

## **MAJESCOR RESOURCES INC.**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE YEARS ENDED FEBRUARY 28, 2010 AND 2009.**

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 21, 2010 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, 2010 and 2009. 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 Canada, Haiti 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 recoverability of the amounts shown for mining properties is dependent on the existence of economically recoverable reserves, the Company's ability to obtain necessary financing to complete the exploration and development of its properties, and the future profitable production or proceeds from the disposal of these 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 Venture Exchange ("TSXV") under the symbol "MJX". Majescor's head office is in Montreal, Quebec.

## **Investment in SIMACT**

On April 22, 2009, the Company signed an agreement (the "Agreement") with SIMACT Alliance Copper Gold Inc. ("SACG") and its principal shareholders (the "Principals"), which include the Chairman of Majescor, whereby the Company could acquire a 10% interest in SACG, as well as an option to acquire all of the remaining outstanding shares of SACG.

SIMACT Alliance Copper Gold, through its 68.7% owned Haitian affiliate mining company, Société Minière du Nord-Est S.A. ("SOMINE"), controls a gold and copper-bearing mineral exploration property, (the "SOMINE Property") located in the North-East mineral district of the Republic of Haiti. SOMINE's mineral rights and obligations 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.

On May 26, 2009, after having completed technical and legal due diligence on SACG and SOMINE and having obtained all regulatory approvals, the Company acquired its 10% interest in SACG through the issuance of 2,000,000 shares, valued at \$360,994, including legal and due diligence-related costs of \$60,994.

Subject to making an initial cash payment of \$200,000 to SACG (which payment was made) and the carrying out by Majescor of \$600,000 in exploration work on the SOMINE Property within 8 months following the execution of the Agreement, Majescor was also granted a 12 month option ("the Option") to purchase the remaining 90% interest in SACG in consideration for the issuance of 10,000,000 common shares of Majescor in favour of SACG.

Furthermore, in the event that within a period of two years following the exercise of the Option, a NI 43-101 technical report determines indicated mineral resources on the SOMINE Property to be between 1,000,000 and 2,000,000 ounces of gold, or its equivalent in copper, Majescor shall, within 30 days of the report, issue an additional 3,000,000 of its common shares to SACG. In the event that the indicated mineral resources on the SOMINE Property are determined by the Report to be equal to or greater than 2,000,000 ounces of gold or its equivalent in copper, Majescor shall, within 30 days of the Report issue another 3,000,000 of its common shares to SACG. These additional issuances of common shares will also be subject to all required corporate and regulatory approvals.

On January 27, 2010, Majescor announced that, having met all the conditions stipulated under the Agreement, the Company was exercising its option to acquire all of the remaining issued and outstanding common shares of SACG (the "Acquisition"), as per the Agreement executed on April 22, 2009 between all the parties involved. Under the terms of the Acquisition, the shareholders of SACG, excluding Majescor, will receive 10,000,000 common shares of Majescor to be issued at a price of \$0.30 per share. In support of the Acquisition, Majescor filed with the TSX Venture Exchange ("TSX-V") both a NI 43-101 Technical Report and an Opinion of Value on the SOMINE Property.

The closing of the Acquisition is subject to certain conditions including, but not limited to, the receipt of all required regulatory approvals, shareholder approval if required, and the completion of a minimum financing of \$3,500,000 (the "Offering"), the terms of which were announced on February 26, 2010. Following the Acquisition, but not taking into account the above-mentioned financing; a debt settlement in the amount of US\$ 302,000 from a creditor of SOMINE SA (the "Creditor"); as well as a debt of US\$123,750 due to a former Officer of SOMINE SA and payable at the commencement of the commercial production on the SOMINE property, Majescor will have approximately 28.3 million shares issued and outstanding. Current Majescor shareholders will own approximately 57.6% and SACG shareholders will own approximately 42.4% of the issued and outstanding shares of Majescor. Following the completion of all the transactions noted above, SIMACT Mining Holding Inc., a private US company headed by Haitian-American developers, will become an insider of the Company.

As of the reporting date, Majescor's Management was in the process of filing with the TSX-V all documents in support of the closing of the Acquisition, including proof of minimum financing.

## **Corporate Development Highlights**

### **Appointment of Daniel F. Hachey as President and CEO**

On February 11, 2010, Majescor announced the appointment of Daniel F. Hachey as President & CEO of the Company in replacement of Marc- Andre Bernier who stepped down to hold the position of Vice-President Exploration.

Mr. Hachey brings to Majescor a strong investment banking background with over 23 years of experience in the capital markets, largely in the area of public equity financings and private placements. His extensive experience and knowledge of the venture capital market and of the junior resource industry will be instrumental to the future growth of Majescor, as the Company positions itself to become a leading copper and gold explorer in Haiti as well as in other emerging mineral districts around the World.

Mr. Hachey has held senior investment banking positions with a number of firms, and has worked in Toronto, New York and Montreal. Financings he was involved in include Glamis Gold Ltd. (acquired by Goldcorp Inc.); Canico Resource Corp. (acquired by Companhia Vale do Rio Doce ("CVRD")); Research in Motion; JDS Fitel (now JDS Uniphase); Alliance Communications (now Alliance Atlantis); as well as many other companies in various industries including mining, oil & gas, forest products, manufacturing and technology. Mr. Hachey has also been active in the area of mergers and acquisitions and other advisory work. Most recently, he was President and CEO of Xinery Ltd. (XRG:TSX, formerly Greenwich Global Capital Inc.). In addition, Mr. Hachey has held Board of Directors positions with both public (NASDAQ, AMEX, TSX and TSX-V) and private companies.

Mr. Hachey was also appointed a Director of the Company in replacement to Mr. Jacques Letendre who resigned from the Board of Directors to become a Consultant to the Company. Mr. Bernier remains a Director of the Company.

### **Financings**

In March 2009, the Company completed a non-brokered private placement for gross proceeds of \$50,000. The private placement consisted of the issuance of 500,000 units at a price of \$0.10 per Unit. Each unit consisted of one common share of the Company and one common share purchase warrant which entitles the holder to acquire one additional common share of the Company at a price of \$0.13 for a period of 24 months following the closing of the private placement. Directors of the Company participated in this first private placement subscribing for 300,000 units for \$30,000.

In June 2009, the Company completed a non-brokered private placement for gross proceeds of \$600,000. The private placement consisted of the issuance of 3,000,000 units at a price of \$0.20 per Unit. Each unit consisted of one common share of the Company and one common share purchase warrant which entitles the holder to acquire one additional common share of the Company at a price of \$0.30 for a period of 12 months following the closing of the private placement. The share purchase warrants are subject to an accelerated expiry if, at any time after October 17, 2009, the published closing trade price of the common shares on the TSX Venture Exchange Inc. (the "Exchange") is equal or superior to \$0.40 for any 10 consecutive trading days, in which event the Company may give the holder a written notice and the share purchase warrants will automatically expire, if not exercised, 30 days after receipt of such notice. The funds raised pursuant to the third offering will be used to fund the SOMINE property exploration program in Haiti. An insider of the Company subscribed for 450,000 Units for \$90,000.

In February 2010, The Company announced a non-brokered private placement offering (the "Offering") of 20,000,000 units at a price of \$0.25 per Unit for gross proceeds of up to \$5,000,000. Each Unit consists of one common share of the Company and one-half common share purchase warrant. Each whole warrant entitles the holder to acquire one additional common share of the Company at a price of \$0.40 for a period of 24 months following the closing of the Offering. In connection with the private placement, the Company may pay up to 8% of the gross proceeds of the Offering in cash and a maximum of 8% of the warrants issued. The proceeds of the Offering will be used to fund the Company's general working capital and exploration program on the SOMINE Copper-Gold property in Haiti.

The closing of the Offering was expected to be on or before March 18, 2010. As of the reporting date, Majescor had subscriptions in hand for an amount exceeding the minimum offering of \$3,500,000. However, as the proceeds of the Offering are to fund the 2010 exploration program on the SOMINE Copper-Gold property in Haiti, the Offering is conditional upon and will be completed concurrently with the Acquisition.

### **Other developments**

In July 2009, Majescor and partner Sunridge Gold Corp. ("Sunridge") announced an extension to their Agreement over four Malagasy gold and base metal properties held by Majescor. According to the terms of the September 15, 2008 Agreement, Sunridge has an option to acquire up to a 100% interest in the four properties held by Majescor by completing expenditures and issuing shares as described in Sunridge's press release dated October 15, 2008. Majescor and Sunridge have agreed that all the commitment dates in the September 15, 2008 Agreement will be extended by a one year period so that Sunridge now has until September 15, 2010 to complete the initial \$500,000 of expenditures on the properties. In exchange for this extension Sunridge issued 200,000 common shares to Majescor (valued at \$80,000).

In July, the Company had announced that subject to regulatory approval, the number of options which may be granted under its incentive stock option plan ("the Plan") would be increased by 811,800, for a new total of 1,749,417 common shares which may be issued under the company's Plan, being 10% of the issued and outstanding common shares of the Company.

On January 12, 2010, Port-au-Prince, the capital of Haiti, and surrounding areas experienced a major earthquake. The earthquake resulted in significant loss of life, including a senior SOMINE SA employee, together with extensive damages to physical infrastructure. The Cap-Haitien area of Northeast Haiti, where the SOMINE property is located, was not impacted by the quake.

### **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 (under option from SACG), Majescor's project portfolio includes the Mistassini-uranium property (100%-owned; under option to Strateco Resources Inc.), and the Lac Laparre-uranium property (100%-owned; under option to Virginia Energy Resources Inc.), all located in the James Bay territory of northern Quebec. Finally, In Madagascar, Majescor owns 100% mineral rights to four gold and base metal properties (under option to Sunridge Gold Corp.).

Throughout the reporting period, one property saw active exploration work, namely geological data analysis and compilation (SOMINE, Haiti).

### **SOMINE property, North-East Haiti (Copper-Gold): Optioned from SIMACT Alliance Copper Gold Inc.**

In July 2009, Majescor and SIMACT announced the preliminary results of a comprehensive program of systematic ground prospecting and historical data compilation underway at the SOMINE copper-gold property in north-east Haiti. A 10 km long by up to 3.8 km wide copper-bearing corridor has been defined on the SOMINE property based on historical regional stream sediment, soil and rock geochemistry data. The northwest-trending mineralized corridor holds the historical Blondin and Douvray copper-gold prospects, the historical Faille-B gold prospect along with a series of recently-discovered copper showings in the south-east extension of Douvray, in an area known as Dos Rada.

Systematic prospecting carried-out by SIMACT over the SOMINE property in 2008 has confirmed the historical stream sediment, soil and rock data and outlined 123 new copper showings in outcrop, all situated within the 10 km-long corridor. The work confirmed the south-eastern extension of copper mineralization from the Blondin-Douvray prospects into the volcanic rocks of the Dos Rada area. Subsequent ground work focusing on the south-east extension, including the cutting of 69 km of survey lines spaced 100 m apart and systematic prospecting, soil and rock sampling, resulted in the discovery of 12 new mineralized showings on the survey grid at Dos Rada.

In August 2009, Majescor partner SAGC signed a drilling contract with Palo Verde Drilling LTDA. of the Dominican Republic. The contract calls for the mobilisation of a man-portable core drilling rig and related equipment (including core tooling for HQ, NQ2 and BTW diameter drilling) and supplies from the Dominican Republic to the SOMINE property in Haiti. The minimum number of meters to be drilled has been set at 1,000 m.

During August and September 2009, SACG conducted detailed mapping, portable XRF spectrometer surveying and geochemical sampling of selected recently discovered Cu-Au prospects, including the "Grosse Veine" showing. The massive copper-enriched quartz vein, located 1.3 km southeast of the historical Douvray porphyry copper prospect, was stripped over a 20 m by 20 m surface area, mapped at a 1m scale and then systematically surveyed with a Niton™ hand-held x-ray fluorescence ("XRF") analyser (56 readings). Seven (7) Grab samples were also collected for assaying. The grab samples were submitted to Acme Analytical Laboratories' ("Acme") Port-au-Prince facility for sample preparation and shipment to Acme's Vancouver facility for multi-element geochemical analysis.

In October 2009, Majescor and SIMACT announced that the portable XRF spectrometer survey and detailed mapping at Grosse Veine showed that the copper mineralization is ubiquitous, but irregular in grade, across the mineralized vein. Preliminary assay results recently received from Acme have confirmed the anomalous spectrometer readings. The quartz vein also contains appreciable amounts of gold and silver. In addition, systematic prospecting and a re-interpretation of geochemical data from the 2008 SAGC exploration program has confirmed the presence of a minimum 650 m-long by 300 m-wide copper-bearing zone in fractured and altered mafic volcanics. This new zone, known as "Ti-Toro", extends southeast and along strike from the previously reported Dos Rada historical copper area. Reconnaissance prospecting and geochemical sampling conducted in 2008 at Ti-Toro had uncovered 16 copper-bearing showings in outcrop. The mineralisation at Ti-Toro consists of malachite, chalcopyrite, pyrite, hematite, limonite and/or magnetite in fracture fillings and in quartz veins. Systematic geochemical sampling and mapping of the Ti-Toro zone is underway.

The 2009 exploration program also called for a first phase of core drilling (1,000 m) targeting one or more of the historical prospects, as well as of a number of the recently outlined geological targets and surface gold and copper showings. The SOMINE Property was last drill-tested in 1997. The drill program will also meet a requirement by the Haitian Bureau of Mines and Energy ("BME") for additional sub-surface testing at Faille B, as the prospect was last drilled in 1987. Throughout September and October, SACG carried-out various logistical tasks and site-specific geological investigations and in preparation for the drill program, including revisiting a series of exploration trenches previously excavated at the historical Faille B gold prospect in order to define new drill targets (Trenches 1, 2 and 3 W were re-surveyed using the portable XRF analyser). The drilling at Faille B is designed to confirm the western extension of the gold mineralization outlined previously through a number of work programs completed since the 1970's. Historical work carried out by the United Nations Revolving Funds ("UNRF") between 1985 and 1987 at Faille B included the core drilling of 31 holes totalling 3,186 m, the collection of 760 soil samples on grids and of 1,730 samples from many tens of trenches and pits; and two ground geophysical surveys. In 2008, SACG excavated 13 trenches to the east of the Central Zone, and eight to the west. The best results from the later campaign were obtained from the West Zone, and particularly from trenches #1, 2 and 3 which will be the focus of the current drill campaign.

The Palo Verde core drill rig and related drilling equipment and supplies arrived on the SOMINE property on October 24, 2009. The core drilling program commenced on November 5<sup>th</sup>, 2009 and was completed on December 20, 2009. A total of 9 holes were drilled; 935 m of core were recovered; and 364 core samples (1 or 1.5 m in length) were collected. All core samples were submitted to ACME's Port-au-Prince facility for splitting and grinding and then shipped to Acme's Vancouver facility for multi-element geochemical analysis. As of the reporting date, Majescor was awaiting receipt of the final drill program results and technical report from SACG, the operator of the SOMINE property drill program.

In December 2009, the Company received a NI 43-101 technical report on the SOMINE property. The technical report was written by a qualified and independent geological consultant. The report is available on SEDAR at [www.sedar.com](http://www.sedar.com).

Field exploration work on the SOMINE Property has been suspended since January 2010. In March, Majescor sponsored a geographic information system ("GIS") based geological compilation of historical and recent exploration data from the SOMINE Property.

**Mistassini, Otish Mountains, Quebec (Uranium): Uranium rights optioned to Strateco Resources Inc.**

The Mistassini property is host to the Lac Mantouchiche uranium prospect. 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 January 2009, Strateco Resources Inc. ("Strateco") completed a 1,869 line-km airborne geophysical survey of the Mistassini property under option from Majescor. The high resolution magnetic and electromagnetic survey identified an ESE-WNW trending km-scale structural lineament, coincident with the Lac Mantouchiche uranium showing.

In February 2009, Strateco announced plans to implement a drill campaign at the Mistassini property as part of a broader 30,000-metre drilling program targeting Strateco's Matoush uranium prospect and other targets in the Otish Mountains of Quebec. The principal objective of drilling program at Mistassini, scheduled to start in June, is to begin testing the strike and dip extensions of the Lac Mantouchiche uranium prospect. This drilling program is based on a target zone identified from the airborne geophysical survey completed over the property in January. The drilling campaign on the Mistassini property took place from June 10th to June 28th. Seven holes were completed for a total of 786 metres.

In July 2009, Majescor and Strateco announced the preliminary results of the drill program. A new uranium-bearing zone was intersected in the immediate vicinity of the Lac Mantouchiche uranium showing. Results were included in a press release dated July 9, 2009.

The seven holes drilled on the Mistassini property tested three areas in the immediate vicinity of the Mantouchiche showing, over a total strike length of 125 metres. Two drill holes were completed per section to test the strike extensions namely 50 metres to the west and 75 metres to the east of the Mantouchiche showing. Drill holes MIST-09-01, 02, 05 and 06, drilled to this end, intersected anomalous eU3O8 values. Drill holes MIST-09-03 and 04 were drilled along the same section as the discovery hole MIST-07-03. The strike extension of the new zone could not be confirmed by the last hole in the campaign, namely MIST-09-07, drilled along the same section as MIST-09-05 and 06.

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 and following a structural and geological interpretation, Strateco plans to conduct further exploration work on the property during the summer and fall of 2010. At first, a ground geophysical survey will be implemented to test for the possible presence of high-grade uranium lenses preferentially aligned along a north-south axis.

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. Strateco's exploration commitment for the Mistassini property in 2009 is approximately \$ 410,000.

**Lac Laparre, Otish Mountains, Quebec (Uranium): Uranium rights optioned to Virginia Energy Resources Inc.**

The Lac Laparre property is comprised of 77 map-designated claims with a total surface area of 3,253.68 hectares under option to Virginia Energy Resources Inc. ("Virginia"). Under the terms of the option agreement with Majescor, Virginia must incur \$2.5 million in exploration work expenditures by February of 2012 to secure a 66 2/3% interest in the uranium rights on the Lac Laparre property.

During the reporting period, limited follow-up ground exploration work was conducted by Virginia Energy Resources Inc. ("Virginia") at the Company's Lac Laparre uranium property. The work focussed on compiling historical and recently acquired geological data from the property and then investigating high priority targets through ground prospecting and geochemical sampling. The Lac Laparre property is located in the Otish Mountains uranium district of Northern Quebec.

In August 2009, Majescor and Virginia renewed 33 claims at the Lac Laparre property. The New expiry date will be October 21, 2011.

In November 2009, Virginia submitted the results of their limited 2009 exploration program. Elevated values for both uranium in lake sediments, and radon in water, were observed downstream from a large gabbro dyke in the north sector of the property. Other than a weakly anomalous sandstone boulder (34.4 ppm U) nothing of note was found in the vicinity of other uranium anomalies in lake sediments on the property, and no mineralised outcrops or boulders were located during the three-day ground follow-up program conducted in 2009.

On January 18, 2010, Virginia advised Majescor that it was abandoning its option on the Lac Laparre property. Majescor has elected not to continue with the Lac Lappare property uranium exploration program and will let the remaining claims lapse.

#### **Portage, Northern Otish Mountains district, Quebec (diamonds): 100% Majescor**

In September 2009, the Company completed the full dismantling, site clearing and demobilisation of the Portage base camp facility including all construction materials, field supplies and fuel stored-on site. Upon request from the Mistissini Cree community, a single housing unit was left standing on site for use as an emergency shelter. Exploration work on the Portage property ceased in 2007.

#### **Baker Lake, Nunavut (Uranium) and Mirabelli, Quebec (Gold and Base metals): 100% Majescor**

Majescor does not intend to renew the remaining claims forming the Baker Lake uranium and the Mirabelli gold and base metal properties. Consequently, these properties were written-down to \$Nil during this period (\$54,842 in acquisition costs and \$753,942 in deferred exploration expenses).

#### **Madagascar gold and base metal properties: Optioned to Sunridge Gold Corp.**

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.

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, 431m 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).

Ground exploration work by Sunridge on the Besakoa property, originally slated to start in April of 2009, was postponed until 2010 and is currently scheduled to resume in mid-June. Sunridge has advised Majescor of its intention to perform a ground gravity and soil geochemistry survey over a selected portion of the property along with local geological mapping.

Sunridge will also be doing some reconnaissance work to assess the vanadium potential of the Besakoa property. The Besakoa property is located 9 km to the North and along geological trend to Energizer Resources Inc.'s ("Energizer") 100%-owned Green Giant vanadium property. In May 2010, Energizer announced that the completion of a NI 43-101 compliant resource estimate on the Green Giant property. The Green Giant property hosts an Indicated Mineral Resource of 21.74 million tonnes at an average grade of 0.759% V<sub>2</sub>O<sub>5</sub> containing 363.8 million pounds of V<sub>2</sub>O<sub>5</sub>, and an Inferred Mineral Resource of 4.15 million tonnes at an average grade of 0.655% V<sub>2</sub>O<sub>5</sub> containing 59.8 million pounds of V<sub>2</sub>O<sub>5</sub>.

In July 2009, Majescor and partner Sunridge Gold Corp. ("Sunridge") announced an extension to their Agreement over the four properties held by Majescor. According to the terms of the September 15, 2008 Agreement, Sunridge has an option to acquire up to a 100% interest in the four properties held by Majescor by completing expenditures and issuing shares as described in Sunridge's press release dated October 15, 2008. Majescor and Sunridge have agreed that all the commitment dates in the September 15, 2008 Agreement will be extended by a one year period so that Sunridge now has until September 15, 2010 to complete the initial \$500,000 of expenditures on the properties. In exchange for this extension Sunridge has agreed to issue Majescor 200,000 common shares, subject to definitive documentation being entered into and receipt of regulatory approval.

The terms of the September 15, 2008 Agreement between Majescor, its Malagasy affiliate company Daraina Exploration SARL, and Sunridge stipulates that 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 2 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.

**Qualified person**

The above technical information was confirmed and/or reviewed by Marc-André Bernier, M.Sc., 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 audited consolidated financial statements of the Company that were prepared in accordance with Canadian generally accepted principles:

### **Selected Consolidated Financial Information**

	February 28, 2010	February 28, 2009	February 29, 2008
	\$	\$	\$
<b>Operations</b>			
Net loss	1,791,643	7,199,070	1,371,338
Write-down of mineral exploration properties and deferred exploration expenses	1,057,323	4,477,061	2,515,656
Gain on sale of mineral properties	-	-	3,053,344
Gain (loss) on sale of marketable securities	81,405	(1,431,577)	294,535
Basic and diluted net loss per common share	0.11	0.72	0.14
Weighted average number of common shares outstanding	16,540,831	10,063,522	9,763,613
<b>Deferred Exploration Expenses</b>			
Deferred exploration expenses after contributions from partners	-	1,378,421	2,915,087
<b>Cash Flows</b>			
Cash flows used in operating activities	529,055	329,238	1,413,503
Cash flows used in investing activities	447,268	593,039	753,771
Cash flows from financing activities	732,109	193,097	688,137
Decrease in cash and cash equivalents	244,214	729,182	1,479,137
<b>Balance Sheet</b>			
Cash	111,480	355,694	1,084,874
Marketable securities	97,604	42,695	1,590,382
Long-term investments	1,304,652	-	-
Mineral exploration properties	24,520	284,817	1,110,082
Deferred exploration expenses	249,999	1,127,025	3,821,581
Total assets	2,145,234	2,695,729	8,866,962
Long term liabilities	-	136,290	123,139
Shareholders' equity	1,749,211	2,172,715	8,291,931

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

Net loss for the year is \$1,791,643 as compared to \$7,199,070 for 2009 and \$1,371,338 for 2008. The decrease in 2010 is mostly attributable to 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 and \$2,515,656 in 2008). The decrease is also due to a gain on sale of marketable securities during 2010 for \$81,405, as compared to the significant loss of \$1,431,577 that the Company incurred in 2009 further to the financial market crisis. The decrease is also attributable to a general decline in corporate expenses 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.

Also, in 2008, the Company realized a gain on sale of mining properties for \$3,053,344 (\$Nil in 2010 and 2009) and had paid \$505,657 in foreign income tax (\$Nil in 2010 and \$7,914 in 2009).

### 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 Loss	Basic and diluted Net Loss per common share
	\$	\$	\$
28/02/2010	235	612,894	0.03
30/11/2009	679	74,711	0.01
31/08/2009	-	957,291	0.06
31/05/2009	215	146,747	0.01
28/02/2009	558	4,169,928	0.40
30/11/2008	1,899	535,967	0.06
31/08/2008	4,401	2,160,796	0.22
31/05/2008	7,042	332,379	0.04

Net loss was significantly higher during the quarters ended February 28, 2009 and August 31, 2008, due to higher write-downs of mining properties and deferred exploration expenses which were respectively \$3,914,366 and \$508,961, and also the recognition of a loss on sale of marketable securities for \$1,339,292 during the period ended August 31, 2008.

### Liquidity, Capital Resources and Going Concern

The Company's working capital stands at \$98,505 at February 28, 2010 as compared to \$761,927 at February 28, 2009. This decrease is mostly due to the incurring of operating expenses in the normal course of business, as well as the completion of a \$690,000 exploration work program on the SOMINE property, the acquisition of 10% interest in SACG (\$60,994 in related costs) and payment of \$200,000 to SACG in exchange for an option to acquire the remaining 90% interest in SACG. These expenses and payments were financed by the following financial resources:

- Proceeds from two private placements completed on March 20, 2009 and June 17, 2009 for total net amount of \$636,720
- Receipt of tax credits and mining duties refunds for a total of \$440,346
- Sale of marketable securities for net proceeds of \$135,905
- Proceeds from the exercise of share purchase warrants for \$98,500

At February 28, 2010, the Company had a working capital of \$98,505, including \$111,480 in cash. Subsequent to year end, the Company sold marketable securities for net proceeds of \$77,445. As a result of the Company's limited financial resources, the Company currently has insufficient cash resources to meet all of its general and administrative costs and undertake exploration programs on its exploration properties for the next twelve months. The Company requires additional financing, through various means including but not limited to equity financing, to undertake exploration programs on its properties 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, 2010, 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 year ended February 28, 2010, the cost of shared salaries and benefits was \$57,000 (2009 - \$102,534) and rent and office expenses was \$2,857 (2009 - \$42,400).

Under an agreement between the Company and Woodcliff Capital Inc. ("Woodcliff"), a management company wholly-owned by the Chairman of Majescor, the Company pays consulting fees to Woodcliff. During the year ended February 28, 2010, the cost of consulting fees paid to Woodcliff was \$49,000 (\$Nil in 2009).

Under an agreement between the Company and a Director of the Company (no longer a Director as of February 10, 2010), the Company paid consulting fees. During the year ended February 28, 2010, the total cost of consulting fees paid was \$13,500 (2009 - \$12,000).

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 from (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, during the year ended February 28, 2010, the Company recorded a write-down of respectively \$1,057,323 (\$4,477,061 in 2009 and \$2,515,656 in 2008) further to the abandonment of the Baker Lake, the Mirabelli and part of the Madagascar's claims.

### **Critical Accounting Policies and Estimates**

The preparation of the Company's consolidated financial statements in accordance with Canadian Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect amounts reported in the consolidated financial statements and accompanying notes. The Company's significant accounting policies and estimates are fully described in note 4 to the consolidated financial statements for the years ended February 28, 2010 and 2009.

### **Changes in Accounting Policies**

In March 2009, the Emerging Issues Committee ("EIC") issued Abstract EIC-174, Mining exploration costs regarding the capitalization and impairment of exploration costs. The Company has taken into account the consensus reached in this abstract in preparing its audited consolidated financial statements.

On March 1, 2009, in accordance with the applicable transitional provisions, the Company adopted Section 3064, Goodwill and Intangible Assets, which replaced Section 3062, Goodwill and Other Intangible Assets. This new section establishes standards for the recognition, measurement, presentation and disclosure of goodwill and intangible assets by profit-oriented enterprises. The application of this new section has no impact on the Company's financial statements.

During the year, in accordance with the applicable transitional provisions, the Company adopted the amendments of the Canadian Institute of Chartered Accountants to Section 3862, "Financial Instruments – Disclosures", to include additional disclosure requirements about fair value measurement for financial instruments and liability risk disclosure. These new requirements only address disclosures, and have no impact on the Company's financial results.

In June 2009, the CICA issued an amendment to CICA 1506, Accounting Changes, to exclude from its scope changes in accounting policies upon the complete replacement of an entity's primary basis of accounting. The adoption of the International Financial Reporting Standards ("IFRS") is not expected to qualify as an accounting change under CICA 1506. The amendment to this standard did not have a material impact on the Company's financial statements.

Effective March 1, 2009, the Company changed its accounting policy for allocating the proceeds from unit placements from the residual method to the proportional method, as it best reflects the fair value of shares and warrants issued as part of a unit placement. Under the proportional method, proceeds from unit placements are allocated between shares and warrants issued according to their fair value. The comparative figures for the year ended February 28, 2009 have been restated to reflect adjustments made as a result of this change in accounting policy. The accumulated effect of the change has been reflected in the opening balances for the year ended February 28, 2009.

These changes are fully described in note 3 to the audited financial statements for the years ended February 28, 2009 and 2010.

### **Recently issued accounting pronouncements**

#### 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 developed and implemented a project plan to ensure full compliance with this requirement by 2011. The following is a summary of the four primary phases of the plan and the expected timing of activities related to the Company's transition to IFRS.

- *Diagnostic impact assessment phase*: this phase consists in performing an Initial analysis of key areas for which changes to accounting policies may be required. While an analysis will be required for all current accounting policies, the Company has performed a review as to the most significant areas of difference to the Company which include:
  - IFRS 1 First-time adoption of International Financial Reporting Standards
  - IFRS 2 Share-based payment
  - IFRS 6 Exploration and evaluation
  - IAS 1 Presentation of financial statements
  - IAS 12 Accounting for income taxes
  - IAS 16 Property, plant and equipment

- IAS 21 Effects of changes in foreign exchange rates
  - IAS 32 financial instruments presentation
  - IAS 36 Impairment of assets
- *Design, planning and solution development phase:* this phase involves the development of the detailed plan for convergence and implementation, analyses of policy alternatives allowed under IFRS, the specification of changes required to existing accounting policies, and the development of solutions for information systems and business processes. The Company is at the stage of completing its detailed analysis of the standards and expects to complete this phase by the end of the second period ending August 31, 2010. To date, the Company has identified a number of accounting differences and policy alternatives, including one-time accounting alternatives under IFRS. As part of its analysis of potential changes to significant accounting policies, the Company is assessing what changes may be required to its accounting systems and processes. The Company believes that the changes identified to date are minimal and the current systems and processes will be able to accommodate the necessary changes. The Company's staff which is involved in the preparation of financial statements is being trained on the relevant aspects of IFRS and the anticipated changes to accounting policies.
  - *Implementation phase:* This phase includes the completion and formal authorization of recommended changes to accounting policies, including transition elections to apply changes retroactively or prospectively, the execution of changes to information systems and business processes, delivery of training programs across the Company and the preparation of the opening balance sheet and the quarterly and annual financial statements for both 2011 and the comparative 2010 year. In addition, the impact of IFRS on contractual arrangements will be addressed.
  - *Post implementation phase:* This phase involves a compliance review of the conversion project to assess the accuracy and consistency with which IFRS accounting policies are being applied, the adoption of sustainable processes and procedures and the adequacy of information technology solutions, training programs and other business impact solutions.

### **Outstanding Share Data**

Common shares and convertible securities outstanding at June 18, 2010 are as follows:

<b>Securities</b>	<b>Expiry date</b>	<b>Exercise price</b>	<b>Securities outstanding</b>
Common shares	-	-	18,873,209
Warrants	Up to June 17, 2011	\$0.12 to \$0.30	4,700,000
Options	Up to February 10, 2015	\$0.15 to \$2.80	1,472,016

### **Subsequent events**

#### **Expiry and forfeiture of options**

In March 2010, 3,500 options at an exercise price of \$1.50 and 3,000 options at an exercise price of \$1.70 were forfeited.

In March 2010, 15,000 options at an exercise price of \$1.50 expired without exercise.

#### **Share Purchase Warrants Extension**

In June 2010, the Company extended for a one-year period the expiry date of 3,000,000 common share purchase warrants which were expiring on June 17, 2010.

### **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 21, 2010. 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)).

(s) "Daniel Hachey"

Daniel Hachey, Chief Executive Officer

(s) "Khadija Abounaim"

Khadija Abounaim, Chief Financial Officer