JAZZ RESOURCES INC.
THIRD QUARTER ENDED MARCH 31, 2014

MANAGEMENT'S DISCUSSION AND ANALYSIS

Note to Readers

This Management Discussion and Analysis ("MD&A") should be read in conjunction with the unaudited consolidated interim financial statements of Jazz Resources Inc. (the "Company") for the third quarter ended March 31, 2014 and with the audited financial statements for year ended June 30, 2013. Those consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

1.1 Date

This MD&A is prepared as of May 14, 2014. All dollar figures stated herein are expressed in Canadian dollars, unless otherwise specified. 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 primary focus of the Company is the development of the Teddy Glacier and Spider properties located in the Revelstoke mining district of British Columbia, Canada.

In 2009 the Company completed and stockpiled a bulk sample from the Teddy Glacier property.

On January 20, 2010 the Company announced its exploration plan for 2010. The strategy included resuming work on the Teddy Glacier property with a 9,000 tonne bulk sampling program as well as a diamond drill program. The exploration plan is expected to continue into fiscal 2014.

The Company plans to rehabilitate the Spider property with the intent of reopening the mine in the near future. The Company has already obtained a permit to investigate, excavate, and trench a new vein discovered in 2008 near the Spider Mine.

The Company engaged Keystone Environmental to conduct an environmental study at the former Spider Mine mill site near Camborne, BC. The study has been completed and the Company has obtained a permit for a pilot mill and tailings pond from the BC Ministry of Energy and Mines. The mill will be used to process bulk samples from the Teddy Glacier property and mineralization from the Spider Mine.

The Company is presently in negotiations to have the Teddy Glacier bulk sample custom milled at a location in southern BC. The Company expects that the milling will be done this year.

1.3 Selected Quarterly Information

	Third quarter ended March 31, 2014	**Third quarter ended March 31, 2013**
	$	$
Total revenues	Nil	Nil
General and administrative expenses	36,045	41,441
(Loss) income for the period	(36,045)	(41,441)
(Loss) income per share – basic and diluted	(0.00)	(0.00)
Total assets	728,139	717,978
Total financial liabilities	1,188,686	989,796
Cash dividends declared – per share	Nil	Nil

The decrease in the net loss for the period ended March 31, 2014 compared to the prior period was predominantly due to a decrease in share-based compensation. The increase in total assets from the previous period was largely due to an increase in security deposits as well as an increase in mineral property costs. The increase in liabilities was caused by an increase in amounts due to related parties based on accruals for management fees and amounts loaned from related parties to fund working capital requirements.

1.4 Results of Operations for the quarter ended March 31, 2014.

This review of the results of operations should be read in conjunction with the unaudited consolidated interim financial statements of the Company for the quarter ended March 31, 2014.

Overview

For the quarter ended March 31, 2014, the Company incurred a net loss of $36,045 compared to a net loss of $41,441 for the quarter ended March 31, 2013.

Revenues

The Company had no revenues during the quarter ended March 31, 2014.

Expenses

General and administrative expenses totaled $36,045 for the quarter. The three largest expense items were, management fees $19,500, interest on loans $7,953, and salaries and benefits of $4,450. These three items accounted for approximately 88% of the Company's total general and administrative expenses.

Amounts Due to Related Parties

Amounts due to related parties at March 31, 2014 totalling $1,161,400 are owing to a company owned by a director of the Company, an officer of the Company, a former director of the Company, a former director of the Company, and a shareholder of the Company.

Pursuant to two agreements dated June 30, 2012, the amount owing to a company owned by a director of the Company as well as the amount owed to a director of the Company was reclassified from current to long-term. The amounts are now repayable on or before June 30, 2015 and will bear interest at 5% per annum. All other amounts owing are non-interest bearing and have no fixed terms of repayment.

Total assets

Total assets of the Company as at March 31, 2014 were $728,139, an increase of $2,484 from $725,655 as at June 30, 2013, largely as a result of an increase in mineral properties.

1.5 Summary of Quarterly Results

	Three Months Ended			
	March 31 2014 $	**December 31 2013 $**	**September 30 2013 $**	**June 30 2013 $**
Total Revenues	**Nil**	**Nil**	**Nil**	**Nil**
Net Income (Loss)	**(36,045)**	**(42,160)**	**(42,744)**	**(70,490)**
Net Loss per share (basic and diluted)	**(0.00)**	**(0.00)**	**(0.00)**	**(0.00)**

	March 31 2013 $	**December 31 2012 $**	**September 30 2012 $**	**June 30 2012 $**
Total Revenues	**Nil**	**Nil**	**Nil**	**Nil**
Net Income (Loss)	**(41,443)**	**(77,605)**	**(125,530)**	**(54,315)**
Net Loss per share (basic and diluted)	**(0.00)**	**(0.01)**	**(0.01)**	**(0.00)**

Net loss in the quarter ended March 31, 2014 was less than the loss experienced in the previous quarter largely because of a decrease in share based compensation.

1.6 Liquidity

Cash Flow from Operations

The Company recorded a net loss of $36,045 for the quarter ended March 31, 2014, compared to a net loss of $41,441 for the quarter ended March 31, 2013. All of these costs were in relation to general and administrative expenditures.

Working Capital

As at March 31, 2014, the Company had $1,475 cash on hand and a working capital deficiency of $493,004 as compared to working capital deficiency of $386,266 at June 30, 2013.

The increase in working capital deficiency was caused predominantly by an increase amounts due to related parties. As at March 31, 2014 the Company had trade accounts payable of $27,286 and amounts due to related parties of $1,161,400 of which $469,464 are classified as current. The remaining balance was reclassified as long-term pursuant to agreements with certain related parties.

Debt and Other Obligations

The Company has no other debt or other obligations.

Outlook

At present, the Company has no active operations. The future of the Company is dependent on its ability to raise sufficient funds to carry out its exploration activities.

1.7 Capital Resources

The Company is dependent on the sale of share capital and the receipt of related party loans in order to finance its activities.

On January 28, 2008 the Company completed a prospectus offering of 2,323,200 shares at a price of $0.45 per share for total gross proceeds of $1,045,440.

A new stock option plan was approved by the shareholders at the Annual General Meeting held on June 29, 2011. Under the new plan the maximum number of shares that can be issued has been set at 20% of the issued and outstanding common shares of the Company.

1.8 Off-Balance Sheet Arrangements

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

1.9 Transactions with Related Parties

As at March 31, 2014 a total of $1,161,400 (June 30, 2013 - $1,002,691) is owing to related parties. Of this amount $55,000 is owed to a shareholder of the Company, $60,000 is owed to a former director of the Company, $353,459 is owed to a former director of the Company, and $9,678 is owed to an officer of the Company, and the remaining $683,263 is owed to a company owned by a director of the Company. Pursuant to two agreements dated June 30, 2012, the amount owing to a company owned by a director of the Company as well as the amount owed to a director of the Company was reclassified from current to long-term. The amounts are now repayable on or before June 30, 2015 and will bear interest at 5% per annum. All other amounts owing are non-interest bearing and have no fixed terms of repayment.

During the quarter ended March 31, 2014, the Company paid or accrued accounting fees of $816 to an officer of the Company.

During the quarter ended March 31, 2014, the Company accrued management fees of $19,500 pursuant to a management agreement with a company controlled by the Company's President. The Company has agreed to pay $6,500 per month to the Company as remuneration for services.

During the year ended June 30, 2013, a total of 400,000 stock options were granted to a director of the Company with a total fair value of $43,345. Of this amount, $43,345 was recognized as share-based compensation.

1.10 Fourth Quarter Adjustments

None.

1.11 Proposed Transactions

None.

1.12 Future Accounting Standards and Interpretations

Certain pronouncements were issued by the International Accounting Standards Board ("IASB") or the IFRS Interpretations Committee that are mandatory for accounting years beginning after January 1, 2013 or later years. None of these are expected to have a significant effect on the financial statements:

IFRS 9 Financial Instruments - IFRS 9 Financial Instruments is part of the IASB's wider project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The standard is effective for annual periods beginning on or after January 1, 2015.

IFRS 10 Consolidated Financial Statements - IFRS 10 builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. The standard is effective for annual periods beginning on or after January 1, 2013.

IFRS 11 Joint Arrangements – IFRS 11 describes the accounting for joint arrangements in which two or more parties have joint control; IFRS 11 replaces IAS 31 Interests in Joint Ventures and SIC 13 Jointly Controlled Entities — Non-Monetary Contributions by Venturers. The standard is effective for annual periods beginning on or after January 1, 2013.

IFRS 13 Fair Value Measurement – IFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements, which are largely aligned between IFRSs and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs or US GAAP. The standard is effective for annual periods beginning on or after January 1, 2013.

Amendments to IFRS 7 Disclosures – Amended IFRS requires additional disclosures on transferred financial assets.

1.13 Financial Instruments and Risk Management

The Company's financial instruments consist of cash, amounts receivable, security deposits, accounts payable and accrued liabilities and amounts due to related parties. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

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

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company believes it has no significant credit risk.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at June 30, 2013, the Company had a cash balance of $211 to settle current liabilities of $399,886. 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 due on demand and are subject to normal trade terms.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

(a) Interest rate risk

The Company has $33,500 of security deposits earning interest at an average rate of 0.26% per annum. Pursuant to agreements with a director of the Company and a company owned by a director of the Company dated June 30, 2012, $636,265 was reclassified as long-term debt bearing interest at 5% per annum commencing July 1, 2012.

(b) Foreign currency risk

The Company does not have assets or liabilities denominated in a foreign currency and therefore is not exposed to foreign currency risk.

(c) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

1.14 Other MD&A Requirements

Additional Information

Additional information about the Company is available on SEDAR at **www.sedar.com**.

Share Capital

As of the date of this MD&A the Company had 14,281,105 common shares outstanding, 252,500 share purchase warrants outstanding and 1,925,000 stock options outstanding.

General and Administrative Expenses

	Third quarter Ended March 31, 2014	Third quarter Ended March 31, 2013
Amortization	$ 303	$ 413
Consulting fees	-	2,400
Filing fees	51	457
Interest and penalties	7,953	9,252
Management fees	19,500	19,500
Office and miscellaneous	685	254
Professional fees	1,066	864
Salaries and benefits	4,450	1,168
Share-based compensation	-	6,321
Transfer agent fees	1,770	-
Travel and entertainment	267	812
	$ 36,045	$ 41,441

Mineral Property and Deferred Exploration Costs

The following information pertains to the Company's 100% interest in mining claims located in the Revelstoke Mining Division of B.C.

	Third quarter Ended March 31, 2014	Third quarter Ended March 31, 2013
Mineral properties and deferred exploration costs, beginning of period	$ 679,465	$ 664,688
Additions during the quarter		
Acquisition costs		
Contractors		
Property and mining taxes		
Site exploration	6,592	
Government assistance & other income	1,104	
Mineral properties and deferred exploration costs, end of quarter	$ 687,161	$ 664,688

Mineral Property and Deferred Exploration Costs by Property as at March 31, 2014

	Teddy Glacier	Spider	Total
Deferred exploration costs, beginning of period	$ 495,444	$ 184,021	$ 679,465
Additions during the quarter			
Acquisition costs			
Property taxes			
Site exploration	6,592		6,592
Government subsidies	180	924	1,104
Deferred exploration costs, end of period	$ 502,216	$ 184,945	$ 687,161

Events After the Reporting Period

None.

Outlook

The Company's objective is to continue exploration of its mineral property interests.

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.