

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 25, 2007, should be read in conjunction with the unaudited consolidated financial statements for the 1st quarter ended May 31, 2007 and the audited consolidated financial statements of the Company and notes to the consolidated financial statements for the fiscal years ended February 28, 2007 and 2006. 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 and cents.

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.

The implementation of a new business development plan over the last 15 months has resulted in Majescor evolving from an exclusively diamond-focussed company into a multi-commodity explorer. The Company has expanded the scope of its operations to include precious and base metals, and uranium, all exceedingly sought after commodities in the parts of the world where the Company is engaged in diamond exploration. The Company centralized its activities in Quebec by withdrawing from two projects in the Northwest Territories (NWT) and selling its Brazilian assets to a partner.

Majescor is primarily engaged in exploration for metallic substances and diamonds. Its operations are for the most part located in northern Quebec, which is underlain by Archean bedrock known to be prospective for economic gold, base metals, uranium, and diamond deposits. The area is also characterized by its accessibility and by the existence of clear agreements governing land access and mining rights. Majescor is one of the more active exploration companies in Quebec, where it holds a significant land position for uranium exploration as well as the largest portfolio of diamond properties.

Majescor also holds options or interests in a number of high-potential diamond properties located in Nunavut and in the Northwest Territories (NWT). All of the latter are situated on the Slave Craton, which hosts the Ekati, Diavik, and Jericho diamond mines. The Company has also concluded partnership agreements to

explore new territories in the NWT, and in Quebec in the search for primary diamond deposits in areas that have seen very little modern exploration. In Quebec, the Company signed a new agreement with a partner targeting gold and base metals as well as diamonds. In Madagascar, Majescor acquired four new properties with gold and base metal potential from a local Malagasy mining company.

Exploration

Majescor's exploration activities during the reporting period covered four regions of interest, i.e. Quebec, Nunavut, the Northwest Territories, and Madagascar. To date, in 2007, eight (8) projects saw active exploration work, namely ground (Mirabelli, Quebec) and airborne geophysical surveying (Mistassini, Quebec); geological compilations and interpretation of satellite images (Baker Lake – diamond; Baker Lake – uranium in Nunavut, Lac Laparre, Mirabelli and Mistassini, in Quebec); glacial deposit sediment sampling and prospecting (Mirabelli in Quebec); surface rock sampling (Besakoa and Daraina in Madagascar); and bulk sampling of glacial deposits (Mirabelli in Quebec).

Gross exploration expenditures for the period (before deduction of write-downs of mineral properties and deferred exploration expenses) totaled \$ 658,566 (\$ 722,713 for 2006). The level of expenditures incurred is similar in 2007 compared to 2006.

Quebec

Lac Laparre (uranium)

On February 19, 2007, Majescor announced the signing of a Letter of Intent to option up to a 66 2/3% interest in the uranium rights on the Lac Laparre property, to a 50/50 joint venture formed by Santoy Resources Inc. and Melkior Resources Inc ("Santoy/Melkior"). Majescor will retain exclusive rights for diamonds. The Lac Laparre property is located 25 km northeast of the Matoush uranium showing held by Strateco Resources Inc. ("Strateco"), where grades reaching 2.13% U₃O₈ over 15.2 metres were reported (see Strateco press release dated February 20, 2007).

The option agreement with the Santoy/Melkior joint venture calls for a work commitment of \$2.5 million in exploration over five years (including a minimum of \$300,000 in year 1); an upfront cash payment of \$50,000; the issuance of 200,000 shares of Melkior and 60,000 shares of Santoy in tranches over a one-year period; and a 1.5% Net Smelter Return ("NSR") royalty, half of which can be bought back at any time prior to commercial production for \$1 million.

The Santoy-Melkior joint venture will initially be the project operator for uranium exploration and as such, intends to carry out a 4000 linear kilometre airborne geophysical survey (radiometric) as well as a lake-bottom prospecting and sediment sampling program on the property during the summer of 2007.

The structural study of remote-sensing images commissioned by Majescor in January 2007 and covering the northern part of the Lac Laparre property was completed in March. The findings of this preliminary study, as well as the various high-resolution satellite products that were acquired as a result, combined with archived (magnetic) and upcoming (radiometric) airborne geophysical data, will be integrated to search for, characterize and prioritize uranium and diamond targets for follow-up investigation.

The Lac Laparre property consists of 317 map-designated cells ("CDC") covering 14,741 hectares of Precambrian bedrock prospective for uranium and diamonds. From April 3 to May 29, 2007, Majescor renewed 161 CDC.

Mirabelli (De Beers – Majescor option: diamonds, gold and base metals)

In September 2006, Majescor signed an option agreement with De Beers Canada Exploration Inc. (“De Beers”) to earn an interest in the Mirabelli property held by De Beers. The vast, 3,246-km² property is located in the James Bay territory of northern Quebec, about 80 km south of Eastmain village. It has potential to host both diamonds and gold/base metal deposits. The De Beers agreement includes distinct provisions to acquire diamonds and metal interests.

In October, Majescor completed a reassessment of De Beers data from the Mirabelli property and identified a 191 km² priority area of interest within the property. In November the Company conducted its first field campaign on the property, consisting of a targeted glacial sediment sampling program and a Quaternary investigation in the priority area. A total of 251 glacial sediment samples were collected in the search for kimberlite indicator minerals (“KIM”) and to characterize pebble lithologies. A preliminary technical study by the James Bay Joint Action Mining Committee of Chibougamau, Quebec, conducted in conjunction with the sampling survey, outlined the main features of the Quaternary geology of the area, namely the major landform-sediment associations and the main ice flow directions.

In January 2007, Fugro Airborne Surveys Corp. (“Fugro”) of Ontario was commissioned to fly a high-resolution, MIDAS-type heliborne magnetometer survey over the 191 km² priority area. In February, Majescor received the final results of the MIDAS survey, as well as a preliminary data interpretation from MPH Consulting Ltd. (“MPH”) of Toronto. The airborne geophysical survey delineated a series of prospective magnetic targets for kimberlites.

In March, Majescor reviewed and integrated the final KIM data received from the laboratories of Overburden Drilling Management Ltd (“ODM”) of Ottawa, which were then used to categorize prospective geophysical targets for kimberlites in preparation for the next field campaign and the first upcoming core drilling program for kimberlites.

In April, Géosig Inc. of Quebec completed a series of ground geophysical surveys (Max-Min, magnetic, georadar and/or gravimetric) on 19 heliborne geophysical targets delineated within the 191 km² priority area. The Geosig report and the final data derived from ground geophysical surveys are expected in mid June. Final KIM data received from the laboratories of Overburden Drilling Management Ltd (“ODM”) of Ottawa in March will be used to categorize prospective ground geophysical targets for kimberlites, in preparation for follow-up ground testing during the summer of 2007. In April also, Majescor shipped a series of 56 heavy mineral concentrate samples to ODM; they came derived from previous glacial sediment surveys conducted by De Beers and Majescor, to obtain ultrafine KIM counts (0.18 to 0.25 mm and 0.25 to 0.30 mm fractions). The results of mineralogical analyses were received at the end of May and were integrated with other KIM data for final analysis, in preparation for the second phase of diamond field work.

The second field (work) campaign on the Mirabelli property was carried out between June 18 and July 13, 2007. The exploration program comprised two types of activities: an additional sampling using bulk sampling tests of the glacial deposits, as well as the prospecting of geophysical targets identified during the ground and airborne geophysical survey, which were carried out in the first semester of 2007. A total of 224 glacial deposit samples were collected during the exploration for KIM and for the geochemical assaying of fines. Five (5) sites comprising anomalies from previous surveys from De Beers and Majescor were sampled. Portable heavy mineral concentration equipment was used to carry out a first preconcentration on site. Nearly 20 kg of concentrate were recovered from 20 m³ of treated glacial deposits representing the five bulk samples. The new series of glacial deposit samples as well as the 5 heavy mineral preconcentrates were sent to the Overburden Drilling Management Ltd. (“ODM”) laboratories in Ottawa for KIM separation and analysis. Samples of the fines were shipped to the ALS-Chemex laboratories in Val-d’Or for trace element geochemical assaying. The coarse fraction (pebbles) of the glacial deposit samples was sent once again to the James Bay Joint Action Mining Committee in Chibougamau for lithology characterization. As part if the exploration phase, 57 geophysical anomalies were inspected on the ground for kimberlites. Results of mineralogical and geochemical analyses are expected during the next quarter and will be paired with the results of the

geoscientific exploration and compilation work when preparing a first core drilling program slated for the winter of 2007-2008.

Majescor is also exploring for gold and base metals at Mirabelli. The Company has received supplemental particulate gold analysis data from ODM. A total of 2,031 heavy mineral concentrates (<0.3 mm size fraction obtained using a riffle table) derived from KIM surveys carried out by De Beers (1,786 samples) and by Majescor (245 samples) were processed to determine gold grain counts. The Mirabelli particulate gold survey is one of the largest of its kind ever conducted in the James Bay territory, as it covers a total sampling area of nearly 15,000 km² centered on the Mirabelli property. Several anomalies were identified in different parts of the Mirabelli property and elsewhere within the project area of interest, based on a statistical analysis of free gold results, either from grain counts or from gold grades (ppb) calculated from the counts.

Majescor is seeking a partner to joint venture the gold/base metal component of the Mirabelli project.

During the reporting quarter, Majescor launched a CDC renewal and abandonment process on the Mirabelli property. The total surface area of the property declined from 3,246 km² (6,093 CDC) in January 2007, to 702 km² (1,314 CDC) at the reporting date.

Mistassini (uranium, diamonds)

On March 5, 2007, Majescor announced the signing of a new agreement with joint venture partner Superior Diamonds Inc. ("Superior Diamonds") on the Mistassini property, located southwest of the Otish Mountains. The agreement grants Majescor a 100% interest in the uranium rights. In exchange, Superior Diamonds obtains 100% interest in the diamond rights on the property, as well as a 2% Yellow Cake Royalty for uranium. Majescor retains a 2% royalty for diamonds.

Subsequent to the agreement, the joint venture partners considerably increased their land holdings by staking an additional 33,000 hectares around the Mistassini property. The property now comprises 730 CDC, with a surface area of 391 km². This includes 221 claim cells that were recently designated and for which confirmation is pending from the Quebec Ministry of Natural Resources and Wildlife ("MRNF").

The Mistassini property hosts the Lac Mantouchiche uranium showing, discovered by Majescor and Superior Diamonds in 2002 (diamond drillhole MISF-02-08). The uranium in drill core showing grades 0.20% U₃O₈ over 4.50 metres. No follow-up work has been conducted to date on the Lac Mantouchiche occurrence.

In May 2007, Majescor awarded Geo Data Solutions Inc. ("GDS") of Laval a contract to complete an airborne geological survey (magnetometer, radiometric instrumentation) over a 100-km² area centered over the Mantouchiche uranium showing. The geophysical survey was completed on June 29, and Majescor received the preliminary results on July 16. These results will be paired with a geoscientific compilation on uranium carried out by the Inlandsis firm of experts in Montreal as part of the preparation for the first ground geophysical work (Max-Min) and exploration for the future core drilling campaign in late summer or in the fall.

Superior Diamonds, the operator of the diamond project at Mistassini, conducted a brief follow-up glacial sediment sampling program on the property in late summer 2006. A total of 38 samples were collected in two specific areas in search for KIM. Superior Diamonds has received the results of visual KIM counts. Final results are expected in June.

Nottaway (diamonds)

Majescor is seeking a joint venture partner on this project.

Portage (diamonds)

On May 7, 2007, Forest Gate Resources Inc. ("Forest Gate") announced its decision to withdraw from the Portage project, before having met its obligations to acquire a 50% interest in the property.

Since the withdrawal of Forest Gate, Majescor is currently considering various exploration scenarios based on the 2006 campaign results. These comprise a property-wide systematic geochemical sampling program to locate new kimberlitic signatures in the overburden; supplemental glacial sediment surveys for KIM in areas up-ice of the six KIM targets with favourable geochemical signatures; additional ground geophysical surveying at the head of selected float and KIM dispersal trains; and additional prospecting for float.

Majescor mandated a geophysical expert to reanalyze all the airborne geophysical surveys carried out on the Portage property, searching for potential kimberlite-bearing structures similar to those hosting the Renard diamond kimberlites cluster located 10 km from the Portage property.

On May 17 2007, Stornaway-SOQUEM released new diamond for the Renard kimberlite cluster, which included the highest diamond grades and largest stones ever recorded in Quebec.

South Rae (uranium)

On January 31, 2007, Majescor announced the signing of a Letter of Intent with Azimut Exploration Inc. ("Azimut") for the South Rae uranium property, located in the Nunavik district of northern Quebec.

The South Rae uranium property lies east of Ungava Bay, about 130 km southeast of the town of Kuujuaq. The property covers a strong regional-scale uranium anomaly in lake-bottom sediments.

The South Rae property is located about 80 km south of Azimut and Northwestern Mineral Ventures' North Rae property, where during the course of the initial reconnaissance, more than 20 radioactive zones and related uranium occurrences grading of up to 0.59% U₃O₈ were discovered in an area measuring 32 by 43 km. Majescor and Azimut believe that South Rae is part of the same district-scale uranium target as North Rae and may represent comparable exploration potential. According to Azimut, the bedrock underlying the South Rae property, composed of tonalitic and granitic gneiss with late Archean granitic and pegmatitic intrusions, has the potential to host uranium deposits similar to Rössing in Namibia or Madawaska in Ontario. The target is a high-tonnage uranium deposit amenable to open pit mining.

On the George River property to the southeast of South Rae, Freewest Resources Canada reported finding four new uranium zones, including the Stewart Lake trend where grades up to 0.45% U₃O₈ were recorded in surface samples. The George River property lies on-trend with the regional-scale lake bottom sediment uranium anomaly on South Rae.

The South Rae uranium property consists of six claim blocks totalling 2,0890 CDC and covering a surface area of 959 km². This includes 219 claim cells that were recently designated and for which confirmation is pending from the Quebec MNR. The largest claim block on the property has a strike extension of 65 kilometres.

Under the terms of the agreement, Majescor may earn a 50% interest by spending \$4.6 million in exploration work on the property over a 5-year period. The Company may also acquire an additional 15% interest upon delivery of a bankable feasibility study. A first cash payment of \$100,000 was paid on signing. Another payment of \$83,000 is due on the first anniversary, with additional \$50,000 payments on the next three anniversaries, for a total of \$330,000. Majescor issued 710,000 common shares on signing, and an additional 710,000 common shares are to be issued on the first anniversary of the agreement. Majescor is the operator of the uranium project.

In April 2007, Majescor awarded a first contract to Fugro Airborne Surveys Corp. ("Fugro") of Mississauga, Ontario, to carry out a 2600 kilometres of lines for an airborne geophysical survey (magnetometer,

electromagnetometer, radiometer) on the South Rae property. MPH will ensure quality control and interpretation of the geophysical data.

The IOS Services Géoscientifiques Inc. company of Chicoutimi was awarded the contract to carry out a lake-bottom sediment exploration and sampling campaign on the property. The field campaign will take place in August 2007.

West Minto (uranium)

On March 27, 2007, Majescor announced the signing of a second Letter of Intent with Azimut for the West Minto uranium property, located in the Nunavik district of northern Quebec.

The West Minto uranium property is located in west-central Nunavik, about 150 km east-southeast of the coastal town and airport of Inukjuak on Hudson Bay. The property covers a strong regional-scale uranium anomaly in lake-bottom sediments, which extends for 60 km. The main feature of the property is a sharply defined geochemical anomaly some 36 km long with values in excess of 100 ppm U. The West Minto property lies along a major basement flexure marked by a magnetic signature that is clearly correlated with the regional-scale uranium anomaly. The area is underlain by late Archean intrusive rocks as well as felsic volcanic rocks and sedimentary rocks of probable Proterozoic age. The target is a high-tonnage intrusion-related uranium deposit amenable to open pit mining.

The West Minto property consists of two claim blocks totalling 918 CDC and covering a surface area of 416 km². This includes 258 cells that were recently designated and for which confirmation is pending from the Quebec MNRF.

The agreement with Azimut stipulates that Majescor may earn a 50% interest in the property by investing \$3.8 million in exploration work over a period of 5 years, including \$500,000 in year 1. The Company may also acquire an additional 15% interest upon delivery of a bankable feasibility study. A first cash payment of \$100,000 was paid on signing, to be followed by four annual payments of \$50,000 each, for a total of \$300,000. Majescor issued 270,000 common shares on signing and an additional 270,000 common shares are to be issued on the first anniversary of the agreement. Majescor is the operator of the uranium project.

In May 2007, Majescor awarded Geo Data Solutions Inc. ("GDS") of Laval a second contract to carry out a 4600 kilometre airborne geophysical survey (magnetometer, electromagnetometer, radiometer) covering the entire West Minto property. The airborne survey will be carried out in August. MPH will ensure quality control and interpretation of the geophysical data.

Nunavut and Northwest Territories

Baker Lake – Nunavut (De Beers – Majescor option; diamonds, uranium)

In August 2006, Majescor announced the signing of an agreement with Uranium World Energy Inc. ("UWE"), a recently incorporated privately held mining company, whereby UWE may earn 100% of Majescor's uranium rights on the Baker Lake property. These rights were previously optioned by Majescor from De Beers. The property consists of 19 prospecting permits covering 3,270 km², in two contiguous blocks approximately 50 km apart. The property is located 20-40 km south of the Kiggavik group of uranium deposits held by Areva Resources Canada Inc.

In the fall 2006, a uranium exploration campaign was launched to follow-up on the conclusions of a 43-101-type report filed by MPH Consulting Ltd ("MPH") of Toronto. Based on a geological compilation and analysis, MPH identified priority areas on the property and selected seven specific target blocks to be tested by deep-penetrating airborne geophysical surveying. The seven blocks were subsequently flown within the scope of a more extensive airborne geophysical survey totalling 5,992 line-km. This survey, covering both diamond and uranium permits, was completed in October 2006.

In November 2006, UWE replaced Majescor as the operator of the uranium project. The final results of the airborne geophysical survey are currently being reviewed by MPH and De Beers geophysicists, in preparation for the 2007 exploration program for diamonds and uranium.

On April 18, 2007, Merc International Minerals Inc. ("MERC") announced the signing of a merger agreement with UWE to acquire all 12 million shares of UWE in exchange for 49% of MERC shares. Majescor, owner of 25% of UWE shares before the announcement, will become a 12% shareholder of the merged companies.

On the diamond front at Baker Lake project, De Beers, as operator, is planning a follow-up exploration campaign based on the final results, received in March 2007, of the airborne geophysical survey conducted in 2006.

The structural study of satellite images ordered by Majescor in the fall of 2006 on the entire Baker Lake property was completed during the second quarter. Results of this study as well as various high resolution satellite data acquired, paired with the archived geophysical airborne data (magnetometer) and future ones (radiometry) will be used to drive the exploration and target characterization efforts for uranium and diamond.

Banks Island – Northwest Territories (diamonds)

In January 2007, Majescor and its joint venture partner Diamonds North Resources Ltd. ("Diamonds North"), the project operator, announced that the airborne geophysical survey carried out over the Banks Island property in 2006 led to the delineation of 65 geophysical anomalies that may be the result of kimberlite intrusions. Seven targets are considered a moderate to strong priority, including a target with an area of 12 hectares (300 x 400 metres). The 12-hectare target is characterized by an obvious circular shape and a weak, well constrained magnetic signature. A ground magnetic survey will be conducted as a follow-up prior to drilling.

On July 5, 2007, Majescor announced it had reached an agreement with Diamonds North for the sale of Majescor's 50% share in the Banks Island property against one million shares. The agreement with Diamonds North also states Majescor will receive one million stock purchase warrants at \$1.50 valid for two years and only if a kimberlite with a minimum 200-m diameter is identified over a 12-hectare identified geophysical target. Majescor will also keep a 1.5% royalty on the diamond and any other mineral substance found on the 22 claims of the property.

Brazil

Tres Marias (diamonds)

At the time of writing this report, Majescor and its wholly-owned subsidiary, Tropic Diamonds Brasil Mineração Ltda, were still waiting for the Mining Cadastre Office of the State of Minas Gerais to confirm a 3-year extension on 32 mining permits within the Tres Marias property, prior to concluding the sales transaction with Vaaldiam Resources Ltd. Announced on February 15, 2007.

Madagascar

Acquisition of 4 CREM properties

In April 2007, Majescor renewed the 81 map-designated claim cells that form four mining properties acquired from Calibra Resources and Engineers Madagascar SARL ("CREM") in 2006. Majescor also finalized the transfer of the latter to Daraina SARL, its Malagasy subsidiary.

Daraina SARL now holds a 100% interest in the Besakoa (gold, silver, base metals); Daraina (gold, silver); Analalava (base metals); Ankaramy (gold, base metals); and Antsakabary (diamonds) properties.

In June 2007, Majescor entered into an agreement with two stakeholders of its Malagasy affiliate, Daraina SARL, for the repurchase of their 1.0% royalty against a lump-sum payment of \$30,000.

Ankarimbelo (diamonds)

No fieldwork was conducted during the reporting period.

Analalava (base metals) and Ankaramy (gold, base metals)

No fieldwork was conducted during the reporting period.

Antsakabary (diamonds)

The Antsakabary property consists of 137 map designated claim cells covering a surface area of 856 km², in the north part of Madagascar. The property was acquired by Majescor in February 2007.

The geological setting of the Antsakabary property is prospective for diamonds. The property straddles the Betsimisaraka suture, a major Archaean/Palaeoproterozoic structural zone which marks the closure of the Mozambique Ocean as Gondwana formed. The suture zone has been interpreted to extend all the way north to India.

The property's diamond potential will be assessed in 2007 through systematic bulk sampling of stream sediments in search for diamonds and kimberlite indicator minerals.

Besakoa (gold, silver, base metals)

On January 7, 2007, Majescor completed its first diamond drilling program on the Besakoa property, located in the south part of Madagascar. The Besakoa property hosts a series of sulphide showings, including the Besakoa polymetallic prospect, a historical copper-zinc-silver-gold showing. The latter is compositionally similar to the Bisha ore deposit in Eritrea, held by Nevsun Resources Ltd.

In addition to these sulphide showings, the Besakoa property also contains surficial copper and zinc geochemical anomalies with signatures similar to the main Besakoa prospect. These anomalies were delineated following a compilation of recent geochemistry data and historical core drilling data acquired by Majescor in late 2006.

The purpose of the first round of drilling on the Besakoa prospect was to confirm and upgrade geological data derived from historical diamond drilling dating back to the 1950s. Eight (8) holes (5 inclined and 3 vertical) were drilled and core was recovered to a maximum depth of 78 metres. Drill core enriched in iron oxides and/or copper-zinc-bearing sulphides was observed in all drillholes. A total of 447 samples of split core (including duplicate samples and quality control samples) representing 431 metres of drilling were collected and shipped to ALS-Chemex laboratories in Johannesburg, South Africa, for multi-element analyses.

Drilling results were received in February and March 2007, and included the following intervals:

- BSK-06-01: 15.3 m grading 0.6% Cu, 0.7 g/t Au, 0.2% Zn, and 11.5 g/t Ag;
- BSK-06-02: 21.4 m grading 0.7% Cu, 0.3 g/t Au, 0.4% Zn, and 11.4 g/t Ag;
- BSK-06-03: 21.5 m grading 0.7% Cu, 0.5 g/t Au, 1.1% Zn, and 21.4 g/t Ag;
 - Including 0.7 m grading 8.1 % Cu, 1.1 g/t Au, 3.0% Zn, and 166 g/t Ag;
 - And another 5.0 m interval grading 1.1 g/t Au and 7.0 g/t Ag;
- BSK-06-04: 7.5 m grading 0.6% Cu, 0.7 g/t Au, 0.5% Zn, and 5.6 g/t Ag;
- BSK-06-05: 12.5 m grading 0.6% Cu, 0.9 g/t Au, 1.6% Zn, and 32.2 g/t Ag;
 - Including 2.8 m grading 1.3% Cu, 2.0 g/t Au, 0.7% Zn, and 86.4 g/t Ag;
- BSK-06-06: 7.5 m grading 0.3% Cu, 0.5 g/t Au, 0.2% Zn, and 6.6 g/t Ag;
- BSK-06-07: 7.8 m grading 0.5% Cu, 0.4 g/t Au, 0.7% Zn, and 11.5 g/t Ag;
- BSK-06-08: 9.2 m grading 0.3% Cu, 0.2 g/t Au, 1.2% Zn, and 8.1 g/t Ag.

Overall, the results of this first round of diamond drilling demonstrate the continuity in style, thickness and precious and base metal grades of the mineralized zone near surface and across the entire 380-m strike length tested by drillhole.

A surface geochemical sampling program was also undertaken in conjunction with the drilling program to test other surface gossans located near the Besakoa prospect.

In April 2007, Majescor accompanied a group of mining companies specializing in gold and base metal exploration in Africa, within the scope of a technical inspection of the Besakoa project. The property and drill core from the Besakoa prospect was also examined by Dr. C. Tucker Barrie, renowned expert in volcanogenic massive sulphide deposits and main technical advisor to Majescor. New surface samples were collected at the same time and sent to the ALS-Chemex laboratories for geochemical assaying.

The proposed 2007 exploration program for the Besakoa property includes a deep-penetrating airborne geophysical survey in the search for new polymetallic targets; a geological mapping survey; systematic sampling of surficial deposits and gossan zones; prospecting and additional core drilling.

Daraina (gold, copper)

In August 2006, Majescor announced the results of a reconnaissance surface sampling program conducted on the Daraina property, located in northern Madagascar. Anomalous grades reaching 81.7 g/t gold and 21 g/t silver were obtained in surface grab samples.

In March 2007, Majescor completed a first-phase geological compilation covering a vast area extending from the Daraina property to the east, westward to the Andavakoera-Betsiaka gold zone.

In April 2007, Majescor accompanied a group of mining companies specializing in gold and base metal exploration in Africa, within the scope of a technical inspection of the Daraina project. The property was also examined by Dr. C. Tucker Barrie, main technical advisor to Majescor.

Exploration work planned for 2007 on the Daraina property includes additional GIS-based geological compilation; systematic stream sediment sampling; soil geochemistry surveys to determine precious and base metal contents; geological mapping; and prospecting.

Financial Information

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

Selected Consolidated Financial Information (unaudited)

	Three months Ended May 31, 2007	Three months Ended May 31, 2006
	\$	\$
Statement of Operations		
Management and consulting fees	127,475	47,163
Salaries and benefits	126,765	36,637
Total administrative expenses	381,730	134,236
Write-down of mining properties and deferred exploration expenses	505,031	12,258
Gain on sale of mining properties	2,050,310	-
Net earnings (loss)	1,163,624	(146,538)
Basic and diluted net earnings (loss) per common share	0.01	(0.01)
Weighted average number of common shares outstanding	96,537,375	60,781,731
Statement of Deferred Exploration Expenses		
Deferred exploration expenses before write-down, option payments and deduction of cost of properties sold	658,566	316,334
Statement of Cash Flows		
Cash flows from (used) in operating activities	(38,423)	152,100
Cash flows from (used) in investing activities	594,545	(502,373)
Cash flows from financing activities	565,488	349,285
	May 31, 2007	February 28, 2007
	\$	\$
Balance Sheet		
Cash and cash equivalents	3,685,620	2,564,011
Mineral properties	1,157,842	1,028,848
Deferred exploration expenses	4,191,986	5,172,144
Long term liabilities	119,681	112,776
Shareholders' equity	11,412,074	9,200,249
Total assets	11,757,950	9,822,780

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

Net earnings for the period ended May 31, 2007 totalled \$1,163,624 as compared to a loss of \$146,538 for the period ended May 31, 2006. This important increase is due to the gain on the sale of the Brauna property to Vaaldiam Resources Ltd. which amounted to \$2,050,310 (nil in 2006).

Total general and administrative expenses for the period were \$381,730 as compared to \$134,236 for 2006. This increase is due to additional salaries and benefits following the appointment of a new President, the recognition of stock based compensation due to the grant of new options, the increase in management fees paid to Everton Resources Inc. and consulting fees paid to a new consultant of the Company in Public Relations, travel and promotion expenses incurred to attend conferences and meet partners and an increase in general office and administration expenses. Also, the Company participated in the clean-up program of abandoned mineral exploration sites in the Nunavik region of northern Quebec, by paying \$25,000 to the Fonds Restor-Action Nunavik.

During the period, the Company recorded a write-down of \$505,031 further to the abandon of 25% of the Portage property claims, as compared to \$12,258 for 2006.

Quarterly information

The following selected financial data is derived from the unaudited consolidated interim financial statements of the Company:

Quarter Ended	Other Income	Net Gain (Loss)	Basic and diluted Net Gain (Loss) per common share
31/05/2007	1,545,354	1,163,624	0.01
28/02/2007	1,225	(896,600)	(0.01)
30/11/2006	-	(193,689)	(0.01)
31/08/2006	13,994	(251,148)	(0.01)
31/05/2006	21,334	(146,538)	(0.01)
28/02/2006	101,782	(2,271,137)	(0.04)
30/11/2005	228	(743,624)	(0.01)
31/08/2005	105,576	(117,971)	(0.01)

Liquidity

The Company's working capital stands at \$5,869,988 as at May 31, 2007, as compared to \$3,002,585 at February 28, 2007. The Company has an unsecured convertible debenture presented in the financial statements in its liability component for \$119,681 and in its equity component for \$39,525.

The Company's principal requirements for cash during 2007/2008 will be administrative expenditures and deferred exploration expenditures. Direct exploration expenditures are expected to be in the order of \$3 million for the year and administrative expenditures are following the same path as in 2007. On this basis, the Company has an approximately \$3.7 million in cash that results from private placements closed during the last semester of 2007, the exercise of warrants by shareholders and also from the sale of the Brauna property. These funds are sufficient to meet its planned exploration and administration expenditures in 2007/2008.

Capital Resources

During the period, the Company sold its 40% interest in the Brazilian property Brauna for net proceeds of \$1,473,758 and received \$50,000 in cash payment to option up to 66 2/3% interest in the lac Laparre Uranium rights. Also, the Company issued 4,008,500 common shares for total net proceeds of \$565,488 including 2,958,500 common shares issued on the exercise of warrants by shareholders, 70,000 common shares issued on the exercise of options and 980,000 common shares issued to increase participation in mineral properties.

This money is to be used for financing its projects in Canada and Madagascar and its general and administrative expenditures during the year 2007.

Off Balance Sheet Arrangements

As of May 31, 2007, the Company has no off balance sheet arrangements.

Related Party Transactions

Related party transactions not disclosed elsewhere in these consolidated financial statements are as follows:

Under an agreement between the Company and Everton Resources Inc., the Company reimburses the cost of shared salaries & benefits, rent and office expenses paid by Everton Resources Inc. (which shares a common CFO and Directors). During the period, the cost of shared salaries and benefits was \$ 54,632 (2006 - \$43,307) and rent and office expenses were \$8,280 (2006 - Nil). Included in Amount due to related parties is \$42,714 due to Everton Resources Inc. (\$71,488 as at February 28, 2007). Also, Included in amount due from related parties is \$60,308 due from Everton Resources Inc. since February 28, 2007, and related to the amount invoiced by the Company for exploration expenses incurred on Mirabelli project for the gold aspect during the last period.

Under an agreement between the Company and its joint venture partner Forest Gate Resources Inc. (which share a common Director), the Company was the operator for Portage project. All exploration expenditures incurred on the project and paid by the Company were invoiced to Forest Gate Resources Inc. in addition to 5%-10% management fees on these expenditures. Included in amount due from related parties is \$82,831 due from Forest Gate Resources Inc. since February 28, 2007.

Under a joint venture agreement between the Company and Uranium World Energy Inc (in which the Company detains a participation and shares a common Director), the Company was 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 \$62,335 due from Uranium World Energy Inc. since February 28, 2007 (\$233,932 as at February 28, 2007).

Under an agreement between the Company and one of its Directors, the Company paid \$3,000 (2007-\$4,250) in consulting fees.

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 write-downs of \$505,031 during the period ended May 31, 2007, as compared to \$12,258 in 2006. The write-down in 2007 is attributable to Portage project.

Changes in Accounting Policies

Effective March 1, 2007, the Company adopted the new accounting standards related to financial instruments, comprehensive income, equity and hedges that were issued by the Canadian Institute of Chartered Accountants. 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 2 to the consolidated financial statements.

Outstanding Share Data

Common shares and convertible securities outstanding at July 25, 2007 are as follows:

Securities	Expiry date	Exercise price	Securities outstanding
Common shares	-	-	97,752,595
Warrants	Up to December 4, 2008	\$0.15 to \$0.45	12,200,206
Options	Up to April 3, 2012	\$0.15 to \$0.28	5,518,162

Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, accounts receivable and accounts payable. Management does not believe these financial instruments expose the Company to any significant interest, currency or credit risks. The fair market values of these instruments approximate their carrying value.

Disclosure controls and internal controls over financial

The Company's Chief Executive Officer and Chief Financial Officer (The Certifying Officers) are responsible for establishing and maintaining disclosure controls and procedures (the "Procedures") which provide reasonable assurance that information required to be disclosed by the Company under the various securities legislation (the "required Filings") is reported within the time periods specified. Without limitations, the Procedures are designed to ensure that material information relating to the Company is accumulated and communicated to management, including its Certifying Officers, as appropriate to allow for timely decisions regarding the Required Filings.

The Company's Certifying Officers are also responsible for establishing internal controls over financial reporting ("ICFR") to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with Canadian GAAP. There was no material change in the Company's ICFR during the period from March 1, 2007 to May 31, 2007.

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. Movement in the Canadian dollar against the US dollar 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.

Subsequent events

- The company reached an agreement with joint venture partner Diamonds North Resources Ltd. for the sale of the Company's 50% interest in the Banks Island diamond project in the Northwest Territories. Under the terms of the agreement for the Banks Island project, which is subject to regulatory approval, The Company will receive 1 million common shares of Diamonds North, 1 million warrants exercisable at \$1.50 for 2 years if kimberlite is confirmed by drilling an existing target and 1.5% Gross Sales Royalty on diamonds, metals and other mineral products in the 22 permits constituting the existing property.

- In June 2007, The Company paid \$30,000 to two shareholders of its Madagascar subsidiary Daraina S.A.R.L in exchange of their 1% interest in the subsidiary.

Additional information and continuous disclosure

This Management's Discussion and Analysis has been prepared as of July 25, 2007. 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).

(s) Marc-André Bernier

Marc-André Bernier, Chief Executive Officer

(s) "Marc Carbonneau"

Marc Carbonneau, Chief Financial Officer