



MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Year Ended 30 April 2020

DATE

The following Management Discussion & Analysis ("MD&A") has been prepared as 25 August 2020 and is intended to assist in the understanding of the trends and significant changes in the financial condition and results of operations of JDF Explorations Inc. ("JDF" or the "Company") for the year ended 30 April 2020. The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and are posted on the SEDAR website (see www.sedar.com). The Company is a reporting issuer in the provinces of British Columbia, Alberta and Ontario, and is listed on the Canadian Stock Exchange trading symbol JDF.

FORWARD LOOKING STATEMENTS

Certain statements in this report may be forward-looking statements, which reflect our management's expectations regarding our future growth, results of operations, performance and business prospects and opportunities including statements related to the development of existing and future property interests, availability of financing and projected costs and expenses. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits we will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of the date of this report. These assumptions, which include management's current expectations, estimates and assumptions about our current mineral property interests, the global economic environment, the market price and demand for commodities and our ability to manage our property interests and operating costs, may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a downturn in general economic conditions, (2) a decreased demand or price of minerals, (3) delays in the start of projects with respect to our property interests, (4) inability to locate and acquire additional property interests, (5) the uncertainty of government regulation and politics in North America regarding mining and mineral exploration, (6) potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges, and (7) other factors beyond our control.

There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. Except as required by law, we disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Additional information about these and other assumptions, risks and uncertainties are set out in the section entitled "Risk Factors" below.

Except as may be required by applicable law or stock exchange regulation, JDF undertakes no obligation to update publicly or release any revisions to these forward looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events. Accordingly, readers should not place undue reliance on forward-looking statements. If JDF updates one or more forward-looking statements, no inference

should be drawn that additional updates will be made with respect to those or other forward-looking statements.

Additional information relating to JDF is available by accessing the SEDAR website at www.sedar.com.

OVERVIEW AND INTRODUCTORY COMMENT

JDF purchased the Blue Hawk Claims in June 2014. During the year ended 30 April 2020, the junior resource market conditions and the uncertainty associated with the Company's ability to exploit any future economic benefits on its Blue Hawk property, the Company chose to make a payment to the Minister of Finance, in lieu of completing exploration and development work on the Blue Hawk property.

OPERATING MILESTONES

East Cortez Gold project

On January 16, 2020, the Company announced that it had signed an asset purchase agreement (the "APA") for 32 lode mining claims comprising the East Cortez Gold project, in Eureka County, Nevada (the "Mining Claims"). The claims cover approximately 256 hectares in Eureka County, and are owned by Genesis Gold Corp of Park City Utah (the "Vendor"). The asset purchase agreement includes a Cash Consideration of \$435,000, to be paid by JDF over 5 years, starting with \$25,000 to be paid by 15 days after the Closing Date, and a Share Consideration, comprising 300,000 JDF shares delivered on or before the Closing Date, as well as 200,000 JDF shares delivered on the one year anniversary date of the first share payment. The Vendor retained a 2% NSR (the "Royalty Agreement"), one-half of which can be purchased by JDF for an aggregate price of \$4,000,000. The Company issued the 300,000 JDF shares but did not make the \$25,000 payment.

The Company developed an initial work program, including surface sampling followed by geophysics to develop potential drill targets. Due to limitations caused by the COVID-19 pandemic, the Company was unable to send personnel to the property to conduct the work program. As a result of the COVID-19 ongoing uncertainty and the ability to reasonably determine when work could begin, the Company determined that in its best interest to terminate the agreement and on April 30, 2020 announced that it had terminated the APA and the Royalty Agreement Mining Claims with the Vendor. Pursuant to a termination agreement and mutual release of April 30, 2020 (the "Termination Agreement"), the parties thereto agreed to settle all claims which each may have against the other, including relating to the APA, the Mining Claims, the Royalty Agreement and the 2% net smelter return royalty granted pursuant thereto. As part of the settlement, JDF agreed to assign, convey and transfer the Mining Claims to the Vendor and the Vendor returned to JDF for cancellation 150,000 common shares of JDF and forgave the payment of \$25,000.

Blue Hawk Property, British Columbia

The Company earned a 100% interest in the Blue Hawk property, which consists of the Blue Hawk claims located near Kelowna, British Columbia in 2015 and it continues to be the Company's primary exploration property. While evaluating the future economic benefits on its Blue Hawk property, the Company chose to make a payment to the Minister of Finance, in lieu of completing exploration and development work on the property. The Blue Hawk property claims remain in good standing.

The Company continues to investigate opportunities to acquire mineral properties around the world to supplement the Blue Hawk Property.

FINANCIAL CONDITION

CAPITAL RESOURCES

During the Year Ended April 30, 2020, the Company issued 2,801,666 (2019 2,500,000) common shares as follows:

- On August 28, 2019, the Company issued 1,666,666 common shares through a non-brokered private placement at \$0.03 per share for proceeds of \$50,000.
- On October 25, 2019, the Company closed a non-brokered private placement of 835,000 Units at \$0.30 per

unit. Each unit consists of one common share and one share purchase warrant for proceeds of \$250,500. Each warrant entitling the holder to acquire a Common Share at a price of \$0.40 for a period of five years from the date of issuance.

- On January 24, 2020, the Company issued 300,000 common shares pursuant to the asset purchase agreement for the East Cortez Gold project with a fair value of \$85,000. As noted above, ongoing uncertainty and the ability to reasonably determine when work could begin, the Company terminated the agreement. Pursuant to termination the parties settled all claims against the other. As part of the settlement, JDF agreed to assign, convey, and transfer the Mining Claims to the Vendor and the Vendor returned to JDF for cancellation 150,000 common shares of JDF.

Liquidity and Capital Resources

On April 30, 2020, the Company had \$4,712 (30 April 2019 - \$38,809) in cash and a working capital deficit of \$126,658 (April 30, 2019 surplus of \$29,899). Existing funds on hand will not be sufficient to support the Company's needs for cash to conduct exploration and to continue operations throughout year end 30 April 2020. The Company will require additional funding to be able to meet ongoing requirements for general operations and to advance and retain mineral exploration and evaluation property interests. The Company will continue to consider all sources of financing reasonably available to it, including, equity, debt, and the sale of assets or parts of assets, including mineral properties. There can be no assurance of continued access to finance in the future and an inability to secure financing may require the Company to reduce or defer exploration and development activities.

Selected annual information:

As at and for the year ended 30 April	2020 \$	2019 \$	2018 \$
Total revenue	Nil	Nil	Nil
Net loss	(527,557)	(67,266)	(78,477)
Net loss per share, basic and diluted	(0.012)	(0.002)	(0.002)
Total assets	50,238	43,019	43,019
Total non-current liabilities	Nil	Nil	Nil

Selected quarterly information:

		Cash	Total Assets	Mineral Properties	Total Liabilities	Net Income (Loss)	Net Income (Loss) per share
31-Jul-18	Q1	44,285	47,612	-	(16,103)	(15,656)	(0.000)
31-Oct-18	Q2	15,982	17,480	-	(373)	(14,402)	(0.000)
31-Jan-19	Q3	48,181	55,350	-	(264)	(26,423)	(0.001)
30-Apr-19	Q4	38,809	43,019	-	(13,120)	(10,785)	(0.000)
31-Jul-19	Q1	22,028	27,353	-	(13,333)	(15,879)	(0.000)
31-Oct-19	Q2	121	10,130	-	(48,376)	(102,266)	(0.002)
31-Jan-20	Q3	3,338	198,873	110,500	(127,118)	(210,909)	(0.005)
30-Apr-20	Q4	4,712	50,238	-	176,896	(198,503)	(0.004)

Comparison of results of Operations, for the year ended April 30, 2020 and 2019: During the year ended April 30, 2020, the Company incurred a net loss of \$527,557 (2019 - \$67,266), an unfavorable variance of \$460,291. Explanations for the unfavorable variance are:

- Consultants and Professional fees of \$361,192 (2019 - \$33,785), an unfavorable variance of \$327,407 primarily due to increased activity and the hiring of new officers combined with higher audit and legal fees.
- Property expenses of \$77,186 (2019 - \$1,331) an unfavorable variance of \$75,855. The variance was mainly due to the acquisition costs for the East Cortez project.

- Promotional fees of \$54,289 (2019 - \$Nil), an unfavorable variance of \$54,289 due to the hiring of new consultant.
- Website \$7,567 (2019 - \$Nil) an unfavorable variance of \$7,567 due to upgrades made to the Company's web site.
- Transfer agent and listing fees of \$15,654 (2019 - \$15,509), an unfavorable variance of \$145 in the normal course of operations.
- Insurance costs \$8,146 (2019 - \$7,490) an unfavorable variance of \$656 due to increased premiums.
- Office, miscellaneous and other administrative costs of \$962 (2019 - \$35) an unfavorable variance of \$927 due to increased administrative costs.

Partly offset by:

- Travel and promotion costs of \$2,561 (2019 - \$9,116) a favorable variance of \$6,555 due to an overall reduction in travel.

RELATED PARTY TRANSACTIONS

Key management personnel are the Directors and Officers of the Company. A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. These transactions are in the normal course of operations and are measured at their exchange amount, which is the amount agreed upon by the transacting parties.

The Company transacted with the following related parties during the years ended April 30, 2020 and 2019. These transactions are in the normal course of operations are measured at the exchange amount established and agreed to by the related parties.

	Years ended	
	April 30, 2020	April 30, 2019
	\$	\$
Chief Executive Officer and Director	64,000	-
A company controlled by the Chief		
Financial Officer and Director	57,000	18,000
Director	54,000	-
	175,000	18,000

DUE TO RELATED PARTIES

The Company owed the amounts shown below to related parties for the year ended April 30, 2020 and 2019:

	Years ended	
	April 30, 2020	April 30, 2019
	\$	\$
Chief Executive Officer and Director	64,200	-
A company controlled by the Chief		
Financial Officer and Director	33,975	-
Director	51,898	-
	150,073	-

COMMITMENTS, EXPECTED OR UNEXPECTED, OR UNCERTAINTIES

The Company has satisfied all its commitments pursuant to its exploration and evaluation property agreements as detailed in note 4 of the April 30, 2020, audited financial statements filed in conjunction with this MD&A.

DISCLOSURE OF OUTSTANDING SHARE DATA

The Company has authorized an unlimited number of common shares with no par value. At April 30, 2020, the Company had 44,614,715 common shares outstanding (April 30, 2019: 42,813,049) and 835,000 share purchase warrants outstanding at an exercise price of \$0.40 until October 25, 2024. The Company has no outstanding stock options. On August 24, 2020, pursuant to the East Cortez Gold Project 150,000 common shares to the Company were returned to treasury.

CAUTIONARY STATEMENTS

This document contains “forward-looking statements” within the meaning of applicable Canadian securities regulations. All statements other than statements of historical fact herein, including, without limitation, statements regarding exploration results and plans, and our other future plans and objectives, are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include, without limitation, our estimates of exploration investment, the scope of our exploration programs, and our expectations of ongoing administrative costs.

There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company’s documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies we are bound. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made, and we do not undertake any obligation to update forward-looking statements should conditions or our estimates or opinions change, except as required by law. Forward-looking statements are subject to risks, uncertainties and other factors, including risks associated with mineral exploration, price volatility in the mineral commodities we seek, and operational and political risks. Readers are cautioned not to place undue reliance on forward-looking statements.