

## **MANAGEMENT DISCUSSION AND ANALYSIS**

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 July 23, 2008 should be read in conjunction with the unaudited consolidated financial statements for the three-month period ended May 31, 2008 and the audited consolidated financial statements of the Company and notes to the consolidated financial statements for the fiscal years ended February 29, 2008 and February 28, 2007. 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 certain statements that may be deemed “forward-looking statements”. All statements in this discussion, other than statements of historical facts, that address future exploration drilling activities and events or developments that the Company expects, are forward-looking statements. Such 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, exploration successes, continued availability of capital and financing and general economic, market or business conditions.

### ***Nature of Business***

Majescor Resources Inc. (the “Company” or “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, primarily in Canada and Madagascar, with the aim of discovering commercially exploitable deposits of minerals which can either be placed into production by the Company or disposed of for a profit to companies that wish to place such deposits into commercial production. It has not yet determined whether its properties contain mineral reserves that are economically recoverable. The recoverability of the amounts shown for mining properties is dependent on the existence of economically recoverable reserves, of the Company’s ability to obtain necessary financing to complete the exploration and development of its properties, and upon the future profitable production or proceeds from the disposal of properties. 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-V under the symbol “MAJ”. Majescor’s head office is in Montreal, Quebec.

Majescor is a dedicated uranium explorer focusing on emerging uranium districts. Majescor holds significant land positions in three emerging uranium districts of Quebec. The Company also holds 100% mineral rights in a highly prospective uranium property located in the Thelon basin area of Nunavut. In addition to uranium, Majescor holds 100% mineral rights in a gold and base metal property in the James Bay Territory of Quebec as well as 100% mineral rights in four properties with gold and base metal potential in Madagascar.

### **Exploration**

Majescor’s exploration activities cover three regions of interest, i.e. Quebec, Nunavut, and Madagascar. During the first quarter of 2008, seven projects saw active exploration work, namely geochemical analysis of geological samples (Mistassini, Quebec); re-processing of airborne geophysical data (Baker Lake, Nunavut); mineral studies (South Rae, Quebec; Antsakabary, Madagascar); remote-sensing studies (Lac Laparre, Quebec); and geological data analysis and compilation (South Rae, West Minto and Mirabelli, Quebec; Antsakabary, Madagascar).

Gross exploration expenditures for the reporting period (before deduction of write-downs of mineral properties and deferred exploration expenses, tax credits and mining duties and option payment) totalled \$ 294,375 (\$ 658,566 for 2007). The level of expenditures incurred is lower in 2008 as compared to 2007.

## Exploration and corporate development highlights: 1<sup>st</sup> Quarter 2008

### June-July 2008

- Majescor announces that it has acquired the remaining mineral rights from De Beers Canada Inc ("De Beers") for the Baker Lake property, located in the Thelon Basin area of Nunavut. The Company now holds 100% of the mineral rights on the property. In consideration for the acquisition of the mineral claims and mineral rights, Majescor issued 362,319 common shares at a price of \$0.138 to De Beers for an aggregate value of \$50,000. The Baker Lake property lies 30 km to the South of the Kiggavik group of uranium deposits held predominantly by Areva Resources Canada Inc. The property hosts 12 historical uranium showings in bedrock, ranging from grab sample assays as high as **14.07% U<sub>3</sub>O<sub>8</sub>** and chip sample sections of up to **0.13% U<sub>3</sub>O<sub>8</sub>** over **6.71 m**. A first-pass ground exploration program aimed at (a) starting the inspection of high priority uranium radiometric targets from a proprietary airborne survey of the property conducted over select portions of the property in 2006 and (b) locating and resampling the historical uranium showings, is at the planning stage.
- Majescor and contractor IOS Services Géoscientifiques Inc. ("IOS") of Chicoutimi complete a two-week ground exploration program at the Company's West Minto uranium property, Nunavik (under option from Azimut Exploration Inc. ("Azimut")). In 2007, Majescor conducted a detailed airborne magnetic and radiometric survey of the property (4,610 line-km at 100 m line spacing) and outlined a total of **71 "high priority" uranium targets**, forming 17 distinct anomalous zones on the property. The anomalous radiometric uranium trend on the main property block delineates a **45 km-long** corridor prospective for uranium. Bedrock and boulder samples collected on the property have been forwarded to IOS in preparation for shipment to an external analytical laboratory. Assay results are expected in September.
- Majescor and contractor IOS start a 6-week ground exploration program at the Company's South Rae uranium property, Nunavik (under option from Azimut Exploration Inc. ("Azimut")). Shallow core drilling of select bedrock uranium showings found on their property in 2007 started on July 21. The core drilling program is scheduled to be completed by the first week of August.
- Majescor contracts geophysical consultant MB Geosolutions of Quebec-city to reprocess radiometric, magnetic and electromagnetic data from a proprietary 5,992 line-km airborne geophysical survey of the Baker Lake property conducted in 2006. The reprocessing of geophysical data is part of a comprehensive review and analysis of previous exploration results on the Baker Lake property.
- At the Mistassini property, Majescor and Northern Superior Resources Inc. ("Northern Superior") are awarded 3 map-designated claims through a lottery process held by the Quebec ministry of Natural Resources and Wildlife ("MRNF"). The three claims are part of a group of 22 claims contiguous to the Mistassini released for staking by the MNR in February 2008. Ground exploration work on the Mistassini uranium property by operator Strateco Ressources Inc. ("Strateco") is slated to start by August 1. The ground exploration work will focus on the area of the Lac Mantouchiche uranium drill-core showing.
- At the Lac Laparre uranium property, the 50/50 Joint Venture ("JV") formed by Santoy Resources Ltd. ("Santoy") and Otish Energy Inc. (formerly Kakanda Resources Corp.) has completed a high density lake bottom sediment and water radon sampling survey. A follow-up ground exploration program is scheduled to start on the property the last week of July.
- Majescor receives cash and share payments from Vaaldiam Resources Ltd ("Vaaldiam") for the purchase by Vaaldiam of the Company's Tres Marias diamond property, located in Brazil.

### May 2008

- Majescor releases supplementary data on its significant uranium drill intersection at its 100%-owned Lac Mantouchiche uranium prospect located on the Mistassini property, in the Otish Mountains of

northern Quebec (uranium rights under option to Strateco Resources Inc.). Based on additional core assays, the Lac Mantouchiche intersection is improved from 17 m of 0.20% U<sub>3</sub>O<sub>8</sub> to **18.5 m of 0.215% U<sub>3</sub>O<sub>8</sub>**. The Company also announced that it was mobilizing its recently-purchased core drilling rig to its South Rae property, (under option from Azimut Exploration Inc.; 2,854 claims; 1,315 km<sup>2</sup>). The drilling will start testing some of the most prospective targets out of the 392 "high-priority" radiometric uranium anomalies outlined to the North of the 30 km-long prospective corridor identified in 2007.

- Majescor receives preliminary geochemistry results from IOS for 603 lake-bottom sediment samples collected at the South Rae uranium property in Nunavik. A total of 119 samples (19.7%) returned assay values in excess of 100 ppm U, with the maximum value reaching 903 ppm U (0.11% U<sub>3</sub>O<sub>8</sub>). Majescor and Northern Superior finalise an Exploration and Access Agreement for the Mistassini property, located in the Otish Mountains area of northern Quebec. The Agreement, effective March 2, 2007, stipulates the rights and obligations of both parties with respect to exploration activities for uranium, diamonds and other commodities. Majescor holds 100% uranium rights at Mistassini subject to a 2% yellow-cake royalty to Northern Superior. Northern Superior retains 100% diamond rights on the property subject to a 2% royalty on commercial diamond production.
- Majescor receives supplemental structural interpretation data from a remote sensing study of the Lac Lappare property conducted by Consultant Terregeos Remote Sensing of Montreal. A total of 78 structural targets for uranium exploration are outlined on the property. The Lac Lappare property is strategically located inside the Otish sedimentary basin, 25 km to the northeast of the Strateco's Matoush uranium prospect. The property is under option to the Santoy/Otish Energy Joint Venture ("JV"). Santoy is the operator of the JV.
- Majescor receives the mineralogical analysis report from a partner for the Antsakabary diamond exploration project, northern Madagascar. Based on the findings of the stream sediment heavy mineral survey, the partner has decided not to exercise his rights to enter into a JV agreement with the Company.
- Majescor and Northern Superior receive confirmation notice from the Quebec MRNF for 35 map-designated claims staked contiguous to the Mistassini property in January 2008.

#### April 2008

- Majescor purchases 100% of the mineral rights on the Mirabelli property and Area of Interest from De Beers in exchange for a 1% royalty on any economic mineral deposit that goes into commercial production. The Mirabelli property, located in western James Bay territory of Quebec, hosts a series of gold-in-till anomalies along with 66 deep airborne lectromagnetic ("EM") conductors, forming 29 "sulphide" targets with potential to host massive sulphide mineralization. None of the sulphide targets have been tested. The Company is seeking a partner to advance the project.
- Majescor announces that it has entered into a Letter of Intent with Sunridge Gold Corp. ("Sunridge") by which Sunridge can acquire up to a 100% interest in four gold and base metal properties held by Majescor in Madagascar. The land package under option to Sunridge includes the Besakoa property, host to Madagascar's main volcanogenic massive sulphide ("VMS") copper-zinc-gold-silver prospect. Majescor drilled the main Besakoa VMS occurrence in 2007 returning **21.5m of 0.7% Cu, 0.5 g/t Au, 1.1% Zn and 21.4 g/t Ag**. Sunridge can acquire an initial 50% in the Properties by spending \$2 million over a 2-year period and issuing Majescor 500,000 common shares. Sunridge may acquire an additional 25% by spending an additional \$2.5 million by the end of the third year and by issuing Majescor an additional 500,000 common shares of Sunridge.

#### March 2008

- Majescor receives a mineralogical analysis report from Overburden Drilling Management Ltd. of Ottawa for 26 duplicate stream sediment samples collected on the Antsakabary diamond property in northern Madagascar. One potential kimberlitic pyrope garnet and five chrome-diopsides are identified on the basis of visual determinations. The potential kimberlite indicator minerals have been submitted to an external laboratory for microprobe analysis.

**Qualified person**

The above technical information was confirmed and/or reviewed by Marc-André Bernier, M.Sc., P.Geo., President of Majescor Resources Inc., a qualified person under NI 43-101.

## **Financial Information**

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

### **Selected Consolidated Financial Information (unaudited)**

	Three months Ended May 31, 2008	Three months Ended May 31, 2007
	\$	\$
<b>Operations</b>		
Management and consulting fees	94,147	127,475
Salaries and benefits	60,641	126,765
Write-down of mining properties and deferred exploration expenses	12,058	505,031
Gain on sale of mining properties	-	2,555,967
Earnings (loss) from operations	(339,421)	1,669,206
Net earnings (loss)	(332,379)	1,163,624
Basic and diluted net earnings (loss) per common share	(0.003)	0.012
Weighted average number of common shares outstanding	99,451,312	96,537,375
<b>Deferred Exploration Expenses</b>		
Deferred exploration expenses before write-down, tax credits and mining duties and option payment	294,375	658,566
<b>Cash Flows</b>		
Cash flows from (used in) operating activities	80,030	(544,080)
Cash flows from (used in) investing activities	(428,437)	1,100,202
Cash flows from financing activities	-	565,488
Net increase (decrease) in cash and cash equivalents	(348,407)	1,121,609
	May 31, 2008	February 29, 2008
	\$	\$
<b>Balance Sheet</b>		
Cash and cash equivalents	736,467	1,084,874
Marketable securities	1,259,593	1,590,382
Mineral exploration properties	1,201,650	1,110,082
Deferred exploration expenses	4,034,628	3,821,581
Long term liabilities	130,682	123,139
Shareholders' equity	7,724,036	8,291,931
Total assets	8,342,672	8,866,962

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 Operation**

Total loss for the period ended May 31 2008 is \$332,379 as compared to total earnings of \$1,163,624 for the period ended May 31, 2007. This decrease is attributable to the absence of sale of mining properties during the period comparing to 2007 where the Company realized a gain on sale of mining properties for \$2,555,967.

Management and Consulting fees were \$94,147 for the period as compared to \$127,475 for 2007. This decrease is mostly due to a decrease in management fees paid to Everton Resources Inc. as a reimbursement of the cost of shared salaries and benefits, rent and office expenses.

Salaries and benefits were \$60,641 for the period as compared to \$126,765 for 2007. This decrease is mainly due to the recognition of lower stock based compensation as the Company granted fewer new options to employees, directors and consultants during the period.

During the period, the Company recorded a write-down of \$12,058 as compared to \$505,031 for 2007 (attributable to the abandonment of 25% of the portage property claims).

## **Quarterly information**

The following selected financial data is derived from the unaudited consolidated interim 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
	\$	\$	\$
31/05/2008	7,042	(332,379)	(0.01)
29/02/2008	11,182	(1,731,844)	(0.01)
30/11/2007	372	(910,410)	(0.01)
31/08/2007	423	107,292	0.01
31/05/2007	75	1,163,624	0.01
28/02/2007	1,225	(1,186,600)	(0.01)
30/11/2006	-	(193,689)	(0.01)
31/08/2006	13,994	(251,148)	(0.01)

Net loss was higher during the quarters ended February 29, 2008, November 30, 2007 and February 28, 2007 due to higher write-downs of mining properties and deferred exploration expenses which were respectively \$1,274,637, \$680,590 and \$1,390,669.

During the quarters ended August 31, 2007 and May 31, 2007, the Company realized net earnings of respectively \$107,292 and \$1,163,624 due to the sale of its 40% interest in the Brauna property and its 50% interest in the Banks property.

## **Liquidity and Capital Resources**

The Company's working capital stands at \$2,405,618 as at May 31, 2008, as compared to \$ 3,368,526 at February 29, 2008. The Company has an unsecured convertible debenture presented in the financial statements in its liability component for \$130,682 and in its equity component for \$39,525.

The Company's principal requirements for cash during the year ending February 28, 2009 will be general and administrative expenses and deferred exploration expenditures. Direct exploration expenditures are expected to be in the order of \$1.0 million and general and administrative expenses are expected to be in the order of \$0.7 million. During the period, the Company did not raise any additional funds. However, as at May 31, 2008, the Company holds marketable securities valued at approximately \$1.3 million and Cash and cash equivalent of approximately \$0.7 million which resulted mostly from the sale of interests in its mineral properties and the exercise of warrants and options during the year ended February 29, 2008. These funds are sufficient to enable the Company to fund all aspects of its operations for the current year.

### **Off Balance Sheet Arrangements**

As of May 31, 2008, the Company has no off balance sheet arrangements.

### **Related Party Transactions**

Under an agreement between the Company and Everton Resources Inc., the Company reimburses the cost of shared salaries and benefits, rent and office expenses paid by Everton Resources Inc. (which shares common management). During the period, the cost of shared salaries and benefits was \$27,888 (2007 - \$54,632) and rent and office expenses were \$10,600 (2007 - \$8,280). Included in Amount due to related parties is \$13,006 due to Everton Resources Inc. (Nil as at February 29, 2008).

Under a joint venture agreement between the Company and Uranium World Energy Inc (in which the Company retains a participation and shares a common director and CFO), the Company is the operator for Uranium project. All exploration expenditures incurred on the project and paid by the Company were invoiced in addition to 10% management fees to Uranium World Energy Inc. Included in amount due from related parties is \$98,466 due from Uranium World Energy Inc. (\$98,466 as at February 29, 2008). As at February 29, 2008, the Company recorded a 100% allowance for bad debt for this amount.

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.

The amounts due from related parties are without interest and terms of repayment.

### **Mining Property Book Values**

At the end of each quarter, management reviews the carrying values of its resource properties to determine whether any write-downs are necessary. Following this analysis, the Company recorded a write-down of \$12,058 during the period ended May 31, 2008, as compared to \$505,031 in 2007 (attributable to the abandonment of 25% of the portage property claims).

### **Changes in Accounting Policies**

Effective March 1, 2008, in accordance with the applicable transitional provisions, the Company adopted the new recommendations of the Canadian Institute of Chartered Accountants (CICA) related to going concern, capital disclosures and financial instruments. These accounting policy changes were adopted on a prospective basis with no restatement of prior period financial statements. The new standards and accounting policy changes are fully described in Note 3 to the interim consolidated financial statements.

### **Outstanding Share Data**

Common shares and convertible securities outstanding at July 23, 2008 are as follows:

<b>Securities</b>	<b>Expiry date</b>	<b>Exercise price</b>	<b>Securities outstanding</b>
Common shares	-	-	99,845,914
Warrants	Up to December 4, 2008	\$0.20	9,001,156
Options	Up to November 20, 2011	\$0.15 to \$0.28	7,438,162

### **Subsequent events**

On June 5, 2008, in replacement of the Option Agreement and Letter Agreement dated October 8, 2005, the Company signed an acquisition agreement with De Beers Canada Inc. whereby the Company acquires 100% interest in the Mineral Rights for diamonds and uranium at the Baker Lake property in exchange for Majescor common shares with an aggregate value of \$50,000. On June 23, 2008, the Company issued 362,319 common shares at a price of \$0.138 for a total value of \$50,000.

On June 11, 2008, in execution of the purchase and sale agreement dated January 25, 2008, with Vaaldiam Resources Ltd. ("Vaaldiam") for the acquisition of Majescor's 100% interest in the Tres Marias property, the Company received \$100,000 and 234,023 common shares of Vaaldiam for a total value of \$130,000.

### **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 July 23, 2008. 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](http://www.sedar.com)).

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(s) Marc-André Bernier

Marc-André Bernier, Chief Executive Officer

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(s) "Marc Carbonneau"

Marc Carbonneau, Chief Financial Officer