

JZR GOLD INC.
THREE MONTH PERIOD ENDED SEPTEMBER 30, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

Note to Readers

This Management Discussion and Analysis ("MD&A") should be read in conjunction with the audited financial statements of JZR Gold Inc. ("JZR" or "the Company") for the three month period ended September 30, 2023 and the related notes which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

1.1 Date

This MD&A is prepared as of November 28, 2023. All dollar figures stated herein are expressed in Canadian dollars. The Canadian dollar is the functional currency of both the parent company and its wholly owned subsidiary.

1.2 Overview

The Company is a junior mining resource company focused on acquiring, exploring and developing mineral properties. The Company is primarily focused on raising capital to fund the commitments made in the JV Royalty Agreement (see below for further details) and to a lesser extent the development of the Spider properties located in the Camborne mining district of British Columbia, Canada.

On January 20, 2021, JZR closed its acquisition from Coltan Gold Minerals Inc. ("Coltan") of Coltan's interest in and to a JV Royalty Agreement (as defined below) respecting the Vila Nova gold exploration and development project located in Amapa, Brazil. Pursuant to a purchase and sale agreement between the Company and Coltan dated September 2, 2020, the Company acquired all of Coltan's interest in a JV Royalty Agreement dated July 6, 2020 ("JV Royalty Agreement") between Coltan and Eco Mining Oil & Gaz Drilling and Exploration EIRELI ("Eco"), wherein JZR shall have the option and right to acquire a 50% net profits interest in the Vila Nova property. Pursuant to the terms of the JV Royalty Agreement, in order to exercise the option and acquire the rights thereunder, the Company must make the following payments to Eco, subject to satisfactory project assessment prior to each stage of funding:

1. an initial payment of USD\$500,000 to fund the 2,000 m drilling program and related costs needed to complete the business plan to construct a 1,280 t/d bulk exploitation program on the Vila Nova property (payment made by third party prior to acquisition of the JVRA);
2. a second payment of USD\$500,000 (paid); and
3. a final payment of USD\$5,000,000, or as mutually agreed between the parties.

As of September 30, 2023, a total of \$8,446,959 (\$6,305,839 USD) had been paid towards the option and acquisition of the profits interest. The intention is to fund as much as the project needs to be profitable, at which time Eco will repay the advanced funds to the Company prior to any profit participation splits as described below. Eco and JZR will mutually agree on when the option and acquisition of the profits interest has been completed. The intent for the funding was to produce a functioning mill to process the gold ore. Due to a government shut down, it took Eco longer than anticipated to secure the proper permits to commence production. The government has opened up again and Eco is in pursuit of said permits. The result of the delay is that additional working capital is needed to get the mill operational. Additional payments totaling \$275,439 (\$200,000 USD) were made subsequent to September 30, 2023.

If exercised and all required payments are made (and after the loans have been repaid), JZR shall receive a 50% net profits interest from all products and minerals produced from the Vila Nova property and exclusive rights to explore and develop the property, including initiating and carrying out commercial production. Eco will remain the sole operator of all mining-related activity on the property, including environmental remediation. In the event the agreement is terminated, any cash advances made will convert into a two-year loan bearing 6% interest.

JZR will have the right, at any time, prior to completing the payments under the JV Royalty Agreement, to give notice to Eco to terminate the JV Royalty Agreement, and all payments (either previously made by Coltan or currently made by JZR) to Eco will be secured and converted to a loan bearing interest at 6% per annum for a two-year term.

As consideration for Coltan's interests in the JV Royalty Agreement, the Company issued to Coltan 5,125,000 common shares. Coltan cannot own, upon exercise of its right to acquire the additional common shares, more than 19.5% of the issued and outstanding shares of the Company, without approval by the disinterested shareholders of the Company.

Summary of Activities at Vila Nova Mining Site

The Company has commenced exploration and development on the Vila Nova property, which includes 2,000 m of drilling. Assays from fifteen samples from two different accumulations of tailings materials were received. Initial results from the fifteen samples average 19.4 g/tonne gold with a range from zero to 49.9 g/tonne gold.

In June 2021, sampling conducted on the property had returned multiple samples running as high as 10-50 grams per tonne over thicknesses averaging about 3 meters over the 111.7 hectares. The Company's estimated exploration target of between 7.8 and 9.5 million tonnes grading between 2.4 to 3.0 grams per tonne. Pursuant to a geological report on the Vila Nova Gold Project prepared in June 2021 by geological engineer Hamilton Antonio Giampietro of GENESIS GEOLOGIA ME located in Macapa, Amapa State, Brazil, Mr. Giampietro concludes that an average grade of 2.7 grams gold per tonne can be considered, for a projected contained gold content of in excess of 700,000 ounces within the 111.7 hectares in nine separate accumulations of previously mined materials.

In October 2021, drilling on the bedrock portion of the Vila Nova gold project has intersected veins totaling 23.09 meters grading 31.58 g/t (one ounce per tonne) at a vertical depth of 74.47 meters. Further drilling had also intersected multiple veins with visible gold in all four drill holes, including the previously reported veins totaling 23.09 meters grading 31.58 g/t (one ounce per tonne) at a vertical depth of 74.47 meters.

In June 2022, the Company received a technical report that was commissioned by Eco to analyze prior exploration work and evaluate the exploration potential of the Vila Nova Project. Highlights of the report include:

- Exploration potential can be stated as between 54 million tonnes grading 2.08 g/t gold potentially containing 3.6 million ounces of gold, and 92 million tonnes grading 1.75 g/t gold potentially containing 5.2 million ounces of gold.
- The report indicates that conclusions are based on the modelling of the Vila Nova Project derived from the results of both historical and current drilling of 59 historical holes totaling 7,684 meters.
- Only 1 km of the 3 km strike length has been drill-tested

The bulk sampling mill was completed in December 2022 and testing of the mill commenced. In addition, Vila Nova Project had also received final environmental approvals and all requisite permits from the regulatory authorities in Brazil.

In January 2023, the Company announced that it had satisfied all requirements under the JV Royalty Agreement with Eco, and that it had acquired a 50% interest from all Net Profits generated from the Vila Nova Project. Eco is entitled to 85% of the total sale value of all gold derived from the tailings piles, dams, pond basin and waste reservoir on the property. The amounts advanced to Eco are considered a loan and will be repaid from the sale proceeds prior to the distribution of any profits.

As mentioned above, there have been delays in securing the proper permits to commencing mining the property due to the required work on the tailings dams. Permitting was also delayed due to a government labour dispute has now been resolved and the local government offices have reopened. Eco is pursuing the needed permitting in hopes of commencing production in short order.

The reader is cautioned that, as assays have not been completed on the remaining holes, these results are selective and may not represent the values over the property in general.

Other activities

As of the date of this MD&A, the Company had:

- Made additional payments of \$275,439 in relation to the purchase of the JVRA;
- Returned 60,000 of common shares to treasury;
- Issued 300,000 bonus shares in relation to the \$1,000,000 raise by way of the loan payable; and
- Completed a non-brokered private placement whereby the Company issued 4,000,000 units at a price of \$0.20 per unit for total gross proceeds of \$800,000.

During the prior year ended June 30, 2023, the Company completed two private placements:

- 1,735,017 of units were issued at a price of \$0.65 per share for total proceeds of \$1,127,760; and
- 875,001 of units were issued at a price of \$0.60 per share for total proceeds of \$525,001.

In addition, the Company also issued:

- 250,000 of common shares by way of option exercise at a price of \$0.35 per share for total proceeds of \$87,500;
- 6,583,333 of common shares by way of convertible debenture exercise at a price of \$0.30 per share for total proceeds of \$1,975,000; and,
- 20,000 of common shares by way of warrant exercise at a price of \$0.30 per share for total proceeds of \$6,000.

1.3 Selected Quarterly Information

	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022
	\$	\$
Total revenues	Nil	Nil
General and administrative expenses	290,503	261,612
Loss for the period	(290,503)	(323,235)
Loss per share – basic and diluted	(0.01)	(0.01)
	As at September 30, 2023	As at June 30, 2022
	\$	\$
Total assets	11,304,533	11,436,474
Total financial liabilities	1,835,439	1,830,437
Cash dividends declared – per share	Nil	Nil

The Company had net loss and comprehensive loss of \$290,503 for the three months ended September 30, 2023, compared to a net loss and comprehensive loss of \$323,235 for 2022.

The Company saw its assets decrease from approximately \$11.4M as at June 30, 2022 to approximately \$11.3M as at September 30, 2023. The decrease in total assets was due to the cost of operations for the period.

The Company's liabilities remained consistent at \$1.8M through both period ends.

1.4 Results of Operations for the three month period ended September 30, 2023

This review of the results of operations should be read in conjunction with the financial statements of the Company for the three month period ended September 30, 2023.

Overview

For the three month period ended September 30, 2023, the Company had net and comprehensive loss \$290,503 compared to a net and comprehensive loss of \$323,235 for the same period ended September 30, 2022. The improved results was due to reduced expenditures on consulting services required for Brazil due to the halt of operations while the Company was waiting on permits for the site. In addition, share based compensation expenses increased during the current period primarily due to the bonus shares issued on the loan payable.

Expenses

Other operating activities for the Company increased slightly over the period. More administrative costs, public company and professional fees were needed to manage the public company and its listing.

General and administrative expenses totaled \$290,503 for the year where in the previous year it was \$261,612.

1.5 Summary of Quarterly Results

	Three Months Ended							
	30-Sep 2023 \$	30-Jun 2023 \$	31-Mar 2023 \$	31-Dec 2022 \$	30-Sep 2022 \$	30-Jun 2022 \$	31-Mar 2022 \$	31-Dec 2021 \$
Total Revenues	Nil							
Net Loss	(290,503)	(267,079)	(290,055)	(439,954)	(323,235)	(1,563,143)	(246,709)	(289,321)
Net Loss per share	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.06)	\$ (0.01)	\$ (0.01)

1.6 Liquidity

Working Capital

As at September 30, 2023 the Company had \$22,058 (June 30, 2023 - \$166,753) of cash on hand and working capital deficiency of \$1,750,239 as compared to a deficiency of \$1,588,098 at June 30, 2023. The decrease in working capital was primarily due to the increase in loans payable, with current assets also decreasing.

As at September 30, 2023 the Company had amounts receivable of \$12,172 (June 30, 2023 - \$8,475), accounts payable of \$781,720 (June 30, 2023 - \$830,537), loans payable of \$1,033,969 (June 30, 2023 - \$ 968,584), and balance owed to related parties of \$19,750 (June 30, 2023 - \$31,317).

Outlook

The future operations of the Company are dependent on its ability to raise sufficient funds to carry out its exploration activities and fund additional working capital needs for the Vila Nova property. Although early results from the Vila Nova property are promising, there is no assurances the amount of gold ore is economically accessible and in order for the Company to realize on any return on its investment could still require a significant amount of investment and raising additional capital to fund operations. The Company along with its partner in Brazil, Eco, completed the assembly of the 800 ton per day mill at the Vila Nova Gold Project in Amapa state, Brazil in April 2022 and began testing the mill in October 2022. There were operational delays experienced throughout fiscal 2023 due to not being able to secure the proper permitting. The Company is optimistic these issues will be resolved and the mill will be operational in Fiscal 2024.

1.7 Capital Resources

The Company is dependent on the sale of its common shares and other alternative methods of financing in order to finance its future activities, until a time that it sees a return of its loans and investments in the property in Brazil.

During the three month period ended September 30, 2023, there was 300,000 common shares issued as bonus shares in relation to the loan payable. Subsequent to September 30, 2023, the Company completed a non-brokered private placement whereby the Company intends to issue 4,000,000 units at a price of \$0.20 per unit for total gross proceeds of \$800,000.

During year ended June 30, 2023, the Company issued:

- 1,735,017 of units at a price of \$0.65 per share for total proceeds of \$1,127,760 by way of a private placement;
- 875,001 of units at a price of \$0.60 per share for total proceeds of \$525,001 by way of a private placement;
- 250,000 of common shares by way of option exercise at a price of \$0.35 per share for total proceeds of \$87,500;
- 6,583,333 of common shares by way of convertible debenture exercise at a price of \$0.30 per share for total proceeds of \$1,975,000; and
- 20,000 of common shares by way of warrant exercise at a price of \$0.30 per share for total proceeds of \$6,000.

1.8 Off-Balance Sheet Arrangements

The Company did not have any off-balance sheet arrangements.

1.9 Transactions with Related Parties

Key management personnel are those persons having the authority and responsibility for planning, directing, and controlling activities of the entity, directly or indirectly. Related parties are defined as key management personnel as well as any companies that are controlled by Officers or Directors of the Company. During the three month period ended September 30, 2023 and 2022, the Company paid or accrued wages and recognized share-based compensation to key management personnel in the following manner:

	Three months ended September 30, 2023	Three months ended September 30, 2022
Short-term employee benefits	\$ 60,460	\$ 70,180
Share-based compensation	24,230	59,240
	\$ 84,690	\$ 129,420
Recorded as:		
Consulting fees	\$ 36,460	\$ 46,180
Share-based compensation	24,230	59,240
Site exploration costs	24,000	24,000
	\$ 84,690	\$ 129,420
Options issued	nil	nil

As at September 30, 2023; included in accounts payable and accrued liabilities was:

- \$nil (June 30, 2023- \$817) was owed for corporate expenses to the President of the Company and;
- \$19,750 (2 June 30, 2023022 - \$30,500) was owed for professional fees to a company controlled by the Chief Financial Officer.

All amounts remaining are non-interest bearing and have no fixed terms of repayment.

As at September 30, 2023, \$433,182 (June 30, 2023- \$433,182) was owing to a former President of the Company and \$147,072 (June 30, 2023- \$147,072) was owed to a company owned by the former President of the Company. The outstanding balances remain in accounts payable as at September 30, 2023.

During the year ended June 30, 2018, the Company received notice of a claim filed by the former President of the Company seeking to collect the outstanding balances as well as additional interest and other charges in the amount of \$1,047,615. During the year ended June 30, 2023, the claim was successful, but for less than the amounts recorded in accounts payable. During the year ended June 30, 2023, the Company recorded an extinguishment of accounts payable of \$485,691.

1.10 Proposed Transactions

None.

1.11 Future Accounting Standards and Interpretations

There are no IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

1.12 Financial Instruments and Risk Management

The Company's financial instruments consist of cash and cash equivalents, loans receivable, security deposits, accounts payable and accrued liabilities, due to related parties, loan payable and convertible debentures payable. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's statement of financial position as at September 30, 2023 as follows:

	Fair Value Measurements Using			Balance, June 30, 2023
	Quoted prices in active markets for identical instruments (Level 1) \$	Significant other observable inputs (Level 2) \$	Significant unobservable inputs (Level 3) \$	
Cash and cash equivalents	22,058	–	–	22,058

As September 30, 2023, the Company's cash and cash equivalents is measured using level 1 inputs of the fair value hierarchy, consisting of quoted prices in active markets for identical assets. The fair value of all other financial instruments approximates their carrying values due to the relatively short-term maturity of these instruments, or attached market rates of interest, as the loan receivable and security deposits are not short term.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash and cash equivalents and security deposits are held with high credit quality financial institutions, and the loan receivable is secured by the asset sold. The Company believes it does not have material exposure to credit risk. The Company's exposure to and management of credit risk have not changed materially from that of the year ended June 30, 2023.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2023, the Company had a cash balance of \$22,058 to settle current liabilities of \$1,835,439.

There is a risk that the Company may not be able to fulfill its obligation when a liability is due. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. The Company's exposure to and management of liquidity risk have not changed materially from that of the year ended June 30, 2023.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices and comprises: currency risk, interest rate risk and other price risk. The Company's exposure to and management of market risk have not changed materially from that of the year ended June 30, 2023.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has \$33,500 of security deposits earning interest at an average rate of 0.57% per annum. Security deposits and cash are held in banks receiving market rates of interest. There is no interest rate risk associated with the convertible debentures as they were repaid during the year. The loan receivable does not bear interest and the loan payable is at a set interest rate of 12% per annum, which approximates a market rate of interest. As such, the Company does not believe that it is materially exposed to interest rate risk.

(b) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company does not have assets or liabilities denominated in a foreign currency and therefore is not exposed to currency risk.

(c) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer by factors affecting all similar financial instruments traded in the market. The Company considers commodity prices when raising money through equity issuances of units or common shares of the Company. However, the Company is not directly exposed to other price risk with respect to commodity and equity prices, as it does not hold or trade commodities or marketable securities. When considering an equity raise of funds, the Company closely monitors commodity prices of gold and the stock market price of the Company's common shares to determine the appropriate course of action to be taken by the Company.

1.13 Critical Accounting Estimates

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts and presentation of assets, liabilities, revenues, expenses and disclosures of contingencies and commitments. Although these estimates are based on management's expectations for the likely outcome, timing and amounts of events or transactions, actual results may differ from these expectations and the corresponding amounts and disclosures reported in these financial statements.

Areas where management is required to make significant estimations or where measurements are uncertain are as follows:

i) *Mineral properties and deferred exploration costs*

The impairment of mineral properties and deferred exploration costs are based on various judgments and estimates. These include the technical and commercial feasibility of these properties, which incorporates various assumptions for mineral reserves, future mineral prices, and operating and capital expenditures for the properties.

ii) *Share-based compensation*

The Company uses the Black-Scholes option pricing model to determine the fair value of stock options granted. This model requires management to estimate the volatility of the Company's future share price, expected lives of stock options and future dividend yields. Consequently, there is significant measurement uncertainty in the share-based compensation expense reported.

1.14 Other MD&A Requirements

Additional Information

Additional information about the Company is available on SEDAR at www.sedarplus.ca.

Share Capital

As of the date of this MD&A the Company had 42,270,617 common shares outstanding, 2,275,000 stock options outstanding, and 875,001 share purchase warrants outstanding and exercisable.

General and Administrative Expenses

	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022
EXPENSES		
Filing fees	\$ 1,766	\$ 9,578
Interest and charges	30,063	37,769
Office and miscellaneous	20,799	17,973
Professional fees	27,708	15,000
Consulting fees	42,020	101,300
Transfer agent fees	14,587	1,414
Share based compensation	153,560	78,578
Total general and administrative expenses	290,503	261,612

Mineral Property and Deferred Exploration Costs

The Company had owned two mineral properties: the Teddy Glacier Property and the Spider Property which are both located in the Province of British Columbia (“B.C.”). The Spider Property is comprised of certain Crown granted mineral claims and several land lots in fee simple within the township of Camborne, B.C.

During the year ended June 30, 2023, the Company relinquished its remaining claims on its Teddy Glacier properties and recorded an impairment of \$1.

The following table summarizes mineral rights and property costs, by property:

	Teddy Glacier	Spider	Total
Balance, June 30, 2022	\$ 1	\$ 700,958	\$ 700,959
Acquisition costs	-	67,407	67,407
Property taxes	-	1,113	1,113
Sale of mineral properties	-	(172,468)	(172,468)
Site exploration	-	96,001	96,001
Impairment	(1)	-	(1)
Balance, June 30, 2023	-	693,011	693,011
Site exploration	-	24,000	24,000
Balance, September 30, 2022	\$ -	\$ 717,011	\$ 717,011

Intangible Asset being Deferred Net Profit Interest Costs

On January 20, 2021, the Company acquired from a third party, its interest in a JV Royalty Agreement dated July 6, 2020 (“JVRA”) with Eco Mining Oil & Gaz Drilling and Exploration EIRELI (“Eco”) respecting the Vila Nova gold exploration and development project located in Amapa, Brazil.

Pursuant to a purchase and sale agreement, the Company acquired a 100% interest in the JVRA, wherein the Company shall have the option and right to acquire a 50% net profits interest in the Vila Nova property. Pursuant to the terms of the JVRA, in order to exercise the option and acquire the rights thereunder, the Company must make the following payments to Eco, subject to satisfactory project assessment prior to each stage of funding:

- an initial payment of USD\$500,000 to fund the 2,000 m drilling program and related costs needed to complete the business plan to construct a 1,280 t/d bulk exploitation program on the Vila Nova property (payment made by third party prior to acquisition of the JVRA);
- a second payment of USD\$500,000 (paid); and
- a final payment of up to USD\$5,000,000 or as mutually agreed between the parties.

As of September 30, 2023, \$8,446,956 (\$6,305,839 USD) had been paid to Eco in relation to the payments for the option and acquisition of the net profits interest. Subsequent to September 30, 2023, the Company paid an additional \$275,439 (\$200,000 USD).

If exercised and all payments are made, the Company shall receive a 50% net profits interest from all products and minerals produced from the Vila Nova property and exclusive rights to explore and develop the property, including initiating and carrying out commercial production. Eco will remain the sole operator of all mining-related activity on the property, including environmental remediation.

In the event the JVRA is terminated, the cash amounts advanced will convert into a 2 year term loan with interest bearing 6% per annum.

In 2021, the Company acquired the right to acquire the JVRA for the Vila Nova property from a third party through issuance of 5,125,000 common shares valued at \$1,981,000.

The following table summarizes the net carrying value of the intangible asset:

	Vila Nova
Balance, June 30, 2022	\$ 8,546,874
Option and acquisition payments made	1,881,082
Balance, June 30 and September 30, 2023	\$ 10,427,956

Forward Looking Statements

All statements in this report that do not directly and exclusively relate to historical facts constitute forward-looking statements. These statements represent the Company's intentions, plans, expectations and beliefs, and are subject to risks, uncertainties, and other factors of which many are beyond the control of the Company. These factors could cause actual results to differ materially from such forward-looking statements. The Company disclaims any intention or obligation to update or revise any forward-looking statements, as a result of new information, future events or otherwise.