2017 - \$Nil)
- Investment Impairment of \$Nil (2017 - \$2,582,244)

General & administrative of \$645,554 (2016 - \$721,936) difference of \$76,382 is less compared to the same period of the previous year mainly due to a reduction on management fees and professional fees.

Operating costs of \$179,419 (2017 - \$Nil) there were no expenses in connection with technical meetings or field audits done by the Company in the prior year.

Business development of \$26,434 (2017 - \$32,688) decreased compared to the same of the previous year due to the costs reduction on consulting services for marketing and reduction on travel expenses.

Investment Impairment of \$Nil (2017-\$2,582,244) is the write off remaining balance of the investment and the company recorded an impairment loss of \$2,582,244 in the prior year.

Share-based payments of \$70,430 (2017-\$Nil) the Company granted 250,000 options to directors and officers.

SUMMARY OF QUARTERLY RESULTS

As required by Form51-102F1 the following is a summary of the Company's financial results for the three most recently completed financial years:

Year ended April 30	2018	2017	2016
Net loss	\$(688,900)	\$(3,391,809)	\$(1,331,166)
Earnings (loss) per share – basic and diluted	\$(0.146)	\$(0.036)	\$(0.014)
Total assets	\$27,194	\$500,412	\$3,757,833
Short-term liabilities	\$48,671	\$51,092	\$94,700
Long-term liabilities	\$544,779	\$Nil	\$Nil
Cash dividends declared per share	\$Nil	\$Nil	\$Nil

During the year ended April 30, 2016, the Company focused on managing its Catriel Oeste Project and actively sought new opportunities in Oil & Gas sector, mainly in Argentina while maintaining the Company's status as a reporting issuer on the Canadian Securities Exchange.

During the year ended April 30, 2017, the Company focused on managing its Catriel Oeste Project until the termination of the contract and actually actively sought new opportunities in Oil & Gas sector, mainly in Argentina while maintaining the Company's status as a reporting issuer on the Canadian Securities Exchange.

During the year ended April 30, 2018, the Company focused on managing the sale of Jager Energia Argentina S.A. ("JEA"). Due to the sale of JEA, the statement of loss and comprehensive loss reflects the consolidated operations of the Company and JEA for the year ended April 30, 2018. The Company recorded a gain on the disposal of subsidiary \$895,505 and a write-off of loan receivable \$675,109.

SUMMARY OF QUARTERLY RESULTS

Following is a summary of the Company's financial results for the eight most recently completed quarters:

For the quarter ended	Apr 30, 2018 – Q4 2018	Jan 31, 2018 – Q3 2018	Oct 31, 2017 – Q2 2018	July 31, 2017 – Q1 2018
Net income (loss)	\$834,906	(\$846,409)	(\$372,519)	(\$304,878)
Earnings (loss) per share – basic and diluted	\$0.02	(\$0.09)	(\$0.04)	(\$0.03)
For the quarter ended	Apr 30, 2017 – Q4 2017	Jan 31, 2017 – Q3 2017	Oct 31, 2016 – Q2 2017	July 31, 2016 – Q1 2017
Net income (loss)	(\$3,057,688)	(\$145,279)	(\$91,867)	(\$96,975)
Earnings (loss) per share – basic and diluted	(\$0.036)	(\$0.002)	(\$0.001)	(\$0.001)

The net income in the quarter ended April 30, 2018 increased compared significantly with the quarter ended January 31, 2018 mainly to the gain on disposal of the subsidiary JEA. Also to negative exchange differences of \$303,159 for recognizing in this quarter the effects of devaluation in the Argentinean subsidiary when translating the foreign currency items (pesos transactions) to functional currency (US dollars) i.e. adjustment for JEA's investment loss. As well, the \$303,159 contemplate positive exchange differences in parent Company due to depreciation of the Canadian currency against US dollar. All other expenses did not show any significant change, except the above mention

The net loss in the quarter ended April 30, 2017 increased compared significantly with the quarter ended January 31, 2017 mainly to negative result with the Development Agreement Termination \$2,582,244. Also to negative exchange differences of \$64,559 for recognizing in this quarter the effects of devaluation in the Argentinean subsidiary when translating the foreign currency items (pesos transactions) to functional currency (US dollars) i.e. adjustment for JEA's investment loss. As well, the \$64,559 contemplate positive exchange differences in parent Company due to depreciation of the Canadian currency against US dollar. All other expenses did not show any significant change, except the above mention

LIQUIDITY AND CAPITAL RESOURCES

As of April 30, 2018, the Company had net working capital (deficit) of (\$46,477) (April 30, 2017 \$449,320) and cash and cash equivalents of \$1,438 (April 30, 2017 - \$482,229 of cash equivalents). The decrease in cash and cash equivalents is explained by the operating expenses and there is no short-term investment at April 30, 2018. The reduction in working capital is due to the Company not completing investing activities during the year. Management plans to continue analyzing different alternatives to finance the Company's new projects throughout the coming year, either with its own cash flow or private placements.

Share transactions:

During the year ended 30 April 2018 the Company did not issue common shares

During the year ended 30 April 2017 the Company did not issue common shares

Cash Flow Activities:

During the year ended April 30, 2018 and the date of this report, cash used in operating activities was \$836 compared to \$645,491 used during the year ended April 30, 2017.

During the year ended April 30, 2018, cash received from the return of investment in Catriel Oeste Project was \$Nil compared to \$485,601 received during the year ended April 30, 2017 and \$305,925 from the sale of the Argentine Sovereign Bonds received during the year ended April 30, 2017.

Financing activities during the year ended April 30, 2018 cash received from issuance of convertible note was \$195,045 (2017 - \$Nil) and Loans to subsidiary \$675,109 (2017 - \$Nil).

The Company's business was generating positive free cash flow till the Central's contract termination, though was not significant enough cash flow from operations in order to fund potential new expenditures, it might be dependent on third party financing, cost sharing arrangements or equity financing through existing and new shareholders.

OUTSTANDING SHARES

Outstanding Share Data

As at April 30, 2018 and the date of this report, there were 4,727,433 common shares.

As at April 30, 2018, there were 267,500 share options.

As at the date of this report, there were 267,500 share options.

	Number of shares	Share capital
Balance April 30, 2018	4,727,433	\$ 7,602,883

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements as at April 30, 2018 or as of the date of this report.

TRANSACTIONS WITH RELATED PARTIES

The amounts due to/from related parties are amounts due to the directors and officers. The balances are unsecured, non-interest bearing and have no specific terms for repayment. These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

	30 April 2018	30 April 2017
CEO (shares to be issued)	\$ 29,200	\$ 29,200
Total amount (shares to be issued)	29,200	29,200

As at 30 April 2018, related parties include an bonus payable to compensate the Chief Executive Officer payable in 36,500 common shares valued at a price of \$0.80 per share. Issuance pending since 2016.

On October 14, 2017, convertible notes were issued to two directors.

On April 27, 2018, the Argentinian subsidiary was sold to a director of the Company for \$25,000. The \$25,000 is still outstanding as at April 30, 2018

During the period ended April 30, 2018 and 2017, the Company entered into the following transactions with related parties:

Year ended 30 April	2018	2017
Short-term benefits – Management fees	\$ -	\$ 188,870
Share-based payments	70,430	-
Short-term benefits – Director fees	-	6,000
Total key management personnel compensation	70,430	194,870

Management fees for the year ended April 30, 2017 correspond to salaries and wages paid in the Argentinean subsidiary to the CEO, CFO and the Corporate Secretary; affected for a salaries reduction during 2018

Director fees correspond to the compensation, on a quarterly basis, of Dennis Mee, one of the Company's directors for small case participation in board and audit committee meetings, and the review of director's consent resolutions and quarterly financial statements.

CRITICAL ACCOUNTING ESTIMATES

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the future, actual experience may differ from these estimates and assumptions. The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are discussed below:

i) Exploration and Evaluation Expenditures

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the profit or loss in the year the new information becomes available.

ii) Title to Oil and Gas Property Interests

Although the Company has taken steps to verify title to oil and gas properties in which it has a Project, these procedures do not guarantee the Partner's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

iii) Income Taxes

The Company has not recognized a deferred tax asset, as management believes it is not probable that taxable profit will be available against which deductible temporary differences can be utilized.

iv) Share-based Payment Transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the stock option, volatility and dividend yield and making assumptions about them.

v) Foreign currencies

The functional currency of each of the Company's entities is measured using the currency of the primary economic environment in which that entity operates. The Company determined that its functional currency is the Canadian dollar for its parent, and it is the US dollar for its Argentinean subsidiary commencing October 2014, prior to which it was the Canadian dollar. The functional currency of the Company's Argentinean subsidiary was changed to US dollars as a result the Company's investment made and returns received during the year being denominated in US dollars.

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

The financial results and position of foreign operations whose functional currency is different from the reporting currency are translated as follows:

- i) assets and liabilities are translated at period-end exchange rates prevailing at that reporting date; and
- ii) income and expenses are translated at average exchange rates for the period.

Exchange gains and losses arising on translation are recognized in accumulated other comprehensive loss.

For a detailed summary of the Company's significant accounting policies, the readers are directed to Note 3 of audited consolidated financial statements for the year ended April 30, 2017 that are available on SEDAR at www.sedar.com.

RISKS AND UNCERTAINTIES

The Company believes that the following risks and uncertainties may materially affect its success.

Limited Operating History

The Company has no history of business or exploitation operations, revenue generation or production history. The Company was incorporated on June 8, 1987 and has not yet generated a significant profit from its activities. The Company is subject to all of the business risks and uncertainties associated with any new business enterprise, including the risk that it will not achieve its growth objective. The Company anticipates that it may take several years to achieve positive free cash flow.

Exploration, Development and Operating Risks

The exploration for and development of oil and gas properties involve significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties that are explored are ultimately developed into producing oil and gas. There can be no guarantee that the estimates of quantities and qualities of production disclosed will be economically recoverable. With all operations there is uncertainty and, therefore, risk associated with operating parameters and costs resulting from the scaling up of extraction methods tested in pilot conditions. Oil and Gas exploration is speculative in nature and there can be no assurance that any hydrocarbon discovered would result in an increase in the Company's resource base.

The Company's operations are subject to all of the hazards and risks normally encountered in the exploration, development and production of oil and gas. These include unusual and unexpected geological formations, rock falls, seismic activity; flooding and other conditions involved in the production of the hydrocarbon, any of which could result in damage to, or destruction of, other producing facilities, damage to life or property, environmental damage and possible legal liability. Although precautions to minimize risk will be taken, operations are subject to hazards that may result in environmental pollution and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Company.

Fluctuating Commodity Prices

The economics of hydrocarbon exploitation is affected by many factors beyond the Company's control, including commodity prices, the cost of operations, variations in the grade and production and fluctuations in the market price of the commodities. Depending on the price of the commodities, it

may be determined that it is impractical to continue the exploitation operation. Oil and Gas prices are prone to fluctuations and the marketability is affected by government regulation relating to price, royalties, allowable production and the importing and exporting of the commodities, the effect of which cannot be accurately predicted. There is no assurance that a profitable market will exist for the sale of any hydrocarbon found on the Property.

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.

Currency Risk

Currency risk is the risk to the Company's earnings that arises from fluctuations of foreign exchange rates and the degree of volatility of these rates.

The Company may have available funds in Argentina. Thus, the Company's ability to repatriate funds from Argentina is governed by the Argentine Republic Central Bank (BCRA), which imposes a number of monetary and currency exchange control measures that may include tight restrictions to access foreign currency to transfer funds abroad.

Substantial Capital Requirements and Liquidity

Substantial additional funds for the establishment of the Company's current and planned gas and oil operations will be required. No assurances can be given that the Company will be able to raise the additional funding that may be required for such activities, should such funding not be fully generated from operations. Commodity prices, environmental rehabilitation or restitution, revenues, taxes, transportation costs, capital expenditures, operating expenses and geological results are all factors which will have an impact on the amount of additional capital that may be required. To meet such funding requirements, the Company may be required to undertake additional equity financing, which would be dilutive to shareholders. Debt financing, if available, may also involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion, and pursue only those development plans that can be funded through cash flows generated from its existing operations.

The Company manages liquidity risk by maintaining an adequate level of cash and cash equivalents to meet its ongoing obligations. The Company continuously reviews its actual expenditures and forecast cash flows and matches the maturity dates of its cash and cash equivalents to capital and operating needs. The Company has been successful in raising equity financing in the past; however, there is no assurance that it will be able to do so in the future.

Regulatory Requirements

The current or future operations of the Company require permits from various governmental authorities, and such operations are and will be governed by laws and regulations governing exploration, development, production, taxes, labor standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters. Companies engaged in the exploration and development of hydrocarbon properties generally experience increased costs

and delays in development and other schedules as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that all permits which the Company may require for the facilities and conduct of exploration and development operations will be obtainable on reasonable terms or that such laws and regulation would not have an adverse effect on any exploration and development project which the Company might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in exploration and development operations may be required to compensate those suffering loss or damage by reason of the exploration and development activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations. Amendments to current laws, regulation and permits governing operations and activities of mineral companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or exploration and development costs or require abandonment or delays in the development of new properties.

Financing Risks and Dilution to Shareholders

The Company will have limited financial resources. If the Company's exploration program on its properties is successful, additional funds will be required for the purposes of further exploration and development. There can be no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be available on favorable terms or at all. It is likely such additional capital will be raised through the issuance of additional equity, which will result in dilution to the Company's shareholders.

Title to Properties

Acquisition of title to hydrocarbon properties is a very detailed and time-consuming process. Title to, and the area of, properties may be disputed. The Company cannot give an assurance that title to the Property will not be challenged or impugned. Properties sometimes contain claims or transfer histories that examiners cannot verify. A successful claim that the Company, as the case may be, does not have title to the properties could cause the Company to lose any rights to explore, develop and produce any gas or oil on that property, without compensation for its prior expenditures relating to such property.

Requirement for Permits and Licenses

As the Company potentially involves in exploration or development of oil & gas, it and may need to acquire permits or licenses necessary to carry on proposed exploration or development activities on the properties. A substantial number of permits and licenses may be required should the Company proceed beyond exploration; such licenses and permits may be difficult to obtain and may be subject to changes in regulations and in various operational circumstances. It is uncertain whether the Company will be able to obtain all such licenses and permits.

Competition

There is competition within the oil and gas industry for the discovery and acquisition of properties considered to have commercial potential. The Company will compete with other companies, many of which have greater financial, technical and other resources than the Company, for, among other things,

the acquisition of claims, leases and other interests as well as for the recruitment and retention of qualified employees and other personnel.

Reliance on Management and Dependence on Key Personnel

The success of the Company will be largely dependent upon on the performance of the directors and officers and the ability to attract and retain key personnel. The loss of the services of these persons may have a material adverse effect on the Company's business and prospects. The Company will compete with numerous other companies for the recruitment and retention of qualified employees and contractors. There is no assurance that the Company can maintain the service of its directors and officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Company and its prospects.

Environmental Risks

The Company's exploration and appraisal programs will, in general, be subject to approval by regulatory bodies. Additionally, all phases of the oil and gas exploitation business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and federal, provincial and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with operations. The legislation also requires that wells and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs.

Local Resident Concerns

Apart from ordinary environmental issues, work on, or the development of the properties could be subject to resistance from local residents that could either prevent or delay exploration and development of the properties.

Uninsurable Risks

Exploration, development and production operations on hydrocarbon properties involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks as a result of high premiums or other reasons. Should such liabilities arise, they could have an adverse impact on the Company's results of operations and financial condition and could cause a decline in the value of the Company shares. The Company does not intend to maintain insurance against environmental risks.

Litigation

The Company and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit.

FORWARD-LOOKING STATEMENTS

This MD&A contains forward-looking statements. Forward-looking statements are projections of events, revenues, income, future economic performance or management's plans and objectives for future operations. In some cases, you can identify forward-looking statements by the use of terminology such as "may", "should", "expects", "plans", "anticipates", "believes", "estimates", "predicts", "potential" or "continue" or the negative of these terms or other comparable terminology. Examples of forward-looking statements made in this MD&A include statements about the Company's business plans; the costs and timing of its developments; its future investments and allocation of capital resources; success of exploration activities; requirements for additional capital; government regulation of mining operations. These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including: general economic and business conditions, fluctuations in worldwide prices and demand for minerals; our lack of operating history; the actual results of current exploration activities; conclusions or economic evaluations; changes in project parameters as plans continue to be refined; possible variations in grade and or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labor disputes or other risks of the oil & gas industry; delays in obtaining government approvals or financing or incompleteness of development or construction activities, any of which may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements.

Jagercor has no working interest in any Property and does not claim to report any reserves, resources other than reserves or measurements thereof. Jagercor's interest was limited to a funding agreement in the form of the Agreement entered into with Central.

Any references in this MD&A to test rates, flow rates, initial and/or final raw test or production rates, early production, test volumes behind pipe and/or "flush" production rates are useful in confirming the presence of hydrocarbon, however, such rates are not necessarily indicative of long-term performance or of ultimate recovery. Readers are cautioned not to place reliance on such rates in calculating the aggregate production for Jagercor or its partners.

All calculations converting natural gas to barrels of oil equivalent ("boe") have been made using a conversion ratio of six thousand cubic feet (six "Mcf") of natural gas to one barrel of oil, unless otherwise stated. The use of boe may be misleading, particularly if used in isolation, as the conversion ratio of six Mcf of natural gas to one barrel of oil is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

While these forward-looking statements and any assumptions upon which they are based are made in good faith and reflect our current judgment regarding the direction of the Company's business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions or other future performance suggested herein. Except as required by applicable law, including the securities laws of the Canada, the Company does not intend to update any of the forward-looking statements to conform these statements to actual results.

MANAGEMENT'S REPORT ON INTERNAL CONTROLS OVER FINANCIAL REPORTING

In connection with Exemption Orders issued in November 2007 by each of the securities commissions across Canada, the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective accompanying MD&A.

In contrast to the certificate under National Instrument ("NI") 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings), the Venture Issuer Basic Certification includes a 'Note to Reader' stating that the CEO and CFO do not make any representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financing reporting, as defined in NI 52-109.

RECENT ACCOUNTING PRONOUNCEMENTS

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or the IFRIC that are mandatory for accounting periods beginning on or after January 1, 2018. The following standard has not yet been adopted by the Company and is being evaluated to determine its impact:

IFRS 9: New standard that replaced IAS 39 for classification and measurement, effective for annual periods beginning on or after January 1, 2018. The following standards, amendments to standards and interpretations have been issued for annual periods beginning on or after January 1, 2019. The following standard has not yet been adopted by the Company and is being evaluated to determine its impact.

IFRS 16 is a new standard that sets out the principles for recognition, measurement, presentation, and disclosure of leases including guidance for both parties to a contract, the lessee and the lessor. The new standard eliminates the classification of leases as either operating or finance leases as is required by IAS 17 and instead introduces a single lessee accounting model.

FINANCIAL AND OTHER INSTRUMENTS

Fair Value

The fair value of the Company's accounts receivable, and trade and other payables, approximate carrying value, which is the amount recorded on the consolidated statement of financial position. The fair value of the Company's investment, carried at amortized cannot be determined as there is no fixed terms of repayment. The Company's other financial instruments, cash and cash equivalents, and short-term investment, under the fair value hierarchy are based on level one quoted prices in active markets for identical assets or liabilities.

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 30 April 2018, the Company does not have any Level 3 financial instruments.

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 were set out in the "Risks and Uncertainties" section on page 10. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

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.

DIRECTORS

Certain directors of the Company are also directors, officers and/or shareholders of other companies that are similarly engaged in the business of acquiring, developing and exploring natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required to act in good faith with a view to the best interests of the Company and to disclose any interest they may have in any project opportunity of the Company. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his/her interest and abstain from voting in the matter(s). In determining whether or not the Company will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at the time.

On February 06, 2017 Alejandro Cherñacov resigned as the Chief Financial Officer and Director of the Company.

OUTLOOK

The Company's primary focus for the foreseeable future will be ongoing on the evaluation of possible projects related to acquire and development activities in oil and gas properties.

OTHER REQUIREMENTS

Additional disclosure of the Company's material documents, information circular, material change reports, new release, and other information can be obtained on SEDAR at www.sedar.com.

OTHER MATTERS

Legal proceedings

The Company is not aware of any legal proceedings.

Contingent liabilities

At the date of report, management was unaware of any outstanding contingent liability relating to the Company's activities.

OFFICERS AND DIRECTORS OF THE COMPANY

As at April 30, 2018, the officers and directors of the Company are:

Edgardo Angel Russo –President, CEO and Director
Hendrik Van Alphen – Director
Robert Kopple – Director

APPROVAL

The board of Directors of the Company has approved the disclosure contained in this Management Discussion and Analysis. A copy will be provided to anyone who requests it.

On Behalf of the Board of Directors,

/s/ Robert Kopple

Robert Kopple
Director

January 28, 2019