JET GOLD CORP.

MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED AUGUST 31, 2010

REPORT DATE
DECEMBER 15, 2010

This Management Discussion and Analysis (the "MDA") provides relevant information on the operations and financial condition of Jet Gold Corp. (the "Company") for the year ended August 31, 2010. This MD&A has been prepared as of December 15, 2010.

Subsequent to year-end, on November 3, 2010, all of the issued common shares and equity instruments of the Company were consolidated on the basis of 5 pre-consolidation common shares/equity instruments for 1 post-consolidation common share/equity instrument. As a result of the consolidation, all per-share information in the financial statements and MDA has been retrospectively restated to reflect the consolidation.

The Company's activities are primarily directed towards the exploration and development of mineral interests. The realization of amounts shown for mineral interests and oil and gas interests are dependent upon the discovery of economical recoverable reserves and future profitable production, or proceeds from the disposition of these properties. The carrying values of mineral interests and oil and gas interests do not necessarily reflect their present or future values.

The MD&A should be read in conjunction with the Company's audited financial statements and notes thereto for the years ended August 31, 2010 and 2009 that are prepared in accordance with Canadian generally accepted principles, all of which can be found on SEDAR at www.sedar.com.

All monetary amounts in this MD&A and in the financial statements are expressed in Canadian dollars, unless otherwise stated. All of the financial information referenced below has been prepared in accordance with Canadian generally accepted accounting principles applied on a consistent basis.

The Company is a reporting issuer in each of the Provinces of British Columbia and Alberta. Its head and principal office is located at 212 – 475 Howe Street Vancouver, British Columbia, V6C 2B3. It's registered and records office is located at 1710 – 1177 Hastings Street, Vancouver, British Columbia, V6E 2L3.

OVERALL PERFORMANCE

In order to better understand the Company's financial results, it is important to gain an appreciation for the significant events, transactions and activities on mineral properties which have occurred to the date of this MD&A.

Kshish Property – British Columbia

The Kshish molybdenum property under option to Jet Gold Corp. is just northeast of the town of Terrace, BC. It is on the southern slopes of Mount Vanarsdoll and can be easily accessed from downtown Terrace.

It is accessed from recently built logging roads that reach to the southern and western edge of the property. Prior to the construction of the logging road system, it was difficult to access and remained largely under explored. Exploration work in 2008 has confirmed the presence of the molybdenum mineralization in and around the original showings identified in the 1960's. Further field and research completed in 2008 has extended the area of the molybdenum mineralization to encompass a area of "porphyry" type alteration in an ellipse estimated at 4 kilometers long, in a NW direction, with a width of approximately 2 kilometers. This zone of porphyry alteration, within the host intrusive, has a frequency of fractures which increases from meter or sub meter in the fresh intrusive to decimeter or centimeter spacing in the altered intrusive. The fractures are the locus of molybdenum bearing quartz veinlets. The target is for an open pit mine within the ellipse of alteration.

It is anticipated that the molybdenum mineralization will extend well beyond the 4 by 2 Km ellipse of alteration. There are reported showings of molybdenum bearing veins well beyond the ellipse boundary as well as soil and stream geochemical molybdenum anomalies.

A technical report for further exploration and budget for it has been completed by Alex Burton, P. Eng., P. Geo., and Consulting Geologist. In the report a comprehensive surface trail building program is recommended so crews can access this large property. Further exploration is recommended and includes geochemical and geophysical surveys, geologic mapping and diamond drilling of targets defined by field work.

Virginia Gold Property – Arizona USA

The Company has entered into an option agreement to acquire the Virginia gold property located in the Sheep Tank Mining District in La Paz County, Arizona a well known gold producing area.

The property is located about two miles northwest of the former producing Verdstone gold mine which was mining grades of 0.5oz/T gold and 5oz/T silver when it was in production.

The Virginia gold property is an epithermal type of deposit typical of the Verdstone and former producing Sheep Tank mines in the District. The Virginia has a well developed epithermal alteration system around it. The previous owner reported gold and silver values in the vein at surface. These reports are anecdotal and therefore not to be relied upon.

The property has excellent infrastructure in place, located about 100 miles west of Phoenix and 14 miles south of Highway I-10, and serviced by all-weather roads from the nearby towns of Quartzite and Salome, AZ.

A work program of GIS mapping, photo interpretation, trenching, sampling and geological reconnaissance along with an IP survey to develop drill targets, is planned for the third quarter of 2010.

Big Hammer Property – British Columbia

The Company acquired an option to the Big Hammer property near Terrace, British Columbia, Canada. The Big Hammer property hosts new rare metals, Gold-Silver-Tellurium (Au-Ag-Te), discovery made by the British Columbia Geologic Survey in 2007.

The property consists of six tenures with a total area of 1,617 hectares (3,996 acres) and is located 13 kilometers southeast of Terrace B.C. on the lower elevations of Thornhill Mountain. It is situated on the western flank of the Intermontane Belt and bounded on the west by the Coast Crystalline Belt. The Big Hammer's Au-Ag-Te mineralization was first discovered on new logging road cuts in 2007 within a thick series of sheeted, low-angle quartz-pyrite veins. Host rocks are Tertiary granitics and possibly altered basement. The multiple Big Hammer Au-Ag-Te showings are also anomalous in lead (Pb), copper (Cu), zinc (Zn), cobalt (Co) and tungsten (W).

Intrusive associations and extensional structures combined with good assays and trace geochemical returns make the Big Hammer a target for gold and the byproduct tellurium. The significant extent, greater than 1,000m horizontal and 300m vertical, of the known Big Hammer mineralization suggests additional veins may be found with mapping, surface trenching and diamond drilling. Demand for tellurium has been increasing because of use in solar panels as well as in computer memory chips. As a result the price of tellurium has risen from $10 to over $250 per kilogram in recent years.

A work program of trenching, sampling and geological reconnaissance along with an IP survey to develop drill targets is planned for the third quarter of 2010.

Naskeena Coal Property –British Columbia

In 2006, The Company acquired a large-scale exploration coal property in Northern British Columbia which is 27 miles from the Terrace, B.C., railhead and about 100 miles from the Prince Rupert coal terminal. The 45-square-kilometre (17-square-mile) parcel of claims is known as the Naskeena property.

In September of 2007 independent geological consultant Brian Simmons, P. Geo. completed a 43-101 report on the coal project. His report recommended further drilling, and confirmed the original report in 1914 by G. F. Monckton on the coal deposits he discovered that they actually were where they had been purported to be. Previously the name switch between two creeks had caused the true location to be lost. His report recommended further exploration of the coal beds.

Limited diamond drilling was done in 2007 and 2008 due to the shortage of drills and trained drill operators. Drilling focused on Lease 41712 just north of the historic coal showing discovered in 1914 where there was shallow to no overburden.

In this drilling the second of 9 holes intersected a 2.43 meter (8 ft) thick coal bed which prompted a step out pattern of drill holes around the intersection. From the 7 holes surrounding this intersection it was discovered that there was no connectivity between coal beds within this area of the tenure as the coal was discontinuous and lense like. While the intersections had a viable thickness, their drill core analyses returned unsatisfactory results as to quality.

The area drilled to date covers about 160 hectares of this 5900+ ha property and is a small portion of the whole basin under the four leases. The drilling was confined to date on the northern portion of the tenures and the greater portion of the basin is still untested.

The southern (417514) and the western (417513) tenures are where more continuous coal beds are expected to be found, however they have a surface cover of loose gravel over a significant portion of them. That would have made diamond drilling difficult and expensive under the staffing levels for diamond drill crews in 2008.

During the 2008 field season, the Company drilled nine (9) HQ holes for a total of 1,310 meters. This work followed on the 2007 drilling of sixteen (16) NQ holes for 1,215 meters. The drilling encountered several coal beds of variable thickness. For example, DDH#2 intersected a 2.43 meter coal bed which was followed up with a "step out" pattern of seven (7) holes to try to establish connectivity and continuation thickness. These additional holes could not determine this as the coal beds appeared to be discontinuous and lens like. While the intersection had viable coal thickness, the surrounding holes returned poor coal results. The specific gravity tests undertaken by the Company did not demonstrate that the recovery of coal collected in the drill core could be upgraded adequately to make it economic.

In early 2009, the Company decided to review the data and consider viability of the undrilled southern portion of the tenure. Burton Consulting Inc. (“Consultants”) was instructed to assess the ground to locate, if possible, areas that might contain economic coal deposits.

The consultant’s report concluded that, although there may be a large coal deposit in the untested areas, the costs of further drilling and development would likely exceed the economic value of the resource. The southern portion of the tenures is covered with deep gravel and the cost of drilling through to establish a resource is cost prohibitive. In addition, any coal beds would likely be too deep for open pit mining and require a more costly shaft and underground mining for production.

As a result, the consultants have recommended that the Company give up the tenures as uneconomic. Upon Mr. Burton’s recommendation, the Company has decided to relinquish the coal tenures.

During fiscal 2009, the Company abandoned the property and, accordingly, wrote-off exploration and acquisition expenditures of $858,238.

The mineral property content of the MD&A has been reviewed and approved by Alex Burton, P.Eng., P.Geo., a qualified person as defined in National Instrument 43-101.

Stewart Property – Texas

The Company has elected to participate in a 2 ½% working interest in a drilling program for natural gas in a prospect known as the Stewart lease located in Goliad County, Texas. The project is comprised of 544 acres of leases in an area of current production of natural gas.

The Stewart No. 1 has been plugged and was abandoned due to poor flow rates and accordingly, $26,042 in exploration costs has been written-off as of August 31, 2006. As of August 31, 2008 the carrying value was $10,316 which consists of $5,410 in acquisition costs and $4,906 in exploration costs.

During the year ended August 31, 2009 the Company wrote-down its project cost of $10,315 to a nominal value of $1 and wrote off the balance in 2010.

Funk Property – Texas

The Company has acquired a 5% working interest in a drilling program for natural gas in a prospect known as the Funk lease located in Goliad County, Texas. The project is comprised of two tracts of land comprising 240 acres and 160 acres in an area of current production of natural gas.

During the year ended August 31, 2009 the Company wrote-off its project cost of $130,139.

Harris #2 Property – Texas

The Company acquired a 2% interest in two drilling projects. The joint venture was formed to secure, re-enter, re-establish, re-open, manage, cultivate, drill and operate the Harris-N- Well Number 2 on leased real property located in the Harris NE oil and gas fields in Live Oak County, Texas.

During the year ended August 31, 2009 the Company wrote-off its project cost of $27,564.

Wanner 27-1 Property – North Dakota

The Company acquired a 1 ½% back in working interest in a drilling program for oil in a prospect known as the Wanner 27-1 well located in Stark County, North Dakota.

During the year ended August 31, 2009 the Company wrote-off its project cost of $21,371.

SELECTED ANNUAL INFORMATION

The following selected financial data have been prepared in accordance with Canadian generally accepted accounting principals and should be read in conjunction with the Company's audited financial statements. The following table sets forth selected financial data for the Company for and as of the end of the last three completed financial years to the year ended August 31.

Financial Year Ended	**2010**	**2009**	**2008**
Total revenue	Nil	Nil	Nil
Net loss	(310,438)	(1,230,866)	(428,752)
Net loss per share – basic and diluted	($0.05)	($0.23)	($0.10)
Total assets	173,482	236,628	1,334,351
Total long term financial liabilities	Nil	Nil	Nil
Cash dividends declared – per share	Nil	Nil	Nil

Overview

For the year ended August 31, 2010 the Company incurred property expenditures of $7,108 on the Kshish and the Big Hammer properties and property acquisition costs totaling $39,437(including the issuance of 70,000 common shares with a fair value of $23,500). The Company acquired the Virginia Gold property which is located in Arizona and the Big Hammer property which is located near Terrace British Columbia. The Company closed a private placement of 480,000 units at a price of $0.25 per unit for gross proceeds of $120,000. Each unit consist of one common share and one share purchase warrant entitling the holder to purchase one additional common share at a price of $0.50 for a period of one year.

For the year ended August 31, 2009 the Company had property exploration expenditures of $86,980 on the Naskeena coal property and $19,568 on the Kshish property. The Company also abandoned the Naskeena coal property and accordingly wrote off $858,238 in acquisition and exploration expenditures. The Company also wrote off its oil and gas project cost of $189,389 to a nominal value of $1. For greater detail please see the Company's Audited Financial Statements as at August 2009 and 2008.

For the year ended August 31, 2008 the Company had property expenditures of $277,200 on the Naskeena coal property and $114,175 on the Kshish property. The Company also abandoned the remaining carrying value of the Atlin property and accordingly wrote off $15,087. For greater detail please see the Company's Audited Financial Statements as at August 2008 and 2007.

Results of Operation for the year ended August 31, 2010 and the year ended August 31, 2009

This review of operations should be read in conjunction with the Audited Financial Statements of the Company for the years ended August 31, 2010 and 2009.

2010 Fiscal Results

Overview

For the year ending August 31, 2010 the Company incurred a loss of $310,438 ($0.05 per share) compared to a loss of $1,230,866 ($0.23 per share) for the year ended August 31, 2009. The Company expects to continue losses for Fiscal 2011 as it develops its mineral properties.

Expenses

General and administration expenses totaled $312,557 for the year ended August 31, 2010 compared to $230,913 for the year ended August 31, 2009. Details of the largest general and administration are as follows:

Administration fees of $72,000 (2009 - $72,000) to an officer and director of the Company as a result of the activities of the Company

Consulting fees of $54,000 (2009 - $66,750) consisting of $30,000 (2009 - $24,000) to a company controlled by an officer of the Company for administrative services and $24,000 (2009 - $42,750) for other.

Legal, Audit and Accounting of $28,133(2009 - $38,845) consists of legal, audit and accounting fees.

Printing and shareholder information of $40,508 (2009 - $4,205) consisting of $6,000 (2009 - $Nil) for investor relations, $30,508 (2009 - $2,205) for news and investor relations material dissemination and $4,000 (2009 - $2,000) for other.

All other expenses are in the normal course of doing business.

2009 Financial Results

Overview

For the year ending August 31, 2009 the Company incurred a loss of $1,230,866 ($0.05 per share) compared to a loss of $428,752 ($0.02 per share) for the year ended August 31, 2008. The Company expects to continue losses for Fiscal 2010 as it develops its mineral properties.

Expenses

General and administration expenses totaled $230,913 for the year ended August 31, 2009 compared to $414,000 for the year ended August 31, 2008. Details of the largest general and administration are as follows:

Stock based compensation of $10,387 (2008 - $191,717) as a result of the Company issuing stock options under the option plan during the year.

Administration fees of $72,000 (2008 - $63,000) to an officer and director of the Company as a result of the activities of the Company

Consulting fees of $66,750 (2008 - $37,500) consisting of $42,750 (2008 - $24,000) to a company controlled by an officer of the Company for administrative services and $24,000 (2008 - $13,500) for various services.

Legal, audit and accounting of $38,845 (2008 - $36,033) consisting of $9,059 (2008 - $6,233) for corporate legal services and $29,786 (2008 - $29,800) for auditing and accounting.

Insurance of $Nil (2008 - $13,175) consists of Officers and Directors Liability insurance.
The Company expects to spend the same amount in the next year.

All other expenses are in the normal course of doing business.

Other

The Company abandoned the Naskeena coal property and accordingly wrote of its acquisition and exploration expenditures of $858,238. The Company also wrote off its oil and gas project cost of $189,389 to a nominal value of $1.

SUMMARY OF QUARTERLY RESULTS

The following selected financial data have been prepared in accordance with Canadian generally accepted accounting principles and should be read in conjunction with the Company's audited financial statements. The following is a summary of selected financial data for the Company for its eight completed financial quarters ending August 31, 2010. Each quarter of each financial year is shown on a quarterly basis.

Quarter Ended Amounts in 000's	Aug 31, 2010	May 31, 2010	Feb 28, 2010	Nov 30, 2009	Aug 31, 2009	May 31, 2009	Feb 28, 2009	Nov 30, 2008
Revenue	-	-	-	-	-	-	-	-
Loss before extraordinary items	(47.0)	(159.9)	(56.6)	(46.9)	(1,023.0)	(83.0)	(79.0)	(45.9)
Loss per share – basic and diluted	(0.01)	(0.02)	(0.01)	(0.01)	(0.19)	(0.02)	(0.01)	(0.01)
Net loss	(47.0)	(159.9)	(56.6)	(46.9)	(1,023.0)	(83.0)	(79.0)	(45.9)
Net loss per share – basic and diluted	(0.01)	(0.02)	(0.01)	(0.01)	(0.19)	(0.02)	(0.01)	(0.01)

During the quarter ended November 30, 2008 the general and administrative expenditures were consistent with previous quarters. The Company spent $75,726 on its exploration properties.

During the quarter ended February 28, 2009 the general and administrative expenditures were consistent with previous quarters. The Company spent $98,912 on its exploration properties.

During the quarter ended May 31, 2009 the general and administrative expenditures were consistent with previous quarters.

During the quarter ended August 31, 2009 the general and administrative expenditures were consistent with previous quarters. The Company abandoned the Naskeena coal property and accordingly wrote off $858,238 in acquisition and exploration expenditures. The Company also wrote off its oil and gas project cost of $189,389 to a nominal value of $1.

During the quarter ended November 30, 2009 the general and administrative expenditures were consistent with previous quarters. The Company acquired the Virginia Gold property in Arizona.

During the quarter ended February 28, 2010 the general and administrative expenditures were consistent with previous quarters. The Company acquired the Big Hammer property in British Columbia.

During the quarter ended May 31, 2010 the general and administrative expenditures were consistent with previous quarters.

During the quarter ended August 31, 2010 the general and administrative expenditures were consistent with previous quarters.

As the Company has not owned nor owns any revenue producing resource properties, no mining revenue has been recorded to date.

LIQUIDITY AND CAPITAL RESOURCES

As of August 31, 2010 the Company has working capital deficit of $172,999 (2009 - $38,270). The Company has limited financial resources and has financed its operations primarily through the sale of its common shares. For the foreseeable future, the Company will need to rely on the sale of such securities for sufficient working capital and to finance its mineral property acquisition and exploration activities, and /or enter into joint venture agreements with third parties. As the Company does not generate any revenue from operations, the long-term profitability of the Company will be directly related to the success of its mineral property acquisition and exploration activities.

In June 2009 the Company closed a share for debt transaction by settling debt in the amount of $81,332 by issuing 108,443 common shares.

In February 2010, the Company closed a private placement of 480,000 units at a price of $0.25 per unit for gross proceeds of $120,000. Each unit consist of one common share and one share purchase warrant entitling the holder to purchase one additional common share at a price of $0.50 for a period of one year.

There is uncertainty in capital markets and the Company anticipates that it and others in the mineral resource sector will have limited access to capital. Although the business of the Company has not changed, investors have increased their risk premium and their overall equity investment has diminished. The Company continually monitors its financing alternatives and expects to finance its Fiscal 2011 operating overhead through a private placement and its exploration expenditures through a flow-through private placement.

The Company has no long-term debt obligations.

SHARE CAPITAL

As of the date of this MD&A, December 15, 2010, the Company has issued and outstanding common shares as follows. The authorized share capital is unlimited common shares without par value.

	Number of Common Shares		Amount
Balance, August 31, 2008	5,323,751	$	5,908,216
Future income tax on flow-through share renunciation	-		(44,970)
Share for debt	108,443		81,332
Balance, August 31, 2009	5,432,194	$	5,944,578
Issued for cash			
Private placement	480,000		120,000
Issued for mineral interests	70,000		23,500
Balance, August 31 and December 15, 2010	5,982,194	$	6,088,078

As of the date of this MD&A, December 15, 2010, the Company had the following incentive stock options outstanding:

Expiry Date	Exercise Price	Outstanding August 31, 2009	Granted	Exercised	Expired/ Forfeited	Outstanding August 31, 2010
September 29, 2009	$ 1.00	40,000	-	-	40,000	-
December 31, 2009	$ 1.00	10,000	-	-	10,000	-
September 1, 2010(*)	$ 0.50	8,000	-	-	-	8,000
March 6, 2011	$ 0.65	20,000	-	-	-	20,000
March 9, 2011	$ 0.65	15,000	-	-	-	15,000
October 30, 2011	$ 0.85	20,000		-	-	20,000
January 24, 2012	$ 1.00	15,000		-	-	15,000
April 18, 2012	$ 1.25	154,600		-	-	154,600
October 15, 2012	$ 0.925	155,000	-	-	75,000	80,000
May 5, 2013	$ 1.175	69,600	-	-	45,000	24,600
April 3, 2014	$ 0.75	25,000	-		25,000	-
April 7, 2015	$ 0.50	-	245,800	-	40,000	205,800
		532,200	245,800	-	235,000	543,000

(*) Expired subsequent to August 31, 2010.

As of the date of this MD&A, December 15, 2010, the Company had the following share purchase warrants, enabling the holder to acquire further common shares as follows:

Expiry Date	Exercise Price	Outstanding August 31, 2009	Issued	Exercised	Expired	Outstanding August. 31 2010
April 28, 2010	$ 1.25	640,000	-	-	640,000	-
February 10, 2011	$0.50		480,000			480,000
		640,000	480,000	-	640,000	480,000

*No changes to December 15, 2010

RELATED PARTY TRANSACTIONS

During the year ended August 31, 2010 and 2009 the Company entered into the following transactions with related parties.

Expenditure	August 31, 2010	August 31, 2009
Office and administrative services	$102,000	$96,000
Office lease	13,308	14,007

Office and administrative services contracts entered into between Robert Card, President and Blaine Bailey, CFO was entered into in the normal course of business. Office rent was paid to a company controlled by the President of the Company.

The Company paid $72,000 (2009 - $72,000) to a company controlled by the president of the Company pursuant to a consulting agreement dated May 15, 2003 for the provision of office and administration services. The Company paid $30,000 (2009 - $24,000) to a company controlled by an officer of the Company for consulting.

The Company paid $13,307 (2009 - $14,007) for office rent to a company controlled by common members of management.

Accounts payable and accrued liabilities included $110,440 (2009 - $70,925) due to directors. Amounts owing to directors have no specific terms of repayment or no stated terms of interest.

The president of the Company is a member, as to a 25% interest, in the optionor of the Naskeena Group Property.

OFF-BALANCE SHEET ARRANGEMENTS

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

PROPOSED TRANSACTIONS

The Company has no proposed transactions.

INVESTOR RELATIONS

The Company has entered into an Investor Relations agreement with Brian Stanford to provide investor relations services to the company. The term of the contract is for 12 months at a monthly fee of $3,000. Effective May 31, 2010 the investor relations agreement with Brian Stanford was terminated.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The carrying values of cash, amounts receivable, deposits, and accounts payable and accrued liabilities approximate their fair values due to the short-term nature of these instruments.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The Company has classified its cash and deposits as held-for-trading; amounts receivable as loans and receivables; and accounts payable and accrued liabilities as other financial liabilities.

Financial risk factors

The Company's risk exposure 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 credit risk associated with cash is minimized by ensuring that these financial assets are held by a major Canadian financial institution with a strong investment-grade rating by a primary ratings agency.

The Company's concentration of credit risk and maximum exposure thereto is as follows relating to financial assets:

	2010	2009
Cash	$ 2,102	$ 44,978

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company normally maintains sufficient cash to meet the Company's business requirements; however, at August 31, 2010, the cash balance of $2,102 is insufficient to meet the needs for the coming year. Therefore, the Company will be required to raise additional capital, issue shares to settle debt and/or sell one or more mineral property interest in order to fund its operations in 2011.

	Total	Under 3 Months	4 to 12 Months	1 to 5 Years
Accounts payable and accrued liabilities	$ 180,466	$ 180,466	$ -	$ -

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. Market risk comprises interest rate risk, foreign currency risk and other price risk.

Interest rate risk

The Company's cash consists of cash held in bank accounts. Due to the short-term nature of these financial instruments, fluctuations in market rates do not have a significant impact on estimated fair values as of August 31, 2010. The Company's sensitivity analysis suggests that a 1% change in interest rates would not have a material effect on interest income.

Foreign currency risk

Some of the Company's assets are exposed to foreign exchange fluctuations. As at August 31, 2010, cash and mineral property interests of $119 and $5,937, respectively, (2009 – $9,320 and $1, respectively) are shown in US dollars and converted into Canadian dollars. The Company's exposure to foreign currency risk is minimal.

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 foreign currency risk. The Company has no financial instruments exposed to such risk.

CAPITAL MANAGEMENT

The Company includes the components of shareholders' equity and credit facilities as capital. The Company manages its capital structure and makes adjustments to it based on the funds available to the Company in order to support the acquisition, exploration and development of its mineral interests. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company currently has no source of revenues; as such, the Company is dependent upon external financings to fund activities. In order to carry future projects and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the year ended August 31, 2010. The Company is not subject to externally imposed capital requirements.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Significant areas requiring the use of management estimates include the determination of environmental and asset retirement obligations, rates for amortization, the impairment of mineral and oil and gas interests, the assumptions used in the determination of the fair value of stock-based compensation and the valuation allowance for future income tax assets. While management believes the estimates used are reasonable, actual results could differ from the estimates and could impact future results of operations and cash flows.

RECENT ACCOUNTING PRONOUNCEMENTS

Business combinations, consolidated financial statements and non-controlling interests

In January 2009, the CICA issued Handbook Sections 1582 "Business Combinations", 1601 "Consolidated Financial Statements" and 1602 "Non-Controlling Interests" which replace CICA Handbook Sections 1581 "Business Combinations" and 1600 "Consolidated Financial Statements". Section 1582 establishes standards for the accounting for business combinations that is equivalent to the business combination accounting standard under IFRS. 11Section 1601 together with Section 1602 establishes standards for the preparation of consolidated financial statements. These sections are applicable for the Company's interim and annual consolidated financial statements for its fiscal year beginning on or after January 1, 2011. Early adoption of these Sections is permitted and all three Sections must be adopted concurrently.

International Financial Reporting Standards ("IFRS")

In 2008 the Canadian Accounting Standards Board announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date for the Company will be June 1, 2011 and will require the restatement for comparative purposes of amounts reported by the Company for the year ended May 31, 2011.

INTERNATIONAL FINANCIAL REPORTING STANDARDS AND IMPLEMENTATION

In February 2008, the Canadian Accounting Standards Board ("AcSB") confirmed that GAAP for publicly accountable enterprises will be converged with IFRS effective for fiscal years beginning on or after January 1, 2011. The Company will therefore be required to report using IFRS commencing with its unaudited interim financial statements for the three months ended August 31, 2011, which must include restated interim results for the prior period ended August 31, 2010 prepared on the same basis.

Team – Due to the size of the Company, the CFO, a Certified General Accountant, will be performing the IFRS conversion and will report to the Audit Committee on the progress accomplished.

Training – During fiscal 2010 the CFO attended IFRS training sessions given by Davidson and Company LLP, the TSX Venture Exchange and Smythe Ratcliffe, Chartered Accountants. The objective of the training was to become aware of the timing of IFRS, comparing Canadian GAAP to IFRS and IFRS as it applies specifically to the mining industry. The CFO expects to continue with training during fiscal 2011.

Accounting policies – A review of the IFRS conversion process has been performed which highlighted key differences between GAAP and IFRS. A further detailed review will be concluded in the second quarter of fiscal 2011 to conclude its actions and to assist in the conversion process and the preparation of IFRS financial statements. The following is a list of IFRS standards that may have a potential impact on the financial statements of the Company and are considered most relevant to the Company's conversion process.

First Time Adoption (IFRS 1) – first-time adoption provides guidance to entities adopting IFRS for the first time. The key principle of IFRS 1 is full retrospective application of all IFRS in force at the closing balance sheet date in an entity's first IFRS financial statements. However, there are a number of exemptions that reduce the burden of retrospective application that will have to be reviewed by the Company.

Exploration for and Evaluation of Mineral Resources (IFRS 6, IAS 16, IAS 38) - IFRS allows the costs of exploration for and evaluation (E&E) of mineral resources to either be expensed as incurred or capitalized, in accordance with the entity's selected accounting policy. At the moment, the Company capitalizes the exploration expenses, unless the Company has not obtained the legal rights of the property or has already written off the property. IFRS request that E&E costs be classified as either tangible or intangible assets, a segregation not being done under Canadian GAAP.

Impairment of Assets (IAS 36, IFRIC 10) - Like IFRS, Canadian GAAP requires an impairment testing when there is an indicator of impairment, except that under IFRS, the Company must assess if there is an indicator each reporting date. Unlike IFRS, the estimates of future cash flows used in assessing whether an impairment loss exists are not discounted under Canadian GAAP. This might trigger more impairment testing under IFRS. Unlike IFRS, Canadian GAAP always recognizes impairment losses in the statement of operations because the revaluations of long-lived assets are not permitted.

Share-based Compensation (IFRS 2) – share based compensation is not expected to impact the Company's financial statements as the stock options generally vest immediately. For stock options that vest over time the Company recognizes stock – based compensation using the black scholes valuation module and employing the graded vesting method. The Company will commence using this valuation methodology in the first quarter of 2011.

Information systems – The accounting process of the Company are simple as it is in the exploration stage and no major challenges are expected at this point to operate the accounting system under IFRS. Some excel spreadsheets will be adopted to support the changes made in accounting policies.

Conclusion - based on the Company's review and management's assessment of IFRS, the Company does not anticipate the conversion to IFRS will have a significant impact on the Company's reported amount and or its business; however the financial statement disclosure will be greatly expanded. The Company also expects to meet all reporting deadlines in its conversion to IFRS and will report any difficulties in meeting these deadlines.

APPROVAL

The Board of Directors of Jet Gold Corp. has approved the disclosures in this MD&A.

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 belief, and are subject to risk, 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.

Additional information on the Company available through the following source: www.sedar.com.