MAJESCOR RESOURCES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE YEARS ENDED FEBRUARY 28, 2011 AND 2010.

The following Management Discussion and Analysis ("MD&A") of the operating results, financial condition and future prospects of Majescor Resources Inc. (the "Company" or "Majescor"), current as of June 28, 2011 should be read in conjunction with the audited consolidated financial statements of the Company and notes to the consolidated financial statements for the fiscal years ended February 28, 2011 and 2010. Said financial statements were prepared in accordance with Canadian generally accepted accounting principles. The reporting currency is in Canadian dollars. Unless specified as $US, references in this MD&A to dollars are to Canadian dollars.

This MD&A contains or may refer to certain statements that may be deemed "forward-looking statements". Forward-looking statements include estimates and statements that describe the Company's future development plans, objectives or goals, including words to the effect that the Company expects a stated condition or result to occur. Forward-looking statements may be identified by such terms as "anticipates", "believes", "could", "estimates", "expects", "may", "shall", "will", or "would". Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Forward-looking statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices for mineral commodities; exploration successes; new opportunities; continued availability of capital and financing; general economic, market or business conditions; and litigation, legislative, environmental or other judicial, regulatory, political and competitive developments. These and other factors should be considered carefully and readers should not place undue reliance on the Company's forward-looking statements. Majescor Resources Inc. does not undertake to update any forward-looking statement that may be made from time to time by Management or on its behalf, except in accordance with applicable public disclosure rules and regulations.

Nature of Business

Majescor is a Canadian mineral exploration and development company incorporated under the *Canada Business Corporations Act*. The Company is engaged in the acquisition, exploration and development of mineral properties. Its focus is presently on projects located in Haiti, Canada and Madagascar. The Company also continues to evaluate other opportunities outside the current area of operations. The Company has not yet determined whether its properties contain resources or mineral reserves. The Company will periodically have to raise additional funds to continue operations, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future.

Common shares of the Company are listed for trading on the TSX Venture Exchange (''TSXV'') under the symbol "MJX". Majescor's head office is in Montreal, Quebec.

Business development highlights

Completion of the acquisition of SIMACT Alliance Copper Gold Inc.

On July 27, 2010, the Company completed the acquisition of all of the remaining issued and outstanding common shares of SIMACT Alliance Copper Gold Inc. (“SACG”), further to the exercise in January 2010 of the option granted to Majescor pursuant to a letter agreement with SACG and its principal shareholders (the ’’Principals’’) dated April 22, 2009. SACG is a Montreal-based private company which holds title to approximately 62% of the issued and outstanding common shares of SOMINE SA (“SOMINE”), a company incorporated under the laws of the Republic of Haiti. SOMINE’s principal asset is its Research Permit on the SOMINE Copper-Gold property (the “Property”), located in the North-East Mineral district of Haiti. SOMINE’s mineral rights and obligations for the Property were assigned under a mining convention executed with the Government of Haiti on May 5, 2005 and are valid until June 22, 2012. The mining convention is valid until March 9, 2020. The SOMINE Copper-Gold property also covers four Prospecting Permits encompassing four 100 km^2 areas lying to the East, South and Southeast of the Research Permit subject to the Mining Convention. SOMINE SA has requested the conversion of the Prospecting Permits into Research Permits (50 km^2 each) and has filed all technical and source documents in support of its application with the Haitian Bureau of Mines and Energy (the “BME”).

On May 26, 2009, Majescor acquired an initial 10% interest in SACG by issuing 2,000,000 common shares at a fair value of $0.15. On January, 26, 2010, Majescor exercised its option to purchase the remaining 90% interest in SACG after having made a $200,000 cash payment to SACG and having incurred $600,000 in exploration work on the SOMINE property. On July 27, 2010, Majescor issued another 10,000,000 common shares at a fair value of $0.25 to complete the acquisition of the remaining 90% interest in SACG, and closed a concurrent $2.5 million non-brokered private placement.

Also, under the terms of the acquisition agreement, and subject to certain conditions including the preparation by SACG’s affiliate, SOMINE S.A., of a technical report compliant with NI 43-101 demonstrating indicated mineral resources on the Property of at least 1,000,000 ounces of gold or its equivalent in copper and silver, SACG’s former shareholders will be entitled to a minimum of 3,000,000 and a maximum of 6,000,000 additional common shares in the share capital of Majescor.

On January 12, 2010, Port-au-Prince, the capital of Haiti, and surrounding areas experienced a major earthquake, which resulted in significant loss of life, including a senior SOMINE SA employee, together with extensive damages to physical infrastructure and most of accounting records. As a result of these critical circumstances, the Company has not yet been able to fully reconcile all of the accounts of SOMINE SA.

Also, on January 27, 2011, the Company sent a Notice of Claim to former shareholders (‘’Vendors’’) of SACG pursuant to the share purchase agreement dated July 27, 2010 (“the “SPA”), between Majescor, SACG and the Vendors. Majescor withheld a portion of the escrowed payment shares of Majescor, which were to be released to certain Vendors on January 27, 2011, pending the resolution of issues related to SOMINE S.A, and to the damages caused by the conduct of such Vendors. Also, in January 2011, SACG filed a court claim in Haiti for unauthorized actions subsequent to the acquisition, against 4 Directors of SOMINE S.A.

Given the above described circumstances, where the Company did not have either effective control or significant influence over SACG since acquisition, the Company has recorded its investment in SACG at cost. Subsequent to year-end, the Company was able to gain full control over SACG (whose main asset is its holding in SOMINE S.A), further to a special shareholders meeting held by SOMINE S.A on May 7, 2011, whereby a new board was elected and SACG was designated as operator for the SOMINE property. Consequently, management is re-evaluating the accounting method for the Company’s investment in SACG for the next reporting period.

Closing of a $2.5 million non-brokered private placement

Concurrently with the closing of the acquisition of SIMACT, the Company has completed a non-brokered private offering of 10,000,000 units (the “Units”) at a price of $0.25 for gross proceeds of $2,500,000. Each Unit consists of one common share of the Company (a “Common Share”) and one-half common share purchase warrant (each, a “Warrant”). Each Warrant entitles its holder to acquire one additional Common Share of the Company at a price of $0.40 per share until July 27, 2012. Two insiders of the Company have participated in the Offering for gross proceeds of $100,000. The proceeds of the private placement will be used to fund the Company’s general working capital and exploration program on the SOMINE Copper-Gold property in Haiti.
In connection with the private placement, the Company paid finder’s fees totalling $150,600 and issued 602,400 non-transferable finder’s fee warrants, each warrant entitling the holder to acquire one Common Share of the Company at a price of $0.25 per share until July 27, 2012. All securities issued in the Offering were subject to a four month hold period expired on November 28, 2010.

Signing of an Investor relations agreement

On August 23, 2010, Majescor announced that it has retained Allyson Taylor Partners Inc. (“ATP”) as its investor relations consultant. The company carefully selected ATP to help increase its exposure to institutional and retail investors throughout North America and Europe. The agreement with ATP is effective August 12, 2010, is for a 12-month term, and may be terminated on a 60-day notice. ATP will be paid a monthly fee of $10,000 plus all pre-approved expenses. The Board has granted ATP 200,000 stock options priced at $0.25 per share, expiring in two years. The stock options will vest on a quarterly-basis. In accordance with the Company’s stock option plan and TSX Venture Exchange Policy 4.4, these options will expire 30 days following the termination date.

Hiring of Buscore Consulting Limited (“Buscore”)

On May 24, 2011, the Company announced the hiring of Buscore to manage the exploration program on the SOMINE copper-gold Property (“SOMINE Property”) located in the North-East mineral district of Haiti. Buscore is an established international mineral exploration and mine development consulting company founded by Canadian geologists Dale Schultz and Bart Wilson. Prior to starting Buscore, both Mr. Schultz and Mr. Wilson worked on behalf of Aurelian Resources, where their work was fundamental in the discovery of the world-class Fruita del Norte epithermal gold-silver deposit. In addition to this, they have helped to discover and develop multiple precious and base metals prospects throughout the Americas. One of Buscore’s first tasks on the SOMINE Property will be to implement the exploration program following the recommendations set forth in Majescor’s National Instrument (“NI”) 43-101 Technical Report on the property (the “Report”; available on www.sedar.com).

Execution of a Joint Venture Agreement on the Mistassini Uranium Property

On May 16, 2011, the Company executed a formal Joint Venture Agreement with Strateco, having an effective date as of February 14, 2011. Strateco has fulfilled its obligations pursuant to the Option Agreement, by incurring more than $1,300,000 in exploration expenses for the three year option period. Consequently, Strateco has acquired its 60% interest in the uranium rights on the Mistassini Uranium Property (see subsequent events for more details).

Going concern assumption

In assessing whether the Company’s going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. Management is aware, in making its assessment, of material uncertainties relating to events or conditions that may cast significant doubt upon the entity’s ability to continue as a going concern. The carrying amounts of assets, liabilities and expenses presented in the consolidated financial statements and the balance sheet classifications have not been adjusted as would be required if the going concern assumption was not appropriate. If the going concern assumption was not appropriate for the consolidated financial statements, adjustments to the carrying value of assets and liabilities and expenses and balance sheet classification, which could be material, may be necessary.

Exploration

Majescor is a junior explorer focusing on emerging mineral districts. The Company's exploration activities cover three geographic regions of interest. In addition to the SOMINE property in Haiti (controlled by Majescor's wholly-owned affiliate SACG; titles held by SACG's Haitian partner, SOMINE SA), Majescor's project portfolio includes the Mistassini-uranium property (under joint-venture: 40% Majescor, 60% Strateco Resources Inc.), located in the James Bay territory of northern Quebec. In Madagascar, Majescor owns 100% mineral rights to the Besakoa gold and base metal property (under option to Sunridge Gold Corp.).

Throughout the reporting period, Majescor performed geophysical data reprocessing and analysis on the SOMINE property (Haiti), geological data compilation on the Mistassini Property (Quebec), and geological mapping, prospecting geochemical sampling and ground gravity surveying on the optioned Malagasy Besakoa property.

SOMINE property, North-East Haiti (Copper-Gold):

On January 12, 2010, Port-au-Prince, the capital of Haiti, and surrounding areas experienced a major earthquake, which resulted in significant loss of life, including a senior SOMINE SA employee, together with extensive damages to physical infrastructure. The Cap-Haitian area of Northeast Haiti, where the SOMINE Copper-Gold property is located, was not impacted by the quake. Prospecting other geological data acquisition activities have continued on the Property under the leadership of SOMINE SA.

In March 2010, Majescor sponsored a geographic information system ("GIS") based geological compilation of historical and recent exploration data from the SOMINE Property. In December 2010, the Company received a new version of the historical drill hole GIS dataset.

In September 2010, Majescor awarded a contract to geosphysical consultant M. Boivin of MBGeosolutions to reprocess historical airborne geophysical data from the Property and broader property area. The principal objectives of this work are to (a) identify and map the main magnetic, electromagnetic and structural features associated with the copper and gold mineralisation observed in the field; and (b) select priority areas for ground induced polarisation ("IP") geophysical surveying and for follow-up prospecting. The Company received the results of the geophysical data interpretation work in December 2010. The principal findings from the report were released on January 18, 2011 (see Majescor press release dated January 18, 2011). French versions of the report were submitted to both the BME and SOMINE SA.

In its report, MBGeosolutions recommends the Company sponsor a first-phase program of ground geophysical surveying targeting three priority sectors of the SOMINE Copper-Gold property. This program is to comprise over 123 line-km of gradient electrode IP and resistivity measurements on 200m-spaced lines. Detailed lines, using a dipole-dipole or pole-dipole survey, are recommended on the best IP anomalies. The ground IP survey, originally scheduled to commence in late 2010, has been postponed to the second half of 2011, pending the availability and timeline for the mobilisation of a Canadian surveying team. The results of the IP survey will guide the Company in the selection of targets for a comprehensive property-scale core drilling program scheduled to commence in 2011, as per the recommendations of the NI 43-101 technical report.
SOMINE S.A had a commitment to file a feasibility study (a non NI 43-101 compliant report) for an initial, small-scale near-surface gold mining and recovery operation at the Faille B prospect with the BME by September 2010. However, the unfavourable circumstances in Haiti since the January 12, 2010 earthquake caused a delay in the execution of the study. SOMINE S.A will submit the full results of the feasibility study to BME as soon as the report is finalized.

In the first quarter of 2011, Somine S.A geologists sampled and mapped the northern half of the principal NNE-trending ridge on the property that also has: the Blondin porphyry copper deposit (historical of 50 million tons @ 0.56% Cu*); the Douvray porphyry copper deposit (historical resource of 69.5 million tons @ 0.39% Cu*); and the Dos Rada copper-gold occurrence (Non NI 43-101 compliant historical resource estimates). The new copper-gold zone, termed the Matheliere zone, has a 2.4 km strike length and is up to 800 m wide. Surface grab samples of malachite-bearing altered andesite, gossanous rock and quartz – iron oxide rock yielded 35 (of 83) samples with > 1% Cu (further assays pending), and 9 samples with 0.5 to 9.0 ppm Au. Majescor management is encouraged by these results, as they are very similar to the assay values and geology at the Blondin and Douvray deposits along trend to the SSE; as well as to the 3.5 km x 800 m Dos Rada mineralization further along trend to the SSE on the property.

Majescor has initiated a drilling program which is designed to define and expand the mineralization at the Douvray and Blondin deposits. In addition, a comprehensive mapping, sampling and induced polarization program has been designed for the Matheliere and Dos Rada areas, with the goal to bring these new copper-gold discoveries to the drill stage within six months.

In May 2011, the Company hired Buscore Consulting Limited to manage the exploration program on the **SOMINE copper-gold Property.** One of Buscore's first tasks on the SOMINE Copper-Gold project will be to implement the exploration program following the recommendations set forth in Majescor's National Instrument ("NI") 43-101 Technical Report on the property (the "Report"; available on www.sedar.com). Phase I of this program, estimated at $1.2 million, will comprise of the following: re-establishment of an exploration camp; extending surface grids; continued soil and rock chip sampling on grids; ground geophysical surveying (IP surveys) on the grids in areas not previously surveyed; a 3,500 m – 15 hole drill core drilling campaign focussing on the historical Douvray and Blondin porphory copper prospects and on new priority targets including the Dos Rada and Ti-Toro copper zones and the Vein 37 copper-gold prospect; as well as initial environmental baseline studies.

Majescor immediately filed an exploration program with the Haitian Bureau of Mines and Energy ("BME"), covering the period June 1 to December 31, 2011. This exploration program follows the recommendations of the NI 43-101 technical report on the SOMINE property sponsored by Majescor in December 2009 (available at www.sedar.com) while at the same time honouring the technical and financial obligations of SOMINE SA as per the company's agreement with the BME for the two-year period ending June 22, 2012, including a total firm exploration commitment of **US$ 2,065 million**. This exploration program calls for:

- A first round of core drilling on the property (total 3,500 m; 10-15 holes) designed to upgrade historical drill hole information at the Douvray and Blonding copper prospects to NI 43-101 standard and attempt to define a first NI 43-101 compliant Inferred mineral resource for the property, while at the same time test new surface copper zones such as Dos Rada, Ti-Toro and the recently uncovered Mathelière zone.
- Complete refurbishing of the Roche Platte base camp;
- Systematic surface mapping and geochemical sampling, trenching and test pitting
- Systematic ground IP geophysical surveying. In its December 2010 report, MBGeosolutions recommended that Majescor and SOMINE SA sponsor a first-phase program of ground geophysical surveying targeting three priority sectors of the SOMINE Copper-Gold property. The proposed program is to comprise over 123 line-km of gradient electrode IP and resistivity measurements on 200m-spaced lines. Detailed lines, using a dipole-dipole or pole-dipole survey, are recommended on the best IP anomalies. The ground IP survey, originally scheduled to commence in late 2010, has been postponed to the third Quarter of 2011, pending the availability and timeline for the mobilisation of a Canadian surveying team . The results of the IP survey will guide the Company in the selection of targets for a new round (Phase 3; + 20,000 m) of comprehensive core drilling on the SOMINE property scheduled to commence in 2012, as per the recommendations of the NI 43-101 technical report.
- Complete the non-43-101 compliant feasibility on the Faille B gold prospect started in 2010 by SOMINE SA.
- Environmental base line studies

Projected in-the-ground mining exploration expenditures on the SOMNE property for the period June 1 to December 31, 1011 are estimated at **$1.2 million**.

Mistassini, Otish Mountains, Quebec (Uranium): Uranium rights in joint-venture with Strateco Resources Inc.

The Mistassini property is host to the Lac Mantouchiche uranium prospect where in November 2007, the Company drilled an 18.5-metre intersection grading 0.215% U3O8 at a vertical depth of 47 metres in hole MIST-07-03 (see Majescor Press Releases dated February 25 and May 29, 2008). The property, optioned by Strateco Resources Inc. ("Strateco") in 2008, is comprised of 171 map-designated claims with a total surface area of 9,115 hectares. The property is located in the Otish Mountains of Quebec, 50 km southwest of Strateco's Matoush property.

In June of 2009, Strateco undertook a first phase of follow-up drilling (seven (7) holes for a total of 786 metres), aimed at attempting to define and extend the Lac Mantouchiche prospect based on the results a geophysical interpretation of high-resolution magnetic and electromagnetic data from a helicopter-borne survey carried-out over the Mistassini property earlier that year. The drilling, which tested three areas in the immediate vicinity of the Mantouchiche showing over a total strike length of 125 metres, yielded new and encouraging results, including of a new uranium-bearing zone discovered in the hanging wall of the Manotuchiche (11.6 metres grading 0.21% U3O8 in drill hole MIST-09-03; see Majescor press release dated July 9, 2009; final analytical results).

In February 2010, Majescor received the final drill results and full 2009 technical report by Strateco for the Mistassini uranium property. Given the positive results of the 2009 drill campaign, Strateco has undertaken a new structural and geological interpretation of the Mistassini property. The new interpretation work is aimed at assessing the possible strike and dip extensions of the Mantouchiche showing as well as that of the new uranium-bearing zone (MIST-09-03) discovered in the hanging wall of the showing, in preparation for a new round of core drilling.

On January 14, 2011, Majescor reported the new core drilling program at the Mistassini property was underway, This new phase of drilling by Strateco will comprise of 1000 m from ten (10) holes, each approximately 100 m in length. The goal of the Mistissini uranium property exploration program remains to discover one or more near-surface economic uranium deposits set in an off-sedimentary basin basement setting.

Under the terms of the February 2008 Agreement with Majescor, Strateco can earn a 60% interest in Majescor's uranium rights on the property by incurring $1.3 million in exploration expenditures over three years, including a firm $500,000 commitment in Year 1. During the option period, Strateco will be the sole operator for all uranium exploration and will have full and exclusive access to the property. Northern Superior Resources Inc., which holds 100% of the rights for diamonds and 50.5% of the rights for all mineral substances other than diamonds and uranium, is entitled to a 2.0% Yellow Cake Royalty on the Property.

In February 2011, Strateco fulfilled the above condition and earned its 60% interest in the uranium rights on Majescor's Mistassini property. On May 16, 2011, Strateco and Majescor executed a formal Joint Venture (JV) Agreement having an effective date of February 14, 2011. The entering into the JV Agreement was announced in a press release dated June 2, 2011. Under the terms of the Agreement, as long as Strateco will retain a 50% interest on uranium rights, **Strateco will be the Operator of the JV** and will lead the management committee for exploration of uranium on the Mistassini property and will have full and exclusive access to the property.

On May 20, 2011, Majescor's new VP of exploration, C.T. Barrie, Ph.D., met with Strateco's management and technical team in Montreal to review results from the Mistassini uranium exploration project to date, and discuss the strategy to pursue uranium exploration work on the property in 2011. A small targeted exploration program comprising of a surficial geochemistry survey has been proposed by Strateco as operator for the summer 2011 exploration program. The 171 claims forming the Mistassini property are in good standing until 2013.

Madagascar gold and base metal properties: Optioned to Sunridge Gold Corp. (''Sunridge'')

Under the terms of the September 15, 2008 agreement, and the extension agreement of July 2009, between Sunridge, Majescor and its Malagasy affiliate company Daraina Exploration SARL, Sunridge can acquire up to a 100% interest in the Company's 100% owned Malagasy subsidiary Daraina. Under the terms of the agreement, Sunridge can earn 50% interest by spending $2.0 million in qualifying expenditures over 3 years and issuing 500,000 common shares. Within 90 days following its initial obligations, Sunridge can obtain an additional 25% by expending an additional $2,500,000 by the end of the third anniversary of the Agreement and by issuing an additional 500,000 common shares.

In March 2010, Sunridge Gold Corp. ("Sunridge") advised Majescor of its intention not to pursue exploration work on three out of four of the Company's gold and base metal properties under option to Sunridge in Madagascar (Analalava, Daraina, and Analalava). Sunridge will continue with the Besakoa property exploration program. Subsequent to Sunridge's notice, the Company has elected to let the Analalava, Daraina, and Analalava properties lapse. Sunridge is the operator of the Besakoa VMS property exploration program. The Besakoa property hosts a series of historical polymetallic (copper-zinc-silver-gold) showings, including the Besakoa volcanogenic massive sulphide ("VMS") prospect, the principal VMS occurrence in Madagascar.

Preliminary near-surface core drilling of the Besakoa VMS prospect by Majescor in December 2006 (8-hole, 431 m program) returned encouraging results including a 21.5 m intersection grading 0.7% copper, 0.5 g/t gold, 1.1% zinc and 21.4 g/t silver (see Majescor Press Release dated February 8, 2007).

Sunridge is the operator of the Besakoa VMS property exploration program. Ground exploration work by Sunridge on the property, originally scheduled to start in April of 2009, was postponed until 2010.

On July 12, 2010, Majescor announced that exploration work was underway at the Besakoa property. The 2010 work program at Besakoa focussed on several high priority geophysical anomalies that coincide with the VMS-type surface gossan showings. The Besakoa VMS property is in a similar geological environment as Sunridge's Asmara Project in Eritrea where the company has had great success discovering large VMS deposits over the past five years.

A first phase of ground exploration work was started on the property in early June 2010 and ended on August 20, 2010. Initial exploration results were deemed encouraging and a second, more comprehensive phase of field work was initiated in September and was completed in late November.

On November 4, 2010. Sunridge released the preliminary findings from the initial exploration program at the Besakoa property. Ground geophysical and geochemical surveying combined with systematic prospecting work has identified numerous VMS targets on the property which have strong similarities to Sunridge's Asmara Project in Eritrea. Sunridge management continues to believe that the Besakoa project may represent a new emerging VMS district.

Highlights of the initial Besakoa VMS property exploration program by Sunridge include:

-- Surface mapping and sampling has identified over 30 gossans on the project which represent the surface expression of VMS systems;

-- Over 9,000 soil samples have been taken from the property and results show at least 10 strong copper, zinc, gold, and lead geochemical anomalies between 1 and 4 kilometres in length many of which are coincident with VMS gossan outcrop.

-- A ground gravity survey was conducted for the first time over large areas of the property. The results have defined numerous large (longer than 1 kilometre) strong (0.5 to 1 milligal) gravity anomalies many of which are coincident with elevated base and precious metal values.

-- Many of the geochemical and gravity anomalies are coincident with electro-magnetic ("EM") anomalies defined in a previous airborne EM survey.

Sunridge also completed an Audio-Magneto-Telluric (“AMT”) geophysical survey over most of the geophysical and geochemical anomalies with the goal of outlining electrical conductors created by massive sulphide mineralization.

The majority of the anomalies recently identified on the Besakoa property have never been drilled-tested. Sunridge is currently making plans for a first round of core drilling to be implemented on the property during the second quarter of 2011.

Following the ground geophysical, geochemical and geological campaign in 2010 and early 2011, Sunridge is moving forward with a ~30 DDH, 5000 m drill program on the Besakoa property, designed to test coincident ground gravity and soil geochemical anomalies with favourable geology, including along strike from the principal Besakoa volcanogenic massive sulphide deposit. Two drills are available within 15 km of the property and ready to commence as of June 23, 2011.

Princess Mary Lake base camp, Nunavut.

On October 4, 2010, Majescor awarded a contract to Discovery Mining Services Ltd of Yellowknife to undertake the full demobilisation of the Princess Mary Lake (“PML”) base camp, located in the East Thelon basin area of Nunavut. Construction work on the PML camp was started by Uranium World Energy Inc. (“UWE”) in 2007, in preparation for the Baker Lake property uranium exploration program, but was never completed. In October of 2007, Majescor terminated its agreement with UWE.

Camp demobilisation work, originally scheduled to start in early October was delayed by one month to November owing to unfavourable weather conditions in the Baker Lake area. All wooden camp structures and camp-related equipment and supplies have been dismantled and evacuated, leaving only a lot of full and empty fuel drums, to be removed from the site in the spring of 2011.

In December, the Company applied for and received a temporary storage authorisation for the PML camp from the Nunavut Land Administration division of the Department of Indian and Northern Affairs (“INAC”).

Qualified person

The above technical information was prepared, confirmed and/or reviewed by C.Tucker Barrie, Ph.D., P.Geo., Majescor’s Vice-President of Exploration, and a qualified person under NI 43-101.

Financial Information

The following selected financial data is derived from the consolidated financial statements of the Company that were prepared in accordance with Canadian generally accepted principles:

Selected Consolidated Financial Information

	February 28, 2011	February 28, 2010	February 28, 2009
	$	$	$
Operations			
Operating expenses	995,841	659,370	1,021,556
Net loss	761,686	1,791,643	7,199,070
Write-down of mineral exploration properties and deferred exploration expenses	-	1,057,323	4,477,061
Gain (loss) on sale of marketable securities	22,842	81,405	(1,431,577)
Basic and diluted net loss per common share	0.02	0.11	0.72
Weighted average number of common shares outstanding	31,008,195	16,540,831	10,063,522
Deferred Exploration Expenses			
Deferred exploration expenses after contributions from partners	-	-	1,378,421
Cash Flows			
Cash flows used in operating activities	970,608	529,055	329,238
Cash flows used in investing activities	1,103,840	447,268	593,039
Cash flows from financing activities	2,541,250	732,109	193,097
Increase (Decrease) in cash and cash equivalents	465,853	(244,214)	(729,182)
Balance Sheet			
Cash	577,333	111,480	355,694
Short term investments	503,153	-	-
Marketable securities	11,947	97,604	42,695
Long-term investments	4,621,825	1,304,652	-
Mineral exploration properties	24,520	24,520	284,817
Deferred exploration expenses	249,999	249,999	1,127,025
Total assets	6,257,645	2,145,234	2,695,729
Long term liabilities	-	-	136,290
Shareholders' equity	6,082,697	1,749,211	2,172,715

Since its incorporation, the Company has not paid any cash dividends on its outstanding common shares. Any future dividend payment will depend on the Company's financial needs to fund its exploration programs and its future growth, and any other factor that the board may deem necessary to consider. It is highly unlikely that any dividends will be paid in the near future.

Results of Operations

The Company reported a continuous decrease of its net loss during the last three years ($761,686 for 2011, as compared to $1,791,643 for 2010 and $7,199,070 for 2009).

The decrease in 2010 compared to 2009 is mostly attributable to the following changes:

- Lower write-downs of mineral exploration properties and deferred exploration expenses during the year ($1,057,323 in 2010 as compared to $4,477,061 in 2009). In 2009, the Company recognized higher write-downs further to the abandonment of important number of claims of the Mirabelli and Portage properties, the termination of the option agreements with respect to the West Minto and South Rae properties and the devaluation of Madagascar properties carrying value. In 2010, the Company recognized $1,057,323 further to the abandonment of the Baker Lake, the Mirabelli and part of the Madagascar's claims.

- The recognition of a gain on sale of marketable securities during 2010 for $81,405, as compared to a significant loss of $1,431,577 that the Company incurred in 2009 further to the financial market crisis.

- A general decrease in corporate expenses in 2010 as the Company abandoned and/or optioned and/or put most of its exploration projects on care and maintenance program since the end of 2008.

The decrease in 2011 as compared to 2010 is mostly attributable to the following changes:

- Absence of write-downs of mineral exploration properties and deferred exploration expenses as compared to $1,057,323 in 2010, as the Company's portfolio of mineral properties decreased considerably during the last two years further to a significant abandonment/option of properties. In 2011, the Company's portfolio was limited to two properties under option to other partners and no write downs were deemed necessary following management's regular review of the properties' carrying values.

- The recognition of a lower stock-based compensation during 2011 for $85,080 ($138,622 in 2010) further to the grant of a lower number of options (737,500 stock options in 2011 as compared to 1,050,000 in 2010) to Officers, Directors, employees and consultants of the Company.

- An increase in salaries, professional fees as well as general and administrative costs during this period, due to the business development of the Company during the last few months, including the acquisition of SIMACT Alliance Copper Gold Inc.

- The incurring of significant travel and marketing costs during 2011 for $156,002 as compared to $96,828 for the same period in 2010 where the Company's activities were put on care and maintenance.

- The change in estimate, in 2011, of a liability accrual for $202,219 which relates to a previously accrued amount liable to the Company's flow-through investors (see Note 12 to financial statements).

Quarterly information

The following selected financial data is derived from the unaudited interim consolidated financial statements of the Company, which were prepared in accordance with Canadian generally accepted accounting principles.

Quarter Ended	Other Income	Net (earnings) Loss	Basic and diluted Net (earnings) Loss per common share
	$	$	$
28/02/2011	3,327	146,117	0.003
30/11/2010	2,727	247,892	0.006
31/08/2010	2,235	204,695	0.008
31/05/2010	89	162,982	0.008
28/02/2010	235	612,894	0.034
30/11/2009	679	74,711	0.005
31/08/2009	-	957,291	0.057
31/05/2009	215	146,747	0.012

Net loss and the basic and diluted net loss per common share were significantly higher during the quarters ended August 31, 2009 and February 28, 2010 as compared to the other quarters, due to higher write-down of mining properties and deferred exploration expenses which were $808,784 and $248,539 respectively.

Liquidity, Capital Resources and Going Concern

The Company's working capital stands at $1,118,213 at February 28, 2011 including $577,333 in cash and cash equivalent and $503,153 in short-term investments, as compared to a working capital of $98,505 at February 28, 2010. This increase is mostly due to the following changes:

- $2,336,750 net proceeds from a non-brokered private placement that the Company completed on July 27, 2010
- $204,500 proceeds from exercise of warrants
- $77,342 proceeds from sale of marketable securities during the year
- Receipt of tax credit and mining duties refunds for a total of $139,144
- Investment in SIMACT for $817,173
- General and admin.expenses in the normal course of business for $970,608

The Company's working capital stands at $1,118,213 at February 28, 2011, as compared to $924,946 at November 30, 2010. During the quarter ended February 28, 2011. This increase is mostly attributable to the following changes:

- Proceeds from exercise of warrants for $187,000
- Receipt of tax credit and mining duties refunds for $83,524
- Recovery of share subscription receivable for $75,000
- Incurring of General and admin.expenses in the normal course of business for $325,634

With a working capital of $1,118,213 at February 28, 2011 including $577,333 in cash and cash equivalent, $503,153 in short-term investments and $174,948 in current liabilities, the Company anticipates having sufficient cash resources to undertake a portion of the exploration program on the SOMINE property and meet its general and administrative costs for several months. However, the Company requires additional financing, through various means including but not limited to equity financing, to continue exploration programs on the SOMINE property and/or to acquire additional exploration properties and meet all of its general and administrative costs. There is no assurance that the Company will be successful in raising the additional required funds.

Off Balance Sheet Arrangements

As of February 28, 2011, the Company has no off balance sheet arrangements.

Related Party Transactions

Under an agreement between the Company and Everton Resources Inc ("Everton"), the Company reimburses the cost of shared salaries and benefits, rent and office expenses paid by Everton (which shares common management). During the year ended February 28, 2011, the cost of shared salaries and benefits was $62,000 (2010 - $57,000) and rent and office expenses was $2,856 (2010 - $2,856).

Under an agreement between the Company and Woodcliff Capital Inc. (''Woodcliff''), a management company wholly-owned by the former Chairman of Majescor, the Company paid consulting fees to Woodcliff up to June 30, 2010. During the year ended February 28, 2011, the cost of consulting fees paid to Woodcliff was $14,000 (2010 - $49,000).

These transactions were measured at the exchange amount, that is the amount established and accepted by the parties, and were conducted in the normal course of business.

Amounts due to related parties are without interest and terms of repayment.

Mining Property Book Values

At the end of each quarter, management reviews the carrying value of its resource properties to determine whether any write-downs are necessary. Following this analysis, no write-down was deemed necessary during the year ended February 28, 2011 ($1,057,323 in 2010 further to the abandonment of the Baker Lake, the Mirabelli and part of the Madagascar's claims - $4,477,061 in 2009 further to the abandonment of important number of claims of the Mirabelli and Portage properties, the termination of the option agreements with respect to the West Minto and South Rae properties and the devaluation of Madagascar properties carrying value.).

Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, short-term investments, marketable securities, accounts receivable and accounts payable and accrued liabilities. The fair value of these instruments approximates their carrying value, given their short-term nature. It is management's opinion that the Company is not exposed to significant credit risks arising from these financial instruments. A plus or minus 10% change in the value of the marketable securities would affect shareholders' equity by approximately $1,200. The fair value of the long-term investments has not been provided since they are investments in equity instruments that do not have quoted market prices in an active market.

Critical Accounting Policies and Estimates

The preparation of the Company's interim consolidated financial statements in accordance with Canadian Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect amounts reported in the interim consolidated financial statements and accompanying notes. The Company's significant accounting policies and estimates are fully described in note 3 to the consolidated financial statements for the years ended February 28, 2011 and 2010. There were no changes in accounting standards during the year ended February 28, 2011 that would have an impact on the Company's financial reporting.

Future accounting standards

Business Combinations, Consolidated Financial Statements and Non-controlling Interests

In October 2008, the CICA issued Handbook Sections 1582, “Business Combinations”, 1601 “Consolidated Financial Statements”, and 1602 “Non-controlling Interests”. CICA 1582 establishes standards for the measurement of a business combination and the recognition and measurement of assets acquired and liabilities assumed, CICA 1601 carries forward the existing Canadian guidance on aspects of the preparation of consolidated financial statements subsequent to acquisition other than non-controlling interests, and CICA 1602 establishes guidance for the treatment of non-controlling interests subsequent to acquisition through a business combination. These new standards are effective for the Company on March 1, 2011. The Company is currently evaluating the impact of the adoption of these new standards.

International Financing Reporting Standards

The Accounting Standards Board of the CICA requires all public companies to adopt International Financial Reporting Standards (“IFRS”) for interim and annual financial statements for fiscal years beginning on or after January 1, 2011. Companies will be required to provide IFRS comparative information for the previous fiscal period. The transition from Canadian Generally Accepted Accounting Principles to IFRS will be applicable for the Company’s first quarter of fiscal 2012. Although IFRS employs a conceptual framework that is similar to Canadian GAAP, there are some differences in recognition, measurement, and disclosure. It is anticipated however that the Company’s financial results and financial position as disclosed in the Company’s current Canadian GAAP financial statements will not be significantly different when presented in accordance with IFRS.

The Company has continued to work on its transition to IFRS, including assessment of the impact on its accounting systems and financial statements, to ensure full compliance with this requirement by 2011. The following summarizes the Company’s progress and expectations with respect to its IFRS transition plan:

Phase and Key activities	**Progress**
Preliminary impact assessment phase	Completed
Detailed evaluation of potential changes required to accounting policies, information systems and business processes, including the application of IFRS 1 First-time adoption of International Financial Reporting Standards.	completed
Final determination of accounting policies and the quantitative impact of adopting IFRS on key line items in the Company’s financial statements.	In progress, to be completed in conjunction with the Q1 2012 IFRS financial statements.
Implementation phase: - Prepare IFRS consolidated financial statements and IFRS accounting policies - Prepare opening balance sheet reconciliation	In progress, to be completed in conjunction with the Q1 2012 IFRS financial statements.
Post-implementation: - Compliance review - Design and implementation of new IFRS control environment	In progress, to be completed in conjunction with the Q1 2012 IFRS financial statements.

The Company will engage its auditors to review the quantitative impact of adopting IFRS on the Company’s financial statements and to review the Company’s 1st interim IFRS consolidated financial statements (Q1 2012).

During the evaluation of requirements for conversion to IFRS, the Company has assessed changes that need to be made to its accounting systems and business processes. The Company believes that these changes are minimal and the systems and processes can accommodate the necessary changes. The Company has not identified any contractual arrangements that are significantly impacted by the adoption of IFRS. The Company's staff and advisers involved in the preparation of financial statements have been appropriately trained on the relevant aspects of IFRS and the changes to accounting policies. Employees of the Company who will be affected by a change to business processes as a result of the conversion to IFRS have also been appropriately trained. The Board of Directors and Audit Committee have been regularly updated on the progress of the IFRS conversion plan, and are aware of the key aspects of IFRS affecting the Company.

Impact of Adopting IFRS on the Company's Financial Statements

The adoption of IFRS will result in some changes to the Company's accounting policies that are applied in the recognition, measurement and disclosure of balances and transactions in its financial statements. Based on its evaluation to date, the Company will modify its accounting policies related to exploration for and evaluation of Mineral Resources as well as flow-through financings, as described below. However, the Company does not expect any changes to any of its other accounting policies that would result in significant changes to line items within its financial statements. The following provides a summary of the Company's evaluation of potential changes to accounting policies in key areas based on the current standards and guidance within IFRS. This is not intended to be a complete list of areas where the adoption of IFRS will require a change in accounting policies, but to highlight the areas that the Company has identified as having the most potential for a change in its significant accounting policies. The International Accounting Standards Board has a number of ongoing projects, the outcome of which may have an effect on the changes required to the Company's accounting policies on adoption of IFRS. At the present time however, the Company is not aware of any significant expected changes that would affect the summary provided below.

<u>Detail description of key elements</u>

First time adoption of International Financial Reporting Standards (IFRS 1)

IFRS 1 provides guidance on the general approach to take when adopting IFRSs for the first time. The fundamental principle of IFRS 1 is the retrospective application of IFRSs effective as of the date of adoption. IFRS 1 takes into account that a full retrospective application may not be possible or appropriate in all situations and allows for optional exemptions and mandatory exceptions to retrospective application of certain IFRSs.

IFRS 1 exemptions that the Company expects to choose on the date of transition are as follows:

Business Combinations: This election allows the Company to adopt IFRS 3 prospectively from the date of transition.

Property, Plant, and Equipment: This exemption allows an entity to measure its items of property, plant and equipment at the date of transition at their fair value as their deemed cost at that date.

Share-Based Payment: This exemption allows for the restriction of the retrospective application of IFRS 2 according to the granting and vesting dates of rights granted. The Company will use this exemption for all stock options whose rights have been acquired as of March 1, 2010 and will retroactively apply IFRS 2 to stock options which will vest after March 1, 2010.

In addition, to ensure financial statements contain high quality information that is transparent to users, IFRS 1 contains disclosure requirements to highlight changes made to financial statements following the transition to IFRS, which will be a specific note to the financial statements for the quarter ending May 31, 2011.

Exploration for and Evaluation of Mineral Resources (IFRS 6)

IFRS 6 applies to expenditures incurred on properties in the exploration and evaluation (E&E) phase. The E&E phase begins when an entity obtains the legal rights to explore a specific area and ends when the technical feasibility and commercial viability of extracting a mineral resource are demonstrable. IFRS 6 requires entities to select and consistently apply an accounting policy specifying which E&E expenditures are capitalized and which are expensed.

The Company’s policy under Canadian GAAP requires exploration and evaluation costs to be capitalized if the Company believes that these costs have the characteristics of property, plan and equipment.

Under IFRS, the Company plans to expense all exploration and evaluation costs. This is considered a change in accounting policy and must be applied on a retrospective basis. As a result, amounts previously capitalized of $249,999 will be required to be written off and charged to accumulated deficit.

Property, plant and equipment (IAS 16)

Under IFRS, the Company can elect to measure property (‘’PPE’’), plant and equipment using either the cost model or the revaluation model. Canadian GAAP only accepts the cost model. The Company will not select the revaluation model due to the difficulty and effort needed to determine the fair value.

Under IAS 16, each part of a PPE with a cost that is significant in relation to the total cost of the asset shall be depreciated separately. Also, under IFRS, the residual value and useful life of an asset shall be reviewed at least at each year end, while Canadian GAAP requires the same review but on a regular basis. The Company believes that these changes will have no impact on the financial Statements on the changeover date since its PPE are simple. Nevertheless, should the Company acquire complex PPE in the future, additional attention will be needed to identify the different parts of each PPE.

Also, under IAS 16, depreciation commences when an asset is in the location and condition that enables it to be used in the manner intended by management. Depreciation shall cease at the earlier of its derecognition (sale or scrapping) or its reclassification as “held for sale”. Temporary idle activity does not preclude depreciating the asset, as future economic benefits are consumed not only through usage but also through wear and tear and obsolescence. The Company expects the carrying value of certain PPE at the changeover date may decrease by approximately $21,600 due to increased depreciation expense.

Effects of changes in Foreign Exchange Rates (IAS 21)

The underlying concepts of functional currency and reporting currency are broadly consistent between Canadian GAAP and IFRS. However, IFRS rules differ in the determination of functional currency in that certain factors are given more weight than others. This depends on identifying the entity’s primary economic environment, based in particular on the currency that mainly influences sales prices for goods and services, or labour, material and other costs of providing goods or services. Further indicators of a functional currency that may also need to be considered are the currency in which the entity raises financing and the currency in which cash is maintained. The Company has determined that its functional currency will not change on transition to IFRS.

Impairment of Assets (IAS 36):

Canadian GAAP generally uses a two-step approach to impairment testing: first comparing asset carrying values with undiscounted future cash flows to determine whether impairment exists, and then measuring impairment by comparing asset carrying values to their fair value (which is calculated using discounted cash flows). IAS 36 uses a one-step approach for testing and measuring impairment, with asset carrying values compared directly with the higher of fair value less costs to sell and value in use (which uses discounted cash flows). This may potentially result in more write-downs where carrying values of assets were previously supported under Canadian GAAP on an undiscounted cash flow basis, but could not be supported on a discounted cash flow basis. Also, under IFRS, impairment testing should be performed at the asset level for long-lived assets and intangible assets. Where the recoverable amount cannot be estimated for individual assets, it should be estimated as part of a Cash Generating Unit ("CGU").

In addition, IFRS requires the reversal of any previous impairment losses other than goodwill where circumstances leading to the original impairment have changed. Canadian GAAP prohibits reversal of impairment losses.

The above differences described above could lead to income statement volatility in future periods.

The Company assessed the carrying value of its assets in accordance with IAS 36 and does not expect any impairment losses to be recognized at the changeover date.

Share-based payment (IFRS 2)

Unlike Canadian GAAP, IFRS 2 requires that the extinguishment of granted stock options be taken into account at initial recognition of the share-based compensation costs at the time of granting rather than recognizing the extinguishments when they occur. Moreover, in case of graded vesting or awards with a service condition, IFRS 2 requires that each vesting range be measured and recorded separately so as to obtain a distinct fair value for each range.

Given the choice made for the exemption allowed by IFRS 1, future amendments to this policy will not impact the February 28, 2010 financial statements, except for stock options, whose rights vested after the date of conversion. The Company believes that the changes of this policy will have a limited impact on its financial statements, given that all the granted stock options vested immediately at the grant date, except for a non material number of stock options granted with a service condition, which vested on a quarterly basis.

Accounting for flow-through financings

Flow-through shares are a unique Canadian income tax incentive, which are subject to specific guidance under Canadian GAAP with no equivalent IFRS guidance. Under Canadian GAAP, the entire proceeds received on the issuance of flow-through shares is credited to share capital. At the time of the renouncement of the tax deductions related to the resource expenditure for income tax purposes, temporary taxable differences are created and a deferred income tax liability is recorded, and the related charge is treated as share issue costs. Current discussions in Canada tend to suggest that an approach similar to the US-based method would be adopted for IFRS purposes. Under this approach, issuance of flow-through shares is accounted for similarly to the issuance of a compound financial instrument. The liability represents the obligation to revert the tax benefit to the investors. Proceeds from the issuance of shares by flow-through private placements are allocated between shares issued and this liability using the residual method. Proceeds are first allocated to shares according to the quoted price of existing shares at the time of issuance and the remaining amount is allocated to liability. The Company is in the process of quantifying the impact of adopting this approach in accounting for flow-through financings under IFRS.

Financial instruments (IAS 39)

Under IFRS, all financial assets must be classified into "loans and receivables", held-to-maturity", "fair value through profit or loss" or "available-for-sale" categories. Like IFRS, all financial assets under Canadian GAAP must be classified into "loans and receivables", 'held-to-maturity", "held-for-trading" (fair value through profit or loss) or "available-for-sale". However, there are certain differences from IFRS with respect to the types of assets that may be classified into each of these categories.

Financial instruments may be designated on initial recognition as measured at fair value through profit or loss only if certain criteria are met. Like IFRS, financial instruments under Canadian GAAP may be designated on initial recognition as held for trading (and measured at fair value through profit and loss) only if certain criteria are met. However, these criteria are less restrictive than under IFRS. The Company does not expect any material impact of these potential modifications; however a thorough evaluation will be performed as at the Transition Date in accordance with IFRS.

Income Taxes (IAS 12)

In certain circumstances, IFRS contains different requirements related to recognition and measurement of future (deferred) income taxes. The Company does not expect any changes to its accounting policy related to income taxes that would result in a significant change to line items within its financial statements.

Subsequent Disclosures

Further disclosures of the IFRS transition process are expected in the Company's first financial statements prepared in accordance with IFRS, which will be the interim financial statements for the three months ended May 31, 2011, and will include notes disclosing transitional information and disclosure of new significant accounting policies under IFRS. The interim financial statements for the three months ended May 31, 2011 will also include 2010 financial statements for the comparative period, adjusted to comply with IFRS, and the transition date IFRS statement of financial position (as at March 1, 2010).

Outstanding Share Data

Common shares and convertible securities outstanding at June 28, 2011 are as follows:

Securities	Expiry date	Exercise price	Securities outstanding
Common shares	-	-	41,024,410
Warrants	Up to August 6, 2012	$0.12 to $0.40	5,275,883
Options	Up to June 18, 2016	$0.15 to $2.80	3,112,200

Subsequent events

Execution of a Joint Venture Agreement on the Mistassini Uranium Property

On May 16, 2011, the Company executed a formal Joint Venture Agreement with Strateco, having an effective date as of February 14, 2011. Strateco has fulfilled its obligations pursuant to the Option Agreement, by incurring more than $1,300,000 in exploration expenses for the three year option period. Consequently, Strateco has acquired its 60% interest in the uranium rights on the Mistassini Uranium Property.

Under the terms of the Joint Venture Agreement, as long as Strateco will retain a 50% interest on uranium rights, Strateco will be the Operator of the Joint Venture and will lead the management committee for exploration of uranium on the Mistassini property and will have full and exclusive access to the property. Northern Superior Resources Inc., which holds 100% of the diamond rights and 50.5% of all other mineral rights to the exception of diamonds and uranium rights, renounced to conduct exploration and exploitation works for diamonds on the property during the duration of the Joint Venture Agreement and is entitled to a 2.0% Yellow Cake Royalty on the Mistassini property.

Extension of Common share warrants

On June 14 2011, the Company extended for a second one-year period the expiry of 2,995,000 common share purchase warrants at an exercise price of $0.30, which were set to expire on June 17, 2011.

Grant of options

On June 18, 2011, in accordance with the Company’s compensation policy and stock option plan, the Company granted 950,000 stock options to Officers of the Company for a five-year period and 250,000 stock options to an employee and Consultants for twenty-four months. Each stock option entitles the holder to subscribe for one common share of the Company at a price of $0.25 per share.

Risk and uncertainties

Exploration of minerals and development of mineral properties involve significant risks, many of which are outside of the Company's control. In addition to the normal and usual risks of exploration and mining, the Company often works in remote locations that lack the benefit of infrastructure and easy access.

Financial risk
The Company is considered to be in the exploration stage, that it is dependant on obtaining regular financing in order to continue exploration. Despite previous success in acquiring this financing, there is no guarantee of obtaining any future financing, or that it will be available on acceptable terms.

The prices of metals fluctuate widely and are affected by many factors outside of the Company's control. The relative prices of metals and future expectations for such prices have a significant impact on the market sentiment for investment in mining and mining exploration companies.

Foreign exchange risk
Some of the Company's expenditures are in US dollars or in MGA (Magalasy Ariary). Movement in the Canadian dollar against these currencies therefore has a direct impact on the Company's cost base. The Company does not use derivative instruments to reduce its exposure to foreign exchange risks.

Risk on the uncertainty of title
Although the Company has taken steps to verify title to mining properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title.

Environmental risk
The Company is subject to various environmental incidents that can occur during exploration work. The Company maintains an environmental management system including operational plans and practices.

Additional information and continuous disclosure

This Management's Discussion and Analysis has been prepared as of June 28, 2011. Additional information on the company is available through regular filings of press releases, financial statements and its annual information form on SEDAR (www.sedar.com).

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Daniel Hachey, Chief Executive Officer

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