# CORVUS GOLD INC.
## (An Exploration Stage Company)

## FORM 51-102F1
## MANAGEMENT DISCUSSION & ANALYSIS

**August 7, 2014**

## Introduction

This Management Discussion & Analysis ("MD&A") for Corvus Gold Inc. (the "Company" or "Corvus") for the year ended May 31, 2014 has been prepared by management, in accordance with the requirements of National Instrument 51-102, as of August 7, 2014, and compares its financial results for the three months and year ended May 31, 2014 to the three months and year ended May 31, 2013. This MD&A provides a detailed analysis of the business of Corvus and should be read in conjunction with the Company's audited consolidated financial statements for the years ended May 31, 2014 and 2013. The Company's reporting currency is the Canadian dollar and all amounts in this MD&A are expressed in Canadian dollars. The Company reports its financial position, results of operations and cash-flows in accordance with International Financial Reporting Standards.

## Caution Regarding Forward Looking Statements

This MD&A contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian and US securities legislation. These statements relate to future events or the future activities or the performance of the Company. All statements, other than statements of historical fact, are forward-looking statements. Information concerning mineral resource estimates also may be deemed to be forward-looking statements in that it reflects a prediction of the mineralization that would be encountered, and the results of mining it, if a mineral deposit were developed and mined. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate, plans and similar expressions, or which by their nature refer to future events. These forward looking statements include, but are not limited to, statements concerning:

- the Company's strategies and objectives, both generally and in respect of its specific mineral properties;

- the timing of decisions regarding the timing and costs of exploration programs with respect to, and the issuance of the necessary permits and authorizations required for, the Company's exploration programs, including for the North Bullfrog Project in Nye County, Nevada (the "NBP);

- the Company's estimates of the quality and quantity of the resources at its mineral properties;

- the timing and cost of planned exploration programs of the Company and its joint venture partners (as applicable), and the timing of the receipt of results therefrom;

- the planned use of proceeds from the Company's private placement completed in November 2013, from the exercises of stock options and warrants, and from the proceeds of the sale of the Company's interest in the Terra Project, Alaska in February 2014;

- the Company's future cash requirements;

- general business and economic conditions;

- the Company's ability to meet its financial obligations as they come due, and to be able to raise the necessary funds to continue operations;

- the Company's expectation that its joint venture partners will contribute the required expenditures, and make the required payments and share issuances (if applicable) as necessary to earn an interest in certain of the Company's mineral properties in accordance with existing option/joint venture agreements;

- the Company's expectation that it will be able to add additional mineral projects of merit to its assets;

- the planned completion of and timing for an updated resource estimate for the NBP;

- the potential for the existence or location of additional high-grade veins at the NBP;

- the potential to expand the high grade gold and silver at the Yellowjacket target, and the potential to expand the higher grade bulk tonnage at the Sierra Blanca target, at the NBP;

- the potential for any delineation of higher grade mineralization at the NBP;

- the potential for there to be one or more additional vein zone(s) to the west and northeast of the current Yellowjacket high grade zone;

- the potential discovery and delineation of mineral deposits/resources/reserves and any expansion thereof beyond the current estimate;

- the potential for the NBP mineralization system to continue to grow and/or to develop into a major new higher-grade, bulk tonnage, Nevada gold discovery; and

- the Company's expectation that it will be able to build itself into a non-operator gold producer with significant carried interests and royalty exposure.

Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Inherent in forward-looking statements are risks and uncertainties beyond the Company's ability to predict or control, including, but not limited to, risks related to the Company's inability to identify one or more economic deposits on its properties, variations in the nature, quality and quantity of any mineral deposits that may be located, variations in the market price of any mineral products the Company may produce or plan to produce, the Company's inability to obtain any necessary permits, consents or authorizations required for its activities, to produce minerals from its properties successfully or profitably, to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies, and other risks identified herein under "Risk Factors".

The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results are likely to differ, and may differ materially, from those expressed or implied by forward-looking statements contained in this MD&A. Such statements are based on a number of assumptions which may prove incorrect, including, but not limited to, assumptions about:

- general business and economic conditions;

- the level and volatility of the price of gold and silver;

- the timing of the receipt of regulatory and governmental approvals, permits and authorizations necessary to implement and carry on the Company's planned exploration programs and those of its joint venture partners (where applicable);

- conditions in the financial markets generally, and with respect to the prospects for junior gold exploration companies specifically;

- the Company's ability to secure the necessary consulting, drilling and related services and supplies on favourable terms;

- the Company's ability to attract and retain key staff;

- the accuracy of the Company's resource estimates (including with respect to size and grade) and the geological, operational and price assumptions on which these are based;

- the nature of the Company's mineral exploration projects, and the timing of the ability to commence and complete the planned exploration programs;

- the anticipated terms of the consents, permits and authorizations necessary to carry out the planned exploration programs and the Company's ability to comply with such terms on a cost-effective basis;

- the ability of the Company to secure the additional resources (including power and water) and infrastructure required to build and operate a new mining project at the NBP

- the ongoing relations of the Company with its joint venture partners and regulators;

- that the metallurgy and recovery characteristics of samples from certain of the Company's mineral properties are reflective of the deposit as a whole; and

- the ability of the Company's joint venture partners to raise the funding required for them to satisfy the requirements to earn interests in the Company's properties, as applicable.

These forward looking statements are made as of the date hereof and the Company does not intend and does not assume any obligation, to update these forward-looking statements, except as required by applicable law. For the reasons set forth above, investors should not attribute undue certainty to or place undue reliance on forward-looking statements.

Historical results of operations and trends that may be inferred from the following discussion and analysis may not necessarily indicate future results from operations. In particular, the current state of the global securities markets may cause significant reductions in the price of the Company's securities and render it difficult or impossible for the Company to raise the funds necessary to continue operations. See "Risk Factors – Insufficient Financial Resources/Share Price Volatility".

**Caution Regarding Adjacent or Similar Mineral Properties**

This MD&A contains information with respect to adjacent or similar mineral properties in respect of which the Company has no interest or rights to explore or mine. The Company advises US investors that the mining guidelines of the US Securities and Exchange Commission (the "SEC") set forth in the SEC's Industry Guide 7 ("SEC Industry Guide 7") strictly prohibit information of this type in documents filed with the SEC. Readers are cautioned that the Company has no interest in or right to acquire any interest in any such properties, and that mineral deposits on adjacent or similar properties, and any production therefore or economics with respect thereto, are not indicative of mineral deposits on the Company's properties or the potential production from, or cost or economics of, any future mining of any of the Company's mineral properties.

**Cautionary Note to US Investors Concerning Reserve and Resource Estimates**

National Instrument 43-101 Standards of Disclosure of Mineral Projects ("NI 43-101") is a rule developed by the Canadian Securities Administrators which establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. Unless otherwise indicated, all reserve and resource estimates contained in or incorporated by reference in this MD&A have been prepared in accordance with NI 43-101 and the guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum (the "CIM") Standards on Mineral Resource and Mineral Reserves, adopted by the CIM Council on May 10, 2014 (the "CIM Standards") as they may be amended from time to time by the CIM.

United States investors are cautioned that the requirements and terminology of NI 43-101 and the CIM Standards differ significantly from the requirements and terminology set forth in SEC Industry Guide 7. Accordingly, the Company's disclosures regarding mineralization may not be comparable to similar information disclosed by companies subject to SEC Industry Guide 7. Without limiting the foregoing, while the terms "mineral resources", "inferred mineral resources", "indicated mineral resources" and "measured mineral resources" are recognized and required by NI 43-101 and the CIM Standards, they are not recognized by the SEC and are not permitted to be used in documents filed with the SEC by companies subject to SEC Industry Guide 7. Mineral resources which are not mineral reserves do not have demonstrated economic viability, and US investors are cautioned not to assume that all or any part of a mineral resource will ever be converted into reserves. Further, inferred resources have a great amount of uncertainty as to their existence and as to whether they can be mined legally or economically. It cannot be assumed that all or any part of the inferred resources will ever be upgraded to a higher resource category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of a feasibility study or pre-feasibility study, except in rare cases. The SEC normally only permits issuers to report mineralization that does not constitute SEC Industry Guide 7 compliant "reserves" as in-place tonnage and grade without reference to unit amounts. The term "contained ounces" is not permitted under the rules of SEC Industry Guide 7. In addition, the NI 43-101 and CIM Standards definition of a "reserve" differs from the definition in SEC Industry Guide 7. In SEC Industry Guide 7, a mineral reserve is defined as a part of a mineral deposit which could be economically and legally extracted or produced at the time the mineral reserve determination is made, and a "final" or "bankable" feasibility study is required to report reserves, the three-year historical price is used in any reserve or cash flow analysis of designated reserves and the primary environmental analysis or report must be filed with the appropriate governmental authority.

Accordingly, information contained in this MD&A contains descriptions of the Company's mineral deposits that may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements under the United States federal securities laws and the rules and regulations thereunder.

All of the Company's public disclosure filings, including its most recent material change reports, press releases and other information, may be accessed via www.sedar.com and readers are urged to review these materials, including the technical reports filed with respect to the Company's mineral properties.

## Current Business Activities

### General

The Company's material mineral property is the NBP, an advanced stage project in Nevada which has a number of high-priority, bulk tonnage and high-grade vein targets (held through Corvus Gold Nevada Inc. ("Corvus Nevada"), a Nevada subsidiary). In addition, the Company holds a 100% interest in three early stage projects in Alaska (Chisna, LMS and West Pogo) through its Alaskan subsidiary, Raven Gold Alaska Inc. ("Raven Gold").

The primary focus of the Company will be to leverage its exploration expertise to discover major new gold deposits. Other than with respect to the NBP, the Company's strategy is to leverage its assets by utilizing partner funding during the high-cost, development phase of exploration to minimize shareholder financial risk while building a non-operator, gold production portfolio with carried interests and royalty exposure. To meet this objective, the Company is presently looking for joint venture partners to advance exploration on the LMS, West Pogo and Chisna projects.

Highlights of activities during the period and to the date of this MD&A include:

- Effective August 16, 2013, Catherine Gignac was appointed as a director of the Company to fill the vacancy created by the resignation of Daniel Carriere in May, 2013.

- The Company closed a $5,230,000 non-brokered private placement on November 26, 2013. The Company issued 5,230,000 common shares at a price of $1.00 per share, which represents a 15% discount to the 5-day volume weighted average price from October 29 through November 4, 2013 of $1.18.

- NBP Exploration: Assays from 2013 drilling continued to come in during December 2013 and January 2014 and additional channel; sampling along road cuts was conducted in December and January. The 2014 Phase I drilling campaign started in February 2014 with focus on the Yellowjacket vein system. Approximately 5000 meters of drilling were completed in Phase I and Phase II, which will continue to focus on the Yellowjacket system, began in July, 2014.

- NBP Infrastructure: In December 2013, the Company completed the purchase of a 430 acre fee simple parcel of land located about 30 miles north of the NBP area which carries with it 1,600 acre-feet of irrigation water rights within the Sarcobatus Flats water basin. Cost of the land and water was US$ 1,000,000. This water right is significant because it provides all water presently anticipated to be required under the current conceptual NBP mine plan.

- NBP Resource Update: The mineralization inventory at Sierra Blanca and Yellowjacket was recalculated to incorporate all the new drilling done in 2012 and 2013. At the same time, the decision was made to change how the estimated mineral resources at the NBP were calculated. Instead of discussing the overall mineralization inventory as was done in the past, the estimated mineral resource is now limited to that part of the mineralization inventory that falls within a USD $1300 Whittle™ pit.

- Terra Project (Alaska): Raven Gold has completed the sale of its minority interest in the Terra Project in Alaska to its joint venture partner, Terra Gold Corp. ("Terra Gold"), a subsidiary of WestMountain Gold Inc. for US$1.8M cash and 200,000 WestMountain common shares. Proceeds from the Terra sale are intended to be used tfor the continued advancement of the NBP;

- LMS Project (Alaska): Work is underway to prepare an initial estimated mineral resource for LMS incorporating drill data from the work by First Star during the Raven Gold/First Star joint venture and it is anticipated that a new independent technical report on the LMS project, containing an initial estimated resource, will be issued in late 2014.

- West Pogo Project (Alaska): A "Cooperation Agreement" has been signed with Dave Wright and Partners which allows them to market the West Pogo property together with their adjacent claims in an effort to find companies interested in exploring this area. The agreement allows Dave Wright and Partners to show the exploration data from the West Pogo claims to potential buyers but does not empower them to negotiate exploration agreements on the Raven Gold property.

- Chisna Project (Alaska): No exploration activities have been undertaken at Chisna in during the fiscal year ended May 31, 2013. However, a modest exploration program was completed in July for 2014 to cover expenditure obligations on the property.

**Nevada Property**

***North Bullfrog Project***

Our principal mineral property is the NBP, a gold exploration project located in northwestern Nye County, Nevada, in the Northern Bullfrog Hills about 15 km north of the town of Beatty. The NBP has indicated and inferred resources as defined under NI 43-101 criteria. The NBP technical information is in part summarized in our NI 43-101 technical report entitled "Technical Report – The North Bullfrog Project, Bullfrog Mining District, Nye County, Nevada" and dated April 1, 2014, which was prepared for us by Scott W. Wilson, SME, of Metal Mining Consultants, Inc., Gary Giroux, M.A. Sc., P. Eng. (BC), of Giroux Consultants Ltd. and Herbert Osborne, Metallurgical Eng., SME, of H. C. Osborne and Associates (the "NBP Technical Report").

The NBP is located in the Bullfrog Hills of northwestern Nye County, Nevada (Figure 1) and is 100% controlled by the Company. The NBP covers about 4,426 hectares of patented and unpatented mining claims in Sections 20, 21, 25, 26, 27, 28, 29, 32, 33, 34, 35, and 36 of T10S, R46E; sections 1, 2, 11, 12, 13, and 14 of T11S, R46E; section 31 of T10S, R47E; and section 6, T11S, R47E, MDBM. We have a total of eight option/lease agreements in place that give us control of an aggregate of 46 patented lode mining claims (Figure 2).

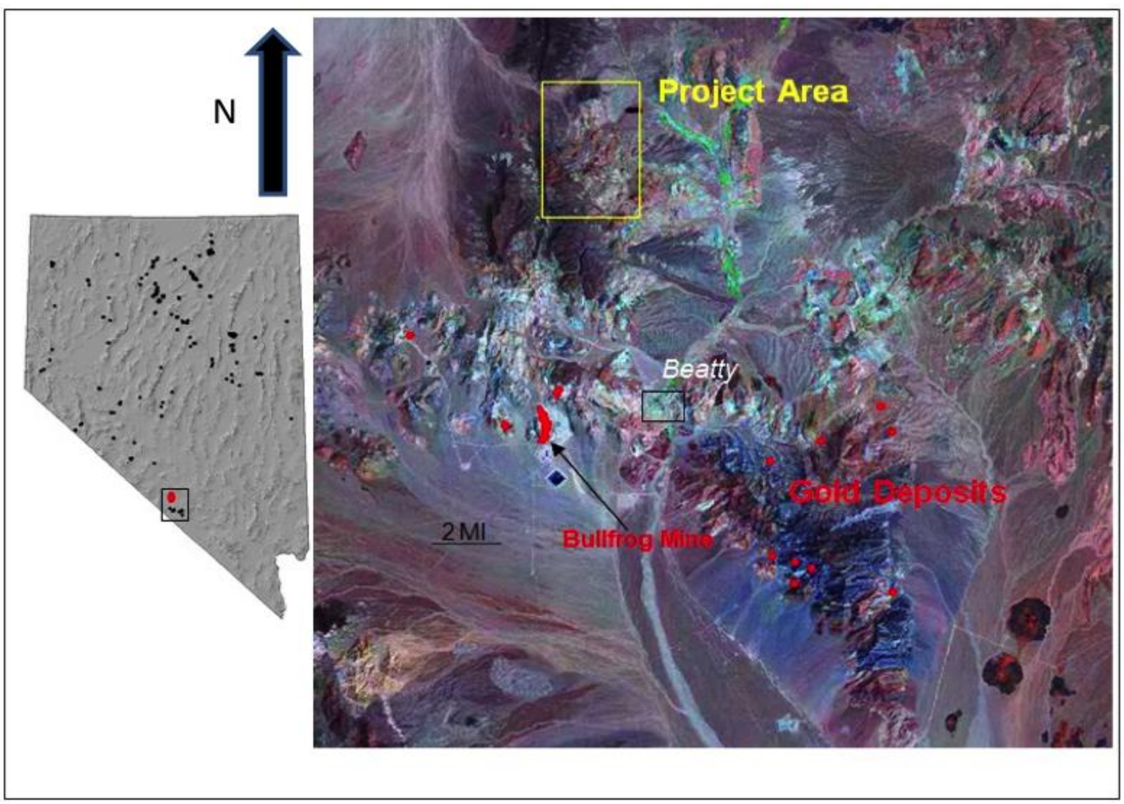


***Figure 1 Property Map showing the Location of the North Bullfrog Project***

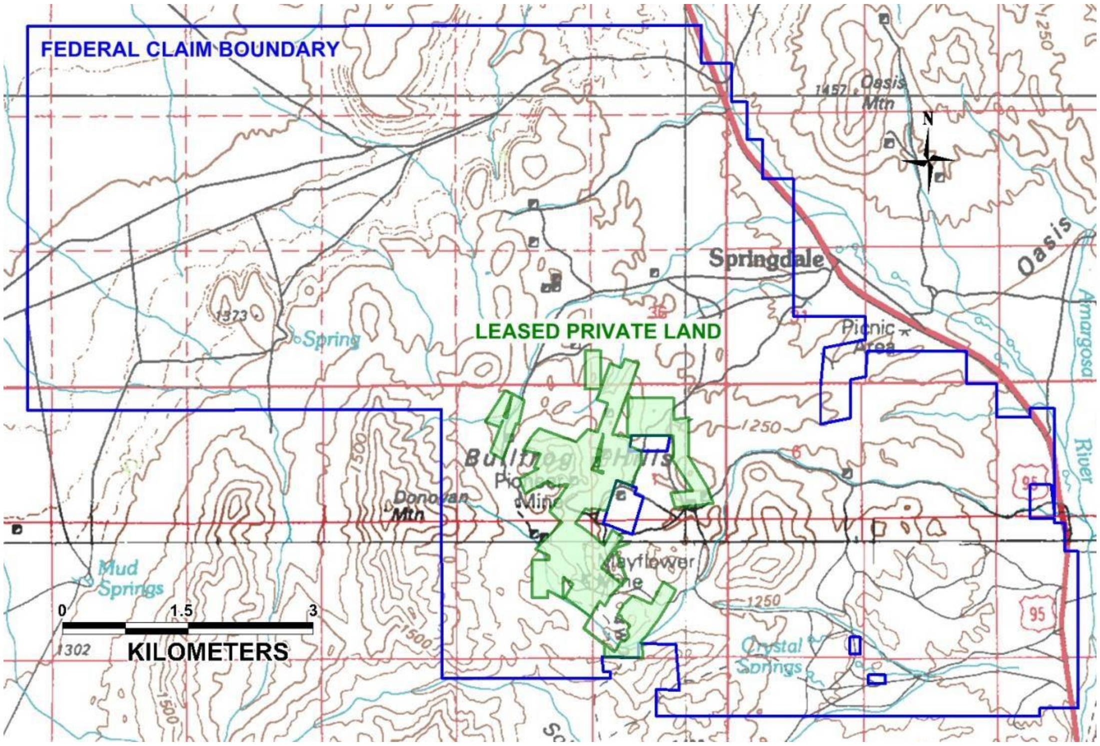


***Figure 2 Property Map of the North Bullfrog Project, Blue outline shows the NBP boundary and green areas are the Leased Private Land***

In the NBP Technical Report, six areas of activity are identified to advance the NBP, with the suggested budget given in Table 1:

1. in-fill drilling at the Sierra Blanca and Jolly Jane areas to reduce drill hole spacing to increase confidence/compliance in the mineralization estimates;
2. step-out/definition drilling around the Sierra Blanca and Jolly Jane areas;
3. further metallurgical testing to further define performance of a heap leach on the oxide and mixed-oxide/sulfide portion of the mineralization and define performance of gravity and cyanide leach milling processes;
4. re-evaluation of the several known alteration/geochemical anomalies which should result in the identification of additional drill targets;
5. expansion of the drill testing of structural systems at Yellowjacket and other potential structural targets, and
6. development of environmental baseline data which requires a 1-year historical record prior to beginning the permitting process.

***Table 1: Proposed Budget to Support Recommended Program at the NBP***

| | |
|---|---|
| Administration, Exploration and Resource Drilling for Mayflower, Sierra Blanca and Jolly Jane | USD 5.8 M |
| Baseline Metallurgical Testing | USD 0.4 M |
| Baseline Data Collection | USD 0.8 M |
| **Total** | **USD 7.0 M** |

The Company is proceeding with the recommended program (which is substantially the program recommended in the Company's last independent NI-43-101 technical report in April 2014, but does not currently have the necessary funds to complete the recommended program, and will be required to raise additional funds to do so. Although the Company has filed a short form prospectus with respect to its proposed sale of common shares to raise $6,180,000 (the "Offering"), there can be no assurance that the Offering will close and therefore there can be no assurance that the Company will be able to raise the necessary funding to conduct the recommended program. If the Company is unable to raise the necessary funds, it will be required to significantly scale down its proposed recommended program.

Drilling at Sierra Blanca and Yellowjacket began in June 2013 and continued through November 2013. In that time 7,000 metres of core and 12,000 metres of RC were drilled, including two PQ size core holes for metallurgy and 9 water monitoring wells. Between the beginning of September and the end of November, 2013 twenty six RC holes and twenty core holes were completed. Metallurgical testing is currently underway on the Yellowjacket materials. A meteorological station was constructed on site to continue to provide weather data. Water samples are being collected on a quarterly basis from the monitor wells and springs in the area. The latest sampling event was in June 2014.

The 2014 exploration program began in February 2014. The program is scheduled to include an initial phase of diamond drilling totalling 5,000 metres, with the primary objective of phase one being to try and expand the Yellowjacket deposit along strike and at depth. A second phase of drilling, consisting of 15,000 metres, is scheduled to start in September (subject to the completion of the Offering). The second phase program is designed to focus on adding high-grade resources and includes initial testing of the largest and highest priority new high-grade targets in the District such as the Jolly Jane/Road Fault area. Recent exploration results from this area, which has a large high level surface alteration system similar to the upper levels of the Yellowjacket, have indicated that it could potentially host a high-grade system much like the Bullfrog deposit.

A summary of expenditures for the 3 months ended May 31, 2014 is provided in Table 2.

***Table 2: NBP Expenditures in Q4 2014***

| | |
|---|---|
| Administration, Exploration and Resource Drilling for Yellowjacket and Sierra Blanca | USD 1.37 M |
| Baseline Metallurgical Testing | USD 0.14 M |
| Baseline Data Collection | USD 0.18 M |
| **Total** | **USD 1.69M** |

Recent Exploration Work

*New Mineralization Discovered at Yellowjacket*

The Josh Vein System in the Yellowjacket Zone represents a completely blind discovery of a large, previously unrecognized, gold and silver vein in the North Bullfrog District (Figure 3). Prior drilling in this area was focused to the east in an area of historic prospect pits along the Liberator and Yellowjacket Faults, with RC hole NB-10-63 intersecting 10.7 metres @ 7.5 g/t gold and 6.5 g/t silver and core hole NB-12-126 intersecting 11.4 metres @ 4.9 g/t gold and 7.0 g/t silver (Figure 3). Core hole NB-12-127 (7.7 metres @ 2.4 g/t gold and 11.31 g/t silver) was designed to follow up on an interesting intersection in RC hole NB-11-91 (9.1 metres @ 2.07 g/t gold and 2.32 g/t silver) which was the first time quartz vein related mineralization was encountered.

These results were used to target the hotter boiling zone part of the quartz vein system, which lead to the Yellowjacket discovery in hole NB-12-138 (72.4 metres @ 1.74 g/t gold and 98.7 g/t silver including 4.3 metres @ 20 g/t gold and 1,519 g/t silver) (Figure 3).

*Recent Drilling at the Yellowjacket Zone*

The Company has now received the assay results from the 12 additional drill holes completed as part of the Phase I 2014 drill program, designed to assess the expansion potential of the recently defined

Yellowjacket Deposit. This drilling has defined a new high-grade vein system discovery within the Yellowjacket deposit called the West Vein and includes the initial hole from the exploration of the northern extension of the main deposit. Significant intercepts are listed in Tables 3 and 4.

Drill hole results from the new West Vein include data from holes NB-14-380 through NB-14-384 (Figure 4, Table 3 & 4). Hole NB-14-384 intersected 4.5 metres of 17 g/t gold and 60 g/t silver in the West Vein structure, 50 metres along strike from NB-14-380 (5 metres at 14 g/t gold) while NB-14-382 encountered 4.7 metres of 4.6 g/t gold and 0.5 metres of 181 g/t gold, 25 meters down dip from NB-14-380.

Assay results for hole NB-14-380 from the stockwork vein zone around the Upper Vein returned an overall intercept of 17 metres @ 1.2 g/t gold and 38 g/t silver (Table 4, Figure 5). The stockwork around the lower main West Vein in this hole has returned an intercept of 13 metres of 5.6 g/t gold and 94 g/t silver (Table 4). Mineralization in the Josh Vein structure in this hole is confined to the hangingwall zone (Table 4, Figure 5). NB-14-381 was drilled above NB-14-380 intersected the West Vein at a shallow depth above the productive mineralized zone and drilled on into the hangingwall of the Josh Vein at depth (Table 4, Figure 5). NB-14-382 was drilled below NB-14-380 on the same section and encountered 4.7 metres of 4.6 g/t gold and 34 g/t silver in the main vein and encountered several mineralized veins in the footwall including a 0.5 metre interval with 181g/t gold and 94 g/t silver (Table 4, Figure 5).

Stepping 50 metres to the south of the previous three holes, hole NB-14-383 encountered 4.7 meters of quartz vein that was modestly mineralized, however, the total stockwork zone gave an intercept of 42 metres with 0.5 g/t gold and 3 g/t silver (Figure 4, Table 4). In the West Vein structure, Hole NB-14-384 intersected 4.5 metres of 17 g/t gold and 150 g/t silver, 50 metres south of NB-14-380 (5 metres at 14 g/t gold) while NB-14-389, 30 metres south of NB-13-384, encountered 9.1 metres of 5.7 g/t gold and 33 g/t silver. The stockwork around the West Vein continues to return broad zones of gold and silver mineralization extending as far south as drilling has progressed to date (Table 4).

Drilling has now shown that south of NB-14-389 the fault strands merge into a zone of intense faulting resulting in widespread vein related mineralization (Figure 6). Of particular interest is the structure near the top of NB-14-386 which contained 3.2 metres with 9.2 g/t gold and 87 g/t silver and represents a newly discovered vein structure (Figure 7). In NB-14-386 results indicate almost 100 metres of stockwork developed in this large fault zone (Table 4, Figure 7). Assays are pending for two holes drilled down dip of the structure in NB-12-184 which is currently the furthest drilling on the Yellowjacket system to the south (Figure 6).

Exploration on the northern extension of the Josh Vein began in late April and the first four holes, including NB-14-391 (17.5 metres @ 12.77 g/t gold and 62 g/t silver), have established the continuity of the zone to the north with the presence of native gold and silver sulphide (acanthite) in thick quartz veins and surrounding stockwork veining (Figure 6). The north extension drill program is ongoing initially assessing a 200 metre expansion of the system. Following the initial north program drilling will move south to assess the southern extension potential below hole NB-12-184.

The Yellowjacket Vein Zone at the NBP is currently defined by the Josh-West Vein structural zone on the west and the Liberator Fault to the east (Figure 5). The interaction of these two faults has created a large broken zone which contains several quartz veined structures, such as the Josh Vein, and broad zones of stockwork mineralization (Figure 7). The West Vein strand delineated by 2014 drilling represents a new hangingwall splay off the main Josh Vein Fault as well as the new vein structure intercepts in NB-14-386. Ongoing drilling is continuing to intersect new vein structures within and around the overall Yellowjacket deposit.

Drilling now indicates that large northeast faults such as the NE30 and NE50 faults (Figure 6) do not cut off the Josh Vein Fault system but enhance it as a host for vein development and have emerged as new exploration targets. The stratigraphic reconstruction in Figure 7 indicates that Yellowjacket has undergone a complex fault history resulting in multiple zones.

***Table 3: Significant Intercepts* from Yellowjacket South Quartz Vein System***

*(Reported drill intercepts are not true widths. At this time, there is insufficient data with respect to the shape of the mineralization to calculate its true orientation in space.)*

| Hole ID | From (metres) | To (metres) | Interval (metres) | Gold (g/t) | Silver (g/t) | Comments |
|---|---|---|---|---|---|---|
| | 98 | 116.4 | 18.4 | 0.14 | 0.93 | Disseminated |
| NB-14-377 | 116.4 | 122.5 | 6.1 | 0.81 | 1.86 | HW Peripheral |
| | 122.5 | 130 | 7.5 | 3.16 | 7.99 | HW Stockwork |
| | 130.0 | 133.7 | 3.7 | 1.8 | 19.2 | Josh Vein |
| | | | 17.3 | 2.04 | 8.23 | Vein + HW Stockwork |
| | **133.7** | **143.9** | 10.1 | 0.41 | 5.2 | FW Stockwork |
| | **143.9** | **152.4** | 8.5 | 0.32 | 5.5 | FW Peripheral |
| | | | | | | **Az 90, Incl -80** |
| | 73.2 | 74.2 | 1 | 1.23 | 9.6 | Isolated Vein |
| | 82.2 | 83.4 | 1.2 | 0.57 | 11 | WV HW Stockwork |
| NB-14-378 | 83.4 | 92.6 | 9.2 | 18 | 260 | West Vein |
| | 92.6 | 97.9 | 5.3 | 0.15 | 2.74 | WV FW Stockwork |
| | 97.9 | 105.6 | 7.7 | 0.31 | 1.92 | WV FW Peripheral |
| | 107.1 | 124.7 | 17.5 | 0.23 | 0.89 | JV HW Peripheral |
| | 124.7 | 126.6 | 2 | 1.02 | 1.77 | Josh Vein Fault |
| | 126.6 | 132.3 | 5.7 | 0.32 | 0.82 | JV FW Stockwork |
| | 132.3 | 139.1 | 6.7 | 0.13 | 0.45 | JV FW Peripheral |
| | | | | | | **Az 90, Incl -80** |
| | 25.2 | 29.3 | 4.1 | 0.16 | 0.94 | WV HW Peripheral |
| NB-14-379 | 29.3 | 32.3 | 3.1 | 0.34 | 2.32 | WV HW Stockwork |
| | 32.3 | 33.5 | 1.1 | 2.35 | 7.77 | West Vein |
| | 33.5 | 38 | 4.6 | 0.21 | 5.71 | WV FW Stockwork |
| | 80.9 | 81.1 | 0.2 | 0.05 | 57.5 | Isolated Vein |
| | 126.6 | 129.1 | 2.5 | 0.53 | 1.09 | Isolated Vein |
| | | | | | | **Az 90, Incl -45** |

**Intercepts calculated with an 0.1 g/t gold cut-off and up to 1.0 metre of internal waste.*

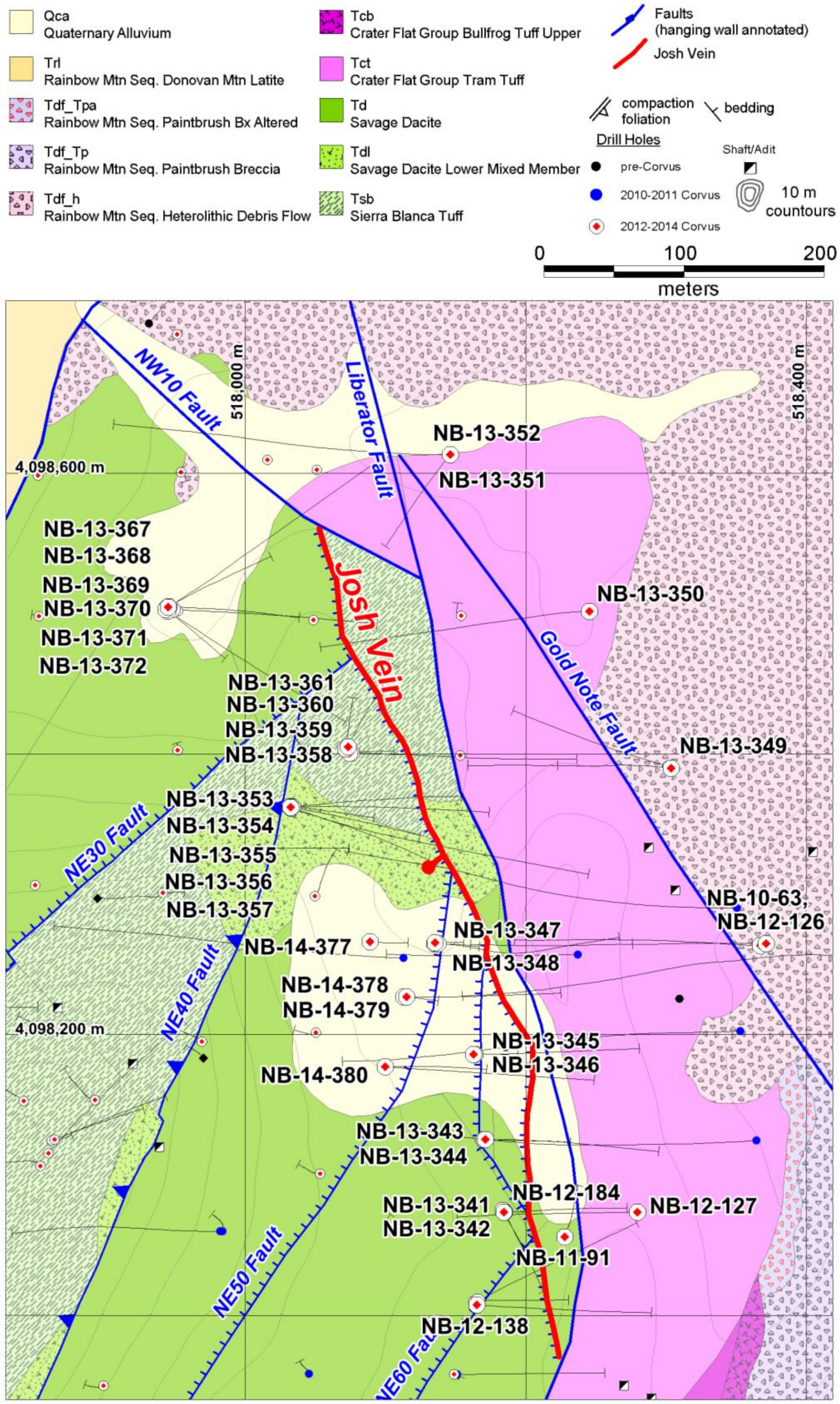


*Figure 3 – Geologic Map of the Yellowjacket Area showing locations and directions of recent drilling*

***Table 4: Significant Intercepts* from 2014 Drilling at Yellowjacket***
*(Reported drill intercepts are not true widths. At this time, there is insufficient data with respect to the shape of the mineralization to calculate its true orientation in space.)*

| Hole ID | From (metres) | To (metres) | Interval (metres) | Gold (g/t) | Silver (g/t) | Comments |
|---|---|---|---|---|---|---|
| | 46.3 | 51.4 | 5.1 | 0.43 | 4.9 | UV HW Stockwork |
| | **51.4** | **54.9** | **3.6** | **4.19** | **149.8** | **Upper Vein** |
| | 54.9 | 63.0 | 8.0 | 0.31 | 10.0 | UV FW Stockwork |
| | | | **16.7** | **1.18** | **38.4** | **Upper Vein + Stockwork** |
| | 80.0 | 85.3 | 5.3 | 0.41 | 2.8 | WV HW Stockwork |
| **NB-14-380** | 85.3 | 90.0 | 4.8 | 13.81 | 243.3 | West Vein |
| Az 90; Incl -70 | 90.0 | 92.7 | 2.7 | 1.04 | 4.8 | WV FW Stockwork |
| | | | **12.7** | **5.57** | **93.5** | **West Vein + Stockwork** |
| | 113.2 | 114.9 | 1.7 | 0.88 | 1.9 | |
| | 120.2 | 157.4 | 37.2 | 0.34 | 1.0 | JV HW Periph |
| | 157.4 | 165.6 | 8.2 | 0.70 | 1.1 | JV HW Stockwork |
| **NB-14-381** | 108.1 | 113.9 | 5.9 | 0.29 | 4.4 | Josh HW Periph |
| Az 90; Incl -45 | 119.1 | 122.8 | 3.7 | 0.51 | 10.0 | Josh HW Stockwork |
| | 97.5 | 104.0 | 6.5 | 0.25 | 1.4 | West Vein HW Stockwork |
| | 104.0 | 108.7 | 4.7 | 4.62 | 33.9 | West Vein |
| | 108.7 | 116.1 | 7.4 | 1.05 | 1.5 | WV FWStockwork |
| **NB-14-382** | | | **18.6** | **1.67** | **9.6** | **West Vein + Stockwork** |
| Az 90; Incl -80 | **116.1** | **159.1** | **43.0** | **2.56** | **2.3** | **WV FW Periph** |
| ***Including*** | **127.2** | **127.7** | **0.5** | **181.50** | **94.0** | **Single vein** |
| | 167.7 | 170.5 | 2.7 | 0.11 | 141.6 | High Silver Fault Gouge |
| | 172.5 | 199.1 | 26.6 | 0.50 | 1.1 | Josh HW Stockwork |
| | 124.4 | 129.1 | 4.7 | 0.55 | 2.24 | |
| | 138.1 | 150.3 | 12.2 | 0.52 | 1.55 | WV HW Periph |
| | 150.3 | 160.1 | 9.9 | 0.86 | 7.97 | WV HW Stockwork |
| **NB-14-383** | **160.1** | **164.9** | **4.7** | **0.40** | **3.98** | **West Vein** |
| | 164.9 | 192.5 | 27.6 | 0.43 | 1.61 | WV FW Stockwork |
| *Az 90; Incl -80* | | | **42.2** | **0.52** | **3.36** | **West Vein + Stockwork** |
| | 103.5 | 114.4 | 10.9 | 0.58 | 5.57 | WV HW Stockwork |
| **NB-14-384** | **114.4** | **128.0** | **13.6** | **6.13** | **83** | **West Vein** |
| ***Including*** | **114.4** | **118.9** | **4.5** | **16.70** | **150** | |
| | 128.0 | 134.8 | 6.8 | 0.37 | 1.26 | WV FW Stockwork |
| | | | **31.3** | **2.95** | **0.85** | **West Vein + Stockwork** |
| *Az 90 Incl -55* | 152.3 | 165.5 | 13.2 | 0.58 | 1.12 | FW Veining |
| | 224.8 | 234.1 | 9.3 | 0.46 | 0.76 | Ended in Min |
| | 133.5 | 162.3 | 28.8 | 0.59 | 2.62 | WV upper Stkwk |
| *Including* | 138.1 | 151.8 | 13.7 | 0.77 | 2.93 | |
| | 175.7 | 177.7 | 2.0 | 0.61 | 2.27 | WV HW Stkwk |
| **NB-14-385** | **177.7** | **183.4** | **5.7** | **2.10** | **2.88** | **West Vein** |
| | 183.4 | 195.6 | 12.2 | 0.35 | 4.28 | WV FW Stkwk |
| *Az 90 Incl -78* | | | **19.9** | **0.88** | **3.68** | **West Vein + Stockwork** |
| | **61.0** | **64.2** | **3.2** | **9.43** | **87** | **New vein** |
| **NB-14-386** | **89.5** | **103.9** | **14.4** | **1.53** | **10** | **West Vein** |
| ***Including*** | **92.2** | **95.7** | **3.5** | **2.86** | **28** | |
| | 103.9 | 123.3 | 19.4 | 1.49 | 4.03 | WV FWStkwk |
| | | | **33.8** | **1.51** | **6.64** | **West Vein + Stockwork** |

| Hole ID | From (metres) | To (metres) | Interval (metres) | Gold (g/t) | Silver (g/t) | Comments |
|---|---|---|---|---|---|---|
| Az 90 Incl -45 | 130.9 | 173.1 | 42.3 | 0.65 | 3.04 | Lib FW Stockwork |
| | 176.7 | 220.6 | 44.0 | 0.48 | 1.47 | Lib FW Stockwork |
| | 237.7 | 246.0 | 8.3 | 0.74 | 2.38 | Lib FW Stockwork |
| | 142.0 | 152.6 | 10.6 | 1.08 | 2.8 | WV HW Stockwork |
| **NB-14-389** | **152.6** | **161.7** | **9.1** | **5.66** | **33** | **West Vein** |
| | 161.7 | 166.6 | 4.9 | 1.04 | 1.79 | WV FW Stockwork |
| *Az 58 Incl -57* | | | **24.6** | **2.75** | **13.72** | **West Vein + Stockwork** |
| **NB-14-391** | **133.4** | **144.4** | **17.5** | **12.77** | **62** | **Josh Vein** |
| *Including* | 135.4 | 139.3 | **3.8** | **20.06** | **105** | |
| *Including* | 142.6 | 144.4 | **8.4** | **17.16** | **70** | |
| *Az 90 Incl -67* | | | | | | |

**The veining and stockwork veining have been defined by geological observation of the percentage of veining in the interval, e.g. significant concentrations of veining in the immediate hangingwall and footwall of a significant vein. Outside of the immediate hangingwall and footwall zones a cutoff of 0.3g/t gold equivalent has been used assuming a 55:1 price ratio of gold to silver. Up to 3 metres of internal waste has been carried locally.*

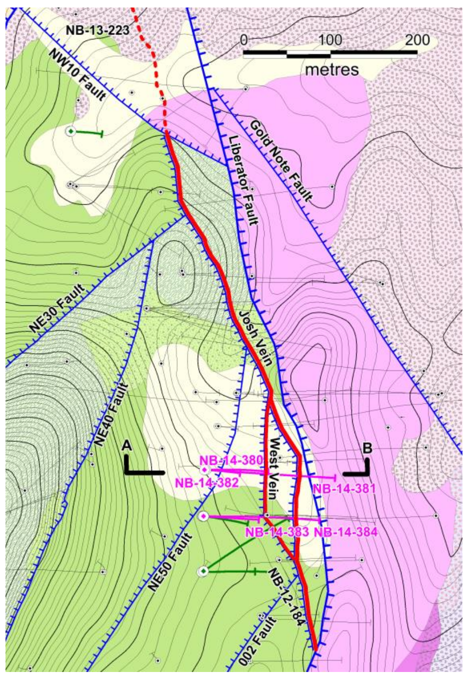


***Figure 4: Location of 2014 drill holes at Yellowjacket. Assays from the holes indicated in fuscia are reported above. Green traces are from holes with pending assays. The location of the section in Figure 5 is indicated.***

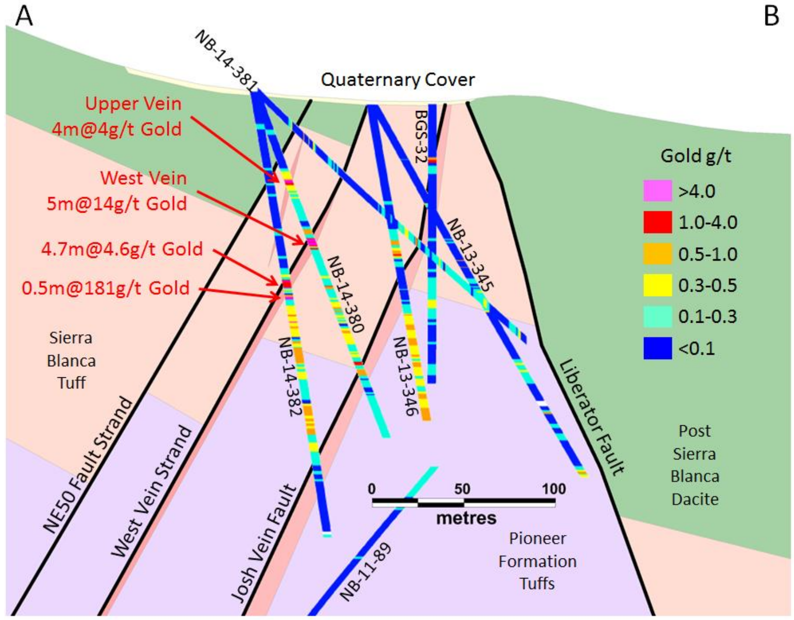


*Figure 5: Geological Cross Section through holes NB-13-380, 381 and 382 reported here.*

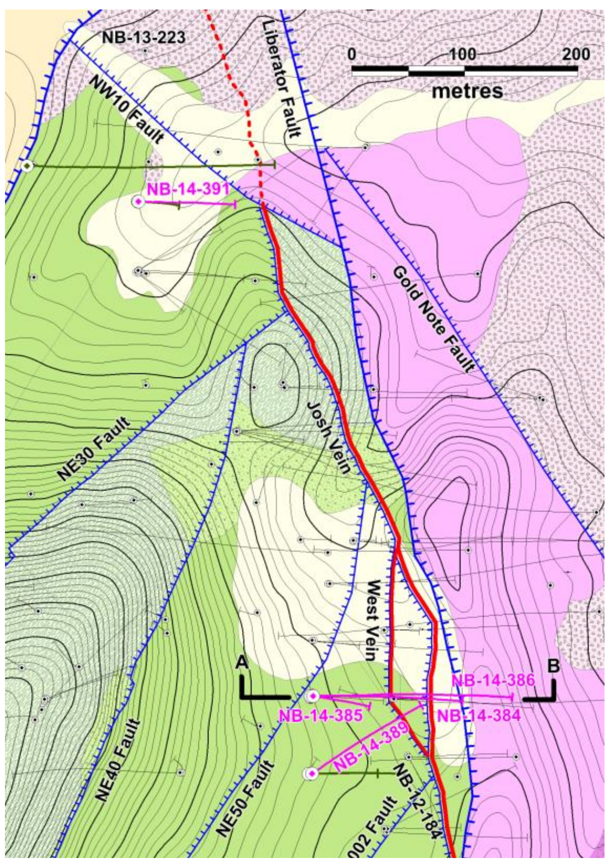


*Figure 6: Location of 2014 drill holes at Yellowjacket. Assays from the holes indicated in fuscia are reported above. Green traces are from holes with pending assays. The location of the section in Figure 7 is indicated.*

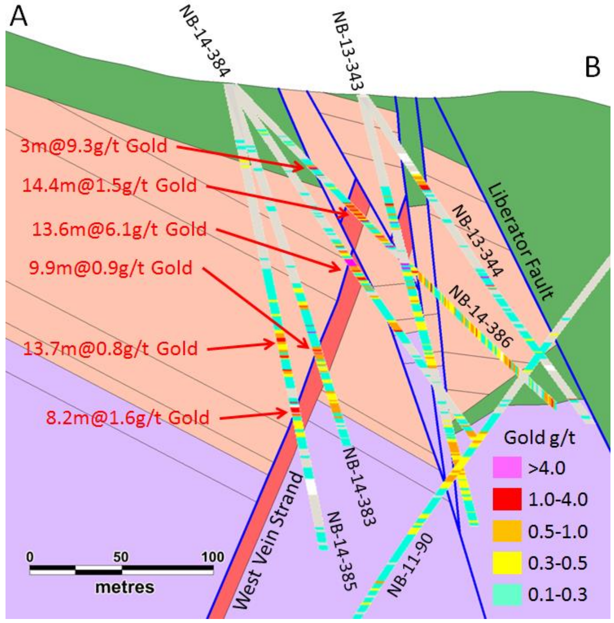


***Figure 7: Geological Cross Section through holes NB-14-383, 384, 385 and 386 reported here. Stratigraphic markers used in the interpretation are indicated by thin black lines***

*New Metallurgical Data on Yellowjacket Zone*

In December, 2013, a second set of composites were developed for Yellowjacket PQ core to provide source material for cyanide bottle roll testing and column leach testing at larger particle size. Bottle roll tests were conducted at 80% passing 200 mesh, 150 mesh, 100 mesh, 0.07 inch, 0.25 in and 0.75 inch. The bottle roll tests results are listed in Table 5, and indicate high gold and silver recovery at fine particle sizes, but substantially reduced recoveries at larger particle sizes. The test data in Table 5 indicated that Yellowjacket mineralization is suitable for a cyanide leach milling process.

*Table 5: Yellowjacket Bottle Roll Test Results at Different Particle Size Gradations (96 hours on 80% passing 200 mesh material)*

| Composite | Feed Size (P80 - inches) | Au Recovery (%) | Ag Recovery (%) | NaCN Consumption (kg/mt) | Lime Added (kg/mt) |
|---|---|---|---|---|---|
| YJPQ01 | 0.75” | 12.7 | 10.5 | <0.09 | 0.5 |
| YJPQ01 | 0.25” | 30.4 | 24.9 | 0.12 | 0.7 |
| YJPQ01 | 0.07” | 50 | 46.9 | 0.17 | 0.7 |
| YJPQ01 | 100 mesh | 86.2 | 66.8 | <0.12 | 1.0 |
| YJPQ01 | 150 mesh | 88.4 | 68.7 | <0.12 | 1.0 |
| YJPQ01 | 200 mesh | 88.3 | 70.3 | 0.17 | 1.2 |
| YJPQ02 | 0.75” | 11.3 | 15 | 0.11 | 0.7 |
| YJPQ02 | 0.25” | 32.9 | 35.4 | <0.11 | 0.9 |
| YJPQ02 | 0.07” | 53.6 | 50.2 | 0.12 | 0.9 |
| YJPQ02 | 100 mesh | 92 | 74.3 | 0.1 | 1.3 |
| YJPQ02 | 150 mesh | 92.9 | 75.8 | <0.07 | 1.4 |
| YJPQ02 | 200 mesh | 90.4 | 77.4 | 0.18 | 1.2 |
| YJPQ03 | .75” | 13.7 | 11.4 | 0.09 | 0.6 |
| YJPQ03 | .25” | 27.3 | 20.5 | <0.07 | 0.8 |
| YJPQ03 | 0.07” | 45.9 | 38.4 | 0.12 | 1.1 |
| YJPQ03 | 100 mesh | 88.5 | 68.4 | <0.07 | 1.2 |
| YJPQ03 | 150 mesh | 88.3 | 65.9 | <0.07 | 1.3 |
| YJPQ03 | 200 mesh | 89.6 | 76.1 | 0.2 | 1.3 |
| YJPQ04 | 0.75” | 23.1 | 16.7 | 0.07 | 0.8 |
| YJPQ04 | 0.25” | 33.3 | 41.9 | <0.07 | 1.1 |
| YJPQ04 | 0.07” | 57.8 | 52.3 | <0.09 | 1.2 |
| YJPQ04 | 100 mesh | 61.4 | 62 | 0.11 | 1.5 |
| YJPQ04 | 150mesh | 67.3 | 66 | <0.07 | 1.6 |
| YJPQ04 | 200 mesh | 68.8 | 66.7 | <0.08 | 2.5 |
| YJPQ05 | 0.75” | 43.9 | 29.4 | <0.07 | 1.0 |
| YJPQ05 | 0.25” | 44.2 | 36.8 | 0.07 | 1.2 |
| YJPQ05 | .07” | 54 | 47.4 | 0.16 | 1.3 |
| YJPQ05 | 100 mesh | 76.4 | 65 | <0.10 | 1.7 |
| YJPQ05 | 150 mesh | 76.2 | 70 | 0.1 | 1.8 |
| YJPQ05 | 200 mesh | 74.4 | 61.9 | <0.08 | 2.3 |

The composites were designed to be representative of the range of mineralization types and grades observed in the Yellowjacket vein system and are listed below:

- Composite YJPQ01 was made up of quartz vein material with an average calculated head grade (extracted gold plus gold remaining in the tail) of 6.7 g/t gold.
- Composite YJPQ02 was composed of vein breccia (~30% quartz) and stockwork (less than 10% quartz) and had an average calculated head grade of 5.8 g/t gold.
- Composite YJPQ03 was constructed of vein breccia and stockwork samples with an average calculated head grade of 1.8 g/t gold.
- Composite YJPQ04 was constructed of samples with 5-10% quartz veining and had an average calculated head grade of 0.56 g/t gold.

- Composite YJPQ05 was constructed entirely of stockwork and had an average calculated head grade of 0.46 g/t gold.

Following the initial grind size test work the Company conducted follow-up gravity gold recovery testing and cyanide leaching of the gravity tail material from the main vein and stockwork core of the Yellowjacket deposit. These test samples are representative of an estimated 70% of the gold and 85% of the silver within the Yellowjacket deposit estimated resource (location shown in Figure 8).

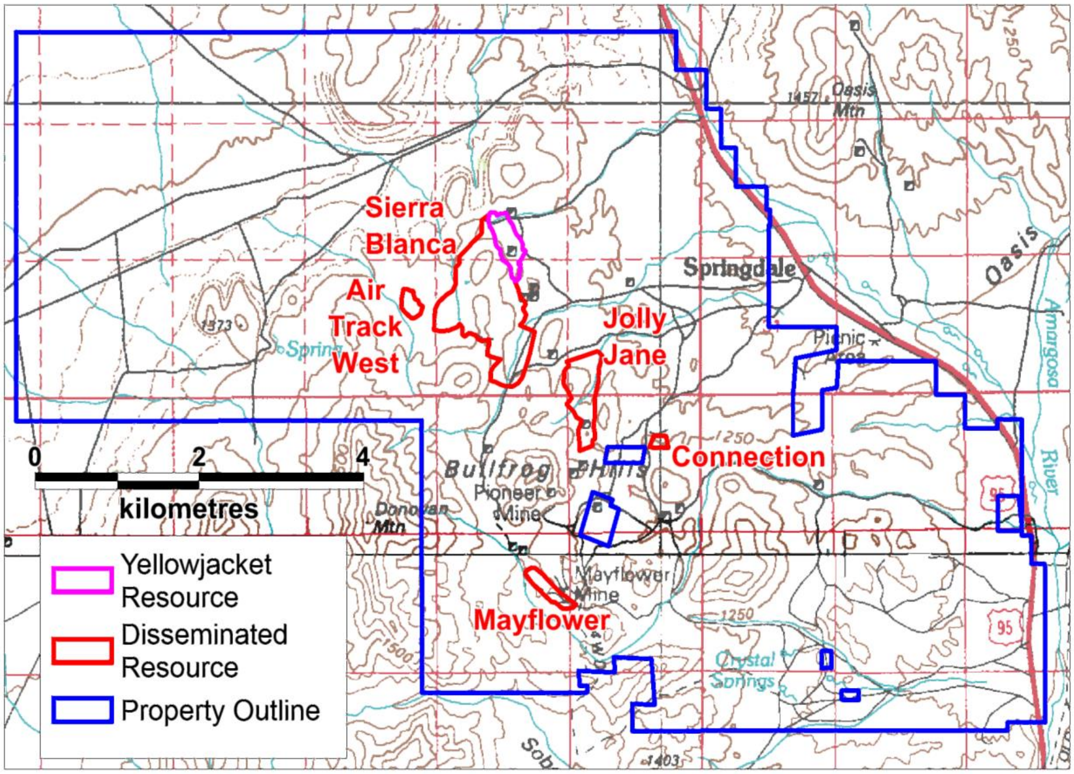


***Figure 8: Corvus land position at North Bullfrog with estimated resource areas shown.***

Results for the initial gravity followed by cyanide leaching of the tail material has produced high weighted recoveries for this zone, with an average of 89.2% for gold and 73% for silver (Tables 6 and 7). Of interest, 40% of the gold (weighted average) recovers via gravity separation with the concentrate reporting to just 0.06% of the processed material (a very high concentration ratio of greater than 1500 to 1).

The residual tail material after the gravity separation process produced an average weighted recovery in cyanide bottle roll tests of approximately 84% for gold and 71% for silver, which is similar to the average gold recovery from the oxide heap leach material. In addition, reagent consumptions are low as in earlier studies, averaging below 0.15 kg/t CN and about 1.5 kg/t for lime. Test work is ongoing for the surrounding, primarily lower grade, material hosting the remaining estimated 30% of gold and 15% of silver within the Yellowjacket deposit.

The tests were conducted at a coarse grind size of 65 mesh for the gravity separation and 100 mesh for the bottle roll tests, confirming the earlier grind size optimization results reported in Table 5. These results establish a clear path to proceed with optimization studies for the design of a simple, coarse grind, high recovery, milling circuit for the Yellowjacket deposit.

The envisioned system would include initial gravity separation of coarse gold and silver followed by cyanide leaching of the gravity tail either as an agglomerated product on the leach pad or in a standard CIL leach circuit for final gold-silver recovery. The ongoing metallurgical testing will focus on maximizing gold-silver recovery and minimizing potential processing costs. These studies are intended to better define the mill flow sheet, plant design and estimated actual recovery predictions for operations.

***Table 6 – Results of Gravity Recoverable Gold testing followed by Cyanide Bottle Roll testing of the Yellowjacket Deposit Composites.***

| | | | | Metallurgical Test Results | | |
|---|---|---|---|---|---|---|
| Metallurgical Composite | Calculated Au Head Grade (g/t) | Yellowjacket Mineralization Type* | % of Yellowjacket Deposit Contained Au | Gravity Gold Recovery (%) | Gravity Tail BRT, Additional Gold Recovery (%) | Total Gold Recovered in Tests (%) |
| YJPQ01 | 9.22 | Main Vein | 30% | 50.7 | 43.0 | 93.7 |
| YJPQ02 | 5.78 | Stockwork | 13% | 57.8 | 36.7 | 94.5 |
| YJPQ03 | 1.40 | Stockwork | 15% | 25.7 | 62.6 | 88.3 |
| YJPQ04 | 0.59 | Stockwork*** | 6% | 23.6 | 49.3 | 72.9 |
| YJPQ05 | 0.55 | Stockwork*** | 6% | ** | 76.4 | 76.4 |

*-consist of 17% Indicated and 83% Inferred Resource
**-no gravity recovery testing performed due to limited sample
***-mixed oxide and sulphide mineralization

***Table 7 - Results of Gravity Recoverable Silver testing followed by Cyanide Bottle Roll testing of the Yellowjacket Deposit Composites***

| | | | | Metallurgical Test Results | | |
|---|---|---|---|---|---|---|
| Metallurgical Composite | Calculated Ag Head Grade (g/t) | Yellowjacket Mineralization Type* | % of Yellowjacket Deposit Contained Ag | Gravity Silver Recovery (%) | Gravity Tail BRT Additional Silver Recovery (%) | Total Silver Recovered in Tests (%) |
| YJPQ01 | 47.4 | Main Vein | 45% | 11.7 | 63.4 | 75.1 |
| YJPQ02 | 20.0 | Stockwork | 11% | 5.8 | 71.2 | 76.9 |
| YJPQ03 | 8.2 | Stockwork | 15% | 2.3 | 68.9 | 71.2 |
| YJPQ04 | 4.9 | Stockwork*** | 7% | 1.9 | 62.3 | 64.2 |
| YJPQo5 | 0.6 | Stockwork*** | 7% | ** | 65.0 | 65.0 |

*-consist of 16% Indicated and 84% Inferred Resource
**-no gravity recovery testing performed due to limited sample
***-mixed oxide and sulphide mineralization

<u>Other Developments</u>

A number of other developments associated with the potential development of the NBP have taken place during the last quarter.

*Water*

In December 2013, the Company completed the purchase of a 430 acre fee simple parcel of land located about 30 miles north of the NBP area which carries with it 1,600 acre-feet of irrigation water rights within the Sarcobatus Flats water basin. Cost of the land and water was USD 1,000,000. This water right is significant because it provides all water presently anticipated to be required under the current conceptual NBP mine plan. The first phase of the hydrologic characterization program was completed during the 2013 drill program which successfully identified a potential water production well site in the Sarcobatus Flats (Nevada State Water Basin 146) within the northwest portion of the NBP. The test well, NB-WW-10, penetrated over 300 metres of alluvial material with a static water level beginning at a depth of 55 metres and sustained air lift water production in excess of 100 gpm for several hours. The Company has registered the purchase of the water rights with the Nevada State Engineer ("NSE"), and received the annual extension of the water rights from the NSE to June 2015.

As NBP progresses, the Company will begin to make application to the NSE to move the production point to the NBP, and change the application to mining.

*Power*

The upgrade of the main power line, located along Highway 95 on the east side of the North Bullfrog Property, by Valley Electric Association is nearly complete. The upgraded capacity of the line exceeds the current projected requirements of the North Bullfrog Project. The Company contributed USD 28,500 for the line upgrade.

*Highway*

Nevada Highway 95, connecting Las Vegas and Reno, passes the NBP approximately 1.6 km to the east, and received extensive maintenance upgrade during the summer of 2013. The highway has been re-surfaced between Las Vegas and a point to the north of the NBP, thereby providing for efficient road access to the site. The Company will be making application for the necessary rights-of-way for road traffic from the highway to the proposed mine facilities.

*Baseline Characterization*

In January 2014, Corvus Gold Nevada Inc. executed a Memorandum of Understanding ("MOU") with the Tonopah Office of the US Bureau of Land Management ("BLM") for definition of baseline characterization requirements and development of a mining plan of operations at the NBP. Characterization plans for hydro-geologic modeling studies, rock geochemical studies and biologic/wildlife studies have been developed and have been reviewed by BLM specialists. The Company is in the process of responding to comments and additional requirements received from the BLM with respect to such plans.

A total of seven additional hydrologic test wells were drilled during 2013 to facilitate water level monitoring and water quality sampling stations located around the NBP. These wells have been equipped with down-hole sample pumps. A network of nine surface springs is also being sampled in the greater area around the project site to ensure completeness in regional characterization. Sampling events have been conducted in Q1-Q4 of the fiscal year.

A meteorological station was constructed during August 2012, and has now accumulated 24 months of continuous data.

Rock geochemistry characterization work has been underway since 2012, with both Acid-Base accounting static testing and Humidity Cell Testing data collected for the initially proposed pre-Yellowjacket high-grade discovery mining plan. Initial data have formed the basis of the geochemistry characterization plan document, which is now being updated to reflect the addition of the newly defined Yellowjacket deposit to the updated proposed mining plan. A geochemical block model of the Sierra Blanca/Yellowjacket resource has been completed to guide the sample selection for characterization of the Yellowjacket waste materials.

**Alaska Properties**

***Terra Project Option-Joint Venture***

Raven Gold has completed the sale of its minority interest in the Terra Project in Alaska to its joint venture partner, Terra Gold, a subsidiary of WestMountain Gold Inc., for US$1.8M cash and 200,000 WestMountain common shares. Proceeds from the Terra sale are intended to be used for the continued advancement of the Company's NBP in Nevada.

### *LMS Project*

The LMS claim block is located in the Goodpaster mining district and consists of 92 Alaska state mining claims covering 61 square kilometres and owned 100% by Raven Gold ("LMS"). The primary target at LMS is a stratiform breccia horizon hosted in a sequence of high-grade metamorphic rocks. The host breccia has formed in an interval of highly fractured graphitic quartzite which has focused fluid flow of mineralized solutions. The matrix to the breccias is a dark fine-grained mixture of silica and pyrite, which together with the graphite, leads to the term "black breccia". In addition to the stratiform black breccia mineralization there are a number of high-grade gold-silver veins and stockwork zones cutting through the entire system which can produce significant grades. Initial metallurgical test work on the mineralization at LMS has indicated that high gold recoveries (95%) can be obtained with simple gravity separation followed by cyanidation, similar to the process used at the Pogo Mine to the north.

The results from the drilling undertaken by First Star Resources Inc. ("First Star"), the optionee of the LMS property in 2010/11 prior to returning the property 100% to us in late 2011, have been finalized. The First Star drilling has confirmed at least 800 metres of down-dip continuity on the Camp Breccia, which is an extensive stratiform black breccia body which dips gently to the west from the 300 metre long surface outcrops. LMS has features in common with other Tintina Gold Belt deposits, including the Kinross Gold Corporation owned White Gold property in the Yukon where stratiform breccias are an important control, and the Pogo Mine operated by Sumitomo Metal Mining Pogo LLC which is characterized by vein mineralization a low angle shear structure.

No exploration program was carried out at LMS in 2013. A number of companies have signed confidentiality agreements to review the project data, but there can be no certainty that we will be successful in negotiating an option/joint venture agreement with any party in connection with the LMS property. We intend to review our holdings at LMS and reduce the ground held to retain only the areas it considers most prospective. Work is underway to prepare an initial estimated mineral resource for LMS incorporating drill data from the work by First Star during the Raven Gold/First Star joint venture and it is anticipated that a new independent technical report on the LMS project, containing an initial estimated resource, will be issued in late 2014.

We do not consider LMS to be material to the Company, the project does not have any SEC Industry Guide 7 proven and probable reserves and the project is exploratory in nature.

### *West Pogo Project Option-Joint Venture*

The West Pogo project is located in the Goodpaster mining district, Alaska, and consists of 96 State of Alaska mining claims covering 18.9 square kilometres owned 100% by the Company ("WP Project"). The WP Project is located approximately 5 kilometres to the west of the Pogo Gold Mine. The Pogo Mine road and power line pass through the WP Project providing easy access to the property. At the WP Project there is the potential to discover high-grade gold mineralization in both steeply and shallowly dipping structural zones. Surface mapping and sampling in 2011 identified two more than 1 kilometre long East-West trending zones of alteration and mineralization on the WP Project. Mineralization is associated with zones of sericite-dolomite alteration in the host quartz monzonite and with silica-flooded breccias which have produced selected grab samples with up to 118.5g/t gold. One N-S oriented hole drilled in 2003 encountered broad zones of gold mineralization in altered quartz monzonites but did not intersect the breccia-style mineralization. In 2011 a 3D induced polarization survey covering 5 square kilometers over the main alteration zones highlighted a series of NW-trending cross structures which may be the control on the high-grade mineralization and may explain why the original drilling missed the target. Exploration at the WP Project has always been hampered by the distribution of talus cover; however, systematic work has revealed a large mineralizing system of good lateral continuity that is ready for drill testing.

In 2012 Raven Gold had optioned the WP Project to Alix Resources Corp. ("Alix"), who completed two diamond drill holes, totaling 610 metres on the WP Project. Alix did not make the required 2013 US $25,000 option payment and the joint venture has been terminated and the project returned 100% to Raven Gold.

A "Cooperation Agreement" has been signed with Dave Wright and Partners which allows them to market the WP Project together with their adjacent claims in an effort to find companies interested in exploring this area. The agreement allows Dave Wright and Partners to show the some exploration data from the WP Project to potential optionees/buyers but does not empower them to negotiate agreements with respect to the WP Project.

We intend to review our holdings at the WP Project and reduce the ground held to retain only the areas we considers most prospective.

We do not consider the WP Project to be material to the Company, the project does not have any SEC Industry Guide 7 proven and probable reserves and the project is exploratory in nature.

***Chisna Project***

The Chisna Project is focused on a new and emerging Alaskan copper-gold porphyry belt of deposits with copper and gold mineralization associated with mid-Cretaceous intrusions of similar age and style to the Pebble deposit to the west and Orange Hill deposit to the east. The current property position includes over 232,000 acres of either State of Alaska mining claims or fee land leased from Ahtna Corporation (an Alaska Native Corporation).

No exploration activities have been undertaken at Chisna during the fiscal year ended May 31, 2014. However, a modest exploration program was completed in July 2014 to cover expenditure obligations on the property. The Company is actively marketing the property for sale or joint venture. Due to the present market conditions, the Company does not believe that the sale and transfer of the Chisna project, or the execution of a joint venture, is probable to occur within one year. As a consequence, the Company has therefore not classified the Chisna project as assets held for sale.

We do not consider the Chisna Project to be material to the Company, the project does not have any SEC Industry Guide 7 proven and probable reserves and the project is exploratory in nature.

**Qualified Person and Quality Control/Quality Assurance**

Jeffrey A. Pontius (CPG 11044), a qualified person as defined by National Instrument 43-101, has supervised the preparation of the scientific and technical information that forms the basis for this MD&A (other than with respect to the work done and results released by Alix and Terra Gold and the 2011 work done and results released by First Star, and the NBP resource estimate) and has approved the disclosure herein. Mr. Pontius is not independent of the Company, as he is the CEO and holds common shares and incentive stock options.

The exploration program at North Bullfrog was designed and supervised by Russell Myers (CPG-11433), President of the Company, and Mark Reischman, Nevada Exploration Manager, who are responsible for all aspects of the work, including the quality control/quality assurance program. On-site personnel at the project log and track all samples prior to sealing and shipping. All sample shipments are sealed and shipped to ALS Chemex in Reno, Nevada, for preparation and then on to ALS Chemex in Reno, Nevada, or Vancouver, B.C., for assay. McClelland Laboratories Inc. prepared composites from duplicated RC sample splits collected during drilling. Bulk samples were sealed on site and delivered to McClelland Laboratories Inc. by ALS Chemex or Corvus personnel. All metallurgical testing reported here was conducted or managed by McClelland Laboratories Inc.

Carl Brechtel (Colorado PE 23212 and Nevada PE 8744), a qualified person as defined by National Instrument 43-101, has supervised the North Bullfrog metallurgical testing program and has approved the disclosure in this MD&A related thereto. Mr. Brechtel is not independent of the Company, as he is the Chief Operating Officer and holds common shares and incentive stock options.

Russell Myers, a qualified person as defined by National Instrument 43-101, has reviewed and to the extent possible independently verified the geological information, and has approved the disclosure herein, with respect to the LMS project and the prior work thereon by First Star during the period while it was the operator/optionee of the project. QA/QC protocols were similar to those used on all Company projects with internal control samples inserted into each shipment and shipments sealed and shipped to ALS Chemex in Fairbanks, Alaska. Mr. Myers is not independent of the Company, as he is the President and holds common shares and incentive stock options.

Mr. Scott E. Wilson, SME, President of Metal Mining Consultants Inc., is an independent consulting geologist specializing in mineral reserve and resource calculation reporting, mining project analysis and due diligence evaluations. He is acting as the Qualified Person, as defined in NI 43-101, for the NBP Report (other than the potions for which other QP's are responsible, as noted below), and specifically for the Mineral Resource Estimate (other than the estimate of the North Bullfrog mineralization inventory). Mr. Wilson has over 23 years experience in surface mining and is a Registered Member of the Society of Mining, Metallurgy and Exploration. Mr. Wilson and Metal Mining Consultants, Inc. are independent of the Company under NI 43-101.

Mr. Gary Giroux, M.Sc., P. Eng (B.C.), a consulting geological engineer employed by Giroux Consultants Ltd., has acted as the Qualified Person, as defined in NI 43-101, for the estimate of the North Bullfrog mineralization inventory contained in the NBP Report. He has over 30 years of experience in all stages of mineral exploration, development and production. Mr. Giroux specializes in computer applications in ore reserve estimation, and has consulted both nationally and internationally in this field. He has authored many papers on geostatistics and ore reserve estimation and has practiced as a Geological Engineer since 1970 and provided geostatistical services to the industry since 1976. Both Mr. Giroux and Giroux Consultants Ltd. are independent of the Company under NI 43-101.

Mr. Herbert Osborne, SME, a consulting metallurgist, has acted as the Qualified Person, as defined by NI 43-101, for evaluation of the metallurgical testing data contained in the NBP Report. He has over 50 years of experience in mineral process design and operations. He is a registered Member of the Society of Mining, Metallurgy and Exploration (SME Member No. 2430050 RM). Mr. Osborne is independent of the Company under NI 43-101.

ALS Chemex's quality system complies with the requirements for the International Standards ISO 9001:2000 and ISO 17025:1999. Analytical accuracy and precision are monitored by the analysis of reagent blanks, reference material and replicate samples. Quality control is further assured by the use of international and in-house standards. Finally, representative blind duplicate samples are forwarded to ALS Chemex and an ISO compliant third party laboratory for additional quality control.

**Risk Factors**

Due to the nature of the Company's proposed business and the present stage of exploration of its property interests (which are primarily early to advanced stage exploration properties with no known reserves), the following risk factors, among others, will apply:

*Resource Exploration and Development is Generally a Speculative Business*: Resource exploration and development is a speculative business and involves a high degree of risk, including, among other things, unprofitable efforts resulting both from the failure to discover mineral deposits and from finding mineral deposits which, though present, are insufficient in size and grade at the then prevailing market conditions to return a profit from production. The marketability of natural resources which may be acquired or discovered by the Company will be affected by numerous factors beyond the control of the Company. These factors include market fluctuations, the proximity and capacity of natural resource markets, government regulations, including regulations relating to prices, taxes, royalties, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital.

**Other than the NBP, which has estimated inferred and/or indicated resources identified, there are no known resources, and there are no known reserves, on any of the Company's properties. The majority of exploration projects do not result in the discovery of commercially mineable deposits of ore.** Substantial expenditures are required to establish ore reserves through drilling and metallurgical and other testing techniques, determine metal content and metallurgical recovery processes to extract metal from the ore, and construct, renovate or expand mining and processing facilities. No assurance can be given that any level of recovery of ore reserves will be realized or that any identified mineral deposit will ever qualify as a commercial mineable ore body which can be legally and economically exploited.

*Insufficient Financial Resources*: The Company does not presently have sufficient financial resources to undertake by itself the acquisition, exploration and development of all of its planned acquisition, exploration and development programs, including the recommended program in the NBP Report. Future property acquisitions and the development of the Company's properties will therefore depend upon the Company's ability to obtain financing through the joint venturing of projects, private placement financing, public financing, short or long term borrowings or other means. There is no assurance that the Company will be successful in obtaining the required financing. Failure to raise the required funds could result in the Company losing, or being required to dispose of, its interest in its properties.

*Financing Risks*: The Company has limited financial resources, has no source of operating cash flow and has no assurance that additional funding will be available to it for further exploration and development of its projects or to fulfil its obligations under any applicable agreements. There can be no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of its projects with the possible loss of such properties.

*Dilution to the Company's existing shareholders:* The Company will require significant additional equity financing be raised in the future. The Company may issue securities on less than favourable terms to raise sufficient capital to fund its business plan. Any transaction involving the issuance of equity securities or securities convertible into common shares would result in dilution, possibly substantial, to present and prospective holders of common shares.

*Estimates of Mineral Reserves and Resources and Production Risks*: The mineral resource estimates included in this MD&A are estimates only and no assurance can be given that any particular level of recovery of minerals will in fact be realized or that an identified reserve or resource will ever qualify as a commercially mineable (or viable) deposit which can be legally and economically exploited. The estimating of mineral resources and mineral reserves is a subjective process and the accuracy of mineral resource and mineral reserve estimates is a function of the quantity and quality of available data, the accuracy of statistical computations, and the assumptions used and judgments made in interpreting available engineering and geological information. There is significant uncertainty in any mineral resource or mineral reserve estimate and the actual deposits encountered and the economic viability of a deposit may differ materially from the Company's estimates. Accordingly, there can be no assurance that:

- these estimates will be accurate;

- reserves, resource or other mineralization figures will be accurate; or
- this mineralization could be mined or processed profitably.

Since the Company has not commenced production at any of its properties, and has not defined or delineated any proven or probable reserves on any of its properties, mineralization estimates for the Company's properties may require adjustments or downward revisions based upon further exploration or development work or actual production experience. In addition, the grade of mineralization ultimately mined may differ from that indicated by drilling results and such differences could be material. Production may be affected by such factors as permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. Short term factors, such as the need for orderly development of deposits or the processing of new or different grades, may have a material adverse effect on mining operations and on the results of operations. There can be no assurance that minerals recovered in small scale laboratory tests will be duplicated in large scale tests under on-site conditions or in production scale operations. Material changes in reserves or resources, grades, stripping ratios or recovery rates may affect the economic viability of projects. The estimated resources described in this MD&A should not be interpreted as assurances of mine life or of the profitability of future operations. Estimated mineral resources and mineral reserves may have to be re-estimated based on changes in applicable commodity prices, further exploration or development activity or actual production experience. This could materially and adversely affect estimates of the volume or grade of mineralization, estimated recovery rates or other important factors that influence mineral resource or mineral reserve estimates. Market price fluctuations for gold, silver or base metals, increased production costs or reduced recovery rates or other factors may render any particular reserves uneconomical or unprofitable to develop at a particular site or sites. A reduction in estimated reserves could require material write downs in investment in the affected mining property and increased amortization, reclamation and closure charges.

**Mineral resources are not mineral reserves and there is no assurance that any mineral resources will ultimately be reclassified as proven or probable reserves. Mineral resources which are not mineral reserves have not demonstrated economic viability. The failure to establish proven and probable reserves could restrict the Company's ability to successfully implement its strategies for long-term growth.**

*Fluctuation of Metal Prices*: Even if commercial quantities of mineral deposits are discovered by the Company, there is no guarantee that a profitable market will exist for the sale of the metals produced. The Company's long-term viability and profitability depend, in large part, upon the market price of metals which have experienced significant movement over short periods of time, and are affected by numerous factors beyond the control of the Company, including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods. The supply of and demand for metals are affected by various factors, including political events, economic conditions and production costs in major producing regions. There can be no assurance that the price of any minerals produced from the Company's properties will be such that any such deposits can be mined at a profit.

*Permits and Licenses*: The operations of the Company will require licenses and permits from various governmental authorities. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects, on reasonable terms or at all. Delays or a failure to obtain such licenses and permits or a failure to comply with the terms of any such licenses and permits that the Company does obtain, could have a material adverse effect on the Company.

*Acquisition of Mineral Claims under Agreements*: The agreements pursuant to which the Company has the right to acquire or maintain interests in a number of its properties provide that the Company must make a series of cash payments and/or share issuances over certain time periods, expend certain minimum amounts on the exploration of the properties or contribute its share of ongoing expenditures. Failure by the Company to make such payments, issue such shares or make such expenditures in a timely fashion may result in the Company losing its interest in such properties. There can be no assurance that the Company will have, or be able to obtain, the necessary financial resources to be able to maintain all of its property agreements in good standing, or to be able to comply with all of its obligations thereunder, with the result that the Company could forfeit its interest in one or more of its mineral properties.

*Proposed Amendments to the United States General Mining Law of 1872*: In recent years, the United States Congress has considered a number of proposed amendments to the U.S. *General Mining Law of 1872* ("Mining Law"). If adopted, such legislation, among other things, could impose royalties on mineral production from unpatented mining claims located on United States federal lands, result in the denial of permits to mine after the expenditure of significant funds for exploration and development, reduce estimates of mineral reserves and reduce the amount of future exploration and development activity on United States federal lands, all of which could have a material and adverse effect on the Company's cash flow, results of operations and financial condition.

*Uncertainties Relating to Unpatented Mining Claims:* Many of the Company's mineral properties comprise federal unpatented mining claims in the United States. There is a risk that a portion of the Company's unpatented mining claims could be determined to be invalid, in which case the Company could lose the right to mine any minerals contained within those mining claims. Unpatented mining claims are created and maintained in accordance with the Mining Law. Unpatented mining claims are unique to United States property interests, and are generally considered to be subject to greater title risk than other real property interests due to the validity of unpatented mining claims often being uncertain. This uncertainty arises, in part, out of the complex federal and state laws and regulations under the Mining Law. Unpatented mining claims are always subject to possible challenges of third parties or contests by the United States federal government. The validity of an unpatented mining claim, in terms of both its location and its maintenance, is dependent on strict compliance with a complex body of federal and state statutory and decisional law. Title to the unpatented mining claims may also be affected by undetected defects such as unregistered agreements or transfers. The Company has not obtained full title opinions for the majority of its mineral properties. Not all the mineral properties in which the Company has an interest have been surveyed, and their actual extent and location may be in doubt.

*Surface Rights and Access:* Although the Company acquires the rights to some or all of the minerals in the ground subject to the mineral tenures that it acquires, or has a right to acquire, in most cases it does not thereby acquire any rights to, or ownership of, the surface to the areas covered by its mineral tenures. In such cases, applicable mining laws usually provide for rights of access to the surface for the purpose of carrying on mining activities, however, the enforcement of such rights through the courts can be costly and time consuming. It is necessary to negotiate surface access or to purchase the surface rights if long-term access is required. There can be no guarantee that, despite having the right at law to access the surface and carry on mining activities, the Company will be able to negotiate satisfactory agreements with any such existing landowners/occupiers for such access or purchase of such surface rights, and therefore it may be unable to carry out planned mining activities. In addition, in circumstances where such access is denied, or no agreement can be reached, the Company may need to rely on the assistance of local officials or the courts in such jurisdiction the outcomes of which cannot be predicted with any certainty. The inability of the Company to secure surface access or purchase required surface rights could materially and adversely affect the timing, cost or overall ability of the Company to develop any mineral deposits it may locate.

*No Assurance of Profitability*: The Company has no history of production or earnings and due to the nature of its business there can be no assurance that the Company will be profitable. The

Company has not paid dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. All of the Company's properties are in the exploration stage and the Company has not defined or delineated any proven or probable reserves on any of its properties. None of the Company's properties are currently under development. Continued exploration of its existing properties and the future development of any properties found to be economically feasible, will require significant funds. The only present source of funds available to the Company is through the sale of its equity shares, short-term, high-cost borrowing or the sale or optioning of a portion of its interest in its mineral properties. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists. While the Company may generate additional working capital through further equity offerings, short-term borrowing or through the sale or possible syndication of its properties, there is no assurance that any such funds will be available on favourable terms, or at all. At present, it is impossible to determine what amounts of additional funds, if any, may be required. Failure to raise such additional capital could put the continued viability of the Company at risk.

*Uninsured or Uninsurable Risks*: Exploration, development and mining operations involve various hazards, including environmental hazards, industrial accidents, metallurgical and other processing problems, unusual or unexpected rock formations, structural cave-ins or slides, flooding, fires, metal losses and periodic interruptions due to inclement or hazardous weather conditions. These risks could result in damage to or destruction of mineral properties, facilities or other property, personal injury, environmental damage, delays in operations, increased cost of operations, monetary losses and possible legal liability. The Company may not be able to obtain insurance to cover these risks at economically feasible premiums or at all. The Company may elect not to insure where premium costs are disproportionate to the Company's perception of the relevant risks. The payment of such insurance premiums and of such liabilities would reduce the funds available for exploration and production activities.

*Government Regulation*: Any exploration, development or mining operations carried on by the Company will be subject to government legislation, policies and controls relating to prospecting, development, production, environmental protection, mining taxes and labour standards. The Company cannot predict whether or not such legislation, policies or controls, as presently in effect, will remain so, and any changes therein (for example, significant new royalties or taxes), which are completely outside the control of the Company, may materially adversely affect to ability of the Company to continue its planned business within any such jurisdictions.

*Recent Market Events and Conditions*: Since 2008, the U.S. credit markets have experienced serious disruption due to a deterioration in residential property values, defaults and delinquencies in the residential mortgage market (particularly, sub-prime and non-prime mortgages) and a decline in the credit quality of mortgage backed securities. These problems have led to a slow-down in residential housing market transactions, declining housing prices, delinquencies in non-mortgage consumer credit and a general decline in consumer confidence. These conditions caused a loss of confidence in the broader U.S. and global credit and financial markets and resulting in the collapse of, and government intervention in, major banks, financial institutions and insurers and creating a climate of greater volatility, less liquidity, widening of credit spreads, a lack of price transparency, increased credit losses and tighter credit conditions. Notwithstanding various actions by the U.S. and foreign governments, concerns about the general condition of the capital markets, financial instruments, banks, investment banks, insurers and other financial institutions caused the broader credit markets to further deteriorate and stock markets to decline substantially. In addition, general economic indicators have deteriorated, including declining consumer sentiment, increased unemployment and declining economic growth and uncertainty about corporate earnings.

While these conditions appear to have improved slightly in 2012/13, unprecedented disruptions in the credit and financial markets have had a significant material adverse impact on a number of financial institutions and have limited access to capital and credit for many companies. These disruptions could, among other things, make it more difficult for the Company to obtain, or increase its cost of obtaining, capital and financing for its operations. The Company's access to additional capital may not be available on terms acceptable to it or at all.

*General Economic Conditions:* The recent unprecedented events in global financial markets have had a profound impact on the global economy. Many industries, including the gold and base metal mining industry, are impacted by these market conditions. Some of the key impacts of the current financial market turmoil include contraction in credit markets resulting in a widening of credit risk, devaluations and high volatility in global equity, commodity, foreign exchange and precious metal markets, and a lack of market liquidity. A continued or worsened slowdown in the financial markets or other economic conditions, including but not limited to, consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates, and tax rates may adversely affect the Company's growth and profitability. Specifically:

- the global credit/liquidity crisis could impact the cost and availability of financing and the Company's overall liquidity;
- the volatility of gold and other base metal prices may impact the Company's future revenues, profits and cash flow;
- volatile energy prices, commodity and consumables prices and currency exchange rates impact potential production cost; or
- the devaluation and volatility of global stock markets impacts the valuation of the Company's common shares, which may impact the Company's ability to raise funds through the issuance of equity securities.

These factors could have a material adverse effect on the Company's financial condition and results of operations.

*Increased Costs:* Management anticipates that costs at the Company's projects will frequently be subject to variation from one year to the next due to a number of factors, such as the results of ongoing exploration activities (positive or negative), changes in the nature of mineralization encountered, and revisions to exploration programs, if any, in response to the foregoing. In addition, exploration program costs are affected by the price of commodities such as fuel, rubber and electricity and the availability (or otherwise) of consultants and drilling contractors. Increases in the prices of such commodities or a scarcity of consultants or drilling contractors could render the costs of exploration programs to increase significantly over those budgeted. A material increase in costs for any significant exploration programs could have a significant effect on the Company's operating funds and ability to continue its planned exploration programs.

*Dependence Upon Others and Key Personnel*: The success of the Company's operations will depend upon numerous factors, many of which are beyond the Company's control, including (i) the ability of the Company to enter into strategic alliances through a combination of one or more joint ventures, mergers or acquisition transactions; and (ii) the ability to attract and retain additional key personnel in exploration, mine development, sales, marketing, technical support and finance. These and other factors will require the use of outside suppliers as well as the talents and efforts of the Company. There can be no assurance of success with any or all of these factors on which the Company's operations will depend. The Company has relied and may continue to rely, upon consultants and others for operating expertise.

*Currency Fluctuations*: The Company maintains its accounts in Canadian and U.S. dollars, making it subject to foreign currency fluctuations. Such fluctuations may materially affect the Company's financial position and results.

*Share Price Volatility*: In 2012/13 and into 2014, worldwide securities markets, particularly those in the United States and Canada, have experienced a high level of price and volume volatility, and the market price of securities of many companies, particularly those considered exploration or development stage companies, have experienced unprecedented fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. Most significantly, the share prices of junior natural resource companies have experienced an unprecedented decline in value and there has been a significant decline in the number of buyers willing to purchase such securities. In addition, significantly higher redemptions by holders of mutual funds has forced many of such funds (including those holding the Company's securities) to sell such securities at any price. **As a consequence, despite the Company's past success in securing significant equity financing, market forces may render it difficult or impossible for the Company to secure placees to purchase new share issues at a price which will not lead to severe dilution to existing shareholders, or at all.** Therefore, there can be no assurance that significant fluctuations in the trading price of the Company's common shares will not occur, or that such fluctuations will not materially adversely impact on the Company's ability to raise equity funding without significant dilution to its existing shareholders, or at all.

*Exploration and Mining Risks*: Fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the operation of mines and the conduct of exploration programs. Substantial expenditures are required to establish reserves through drilling, to develop metallurgical processes, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. The economics of developing mineral properties is affected by many factors including the cost of operations, variations of the grade of ore mined, fluctuations in the price of gold or other minerals produced, costs of processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. In addition, the grade of mineralization ultimately mined may differ from that indicated by drilling results and such differences could be material. Short term factors, such as the need for orderly development of ore bodies or the processing of new or different grades, may have an adverse effect on mining operations and on the results of operations. There can be no assurance that minerals recovered in small scale laboratory tests will be duplicated in large scale tests under on-site conditions or in production scale operations. Material changes in geological resources, grades, stripping ratios or recovery rates may affect the economic viability of projects.

*Environmental Restrictions*: The activities of the Company are subject to environmental regulations promulgated by government agencies in different countries from time to time. Environmental legislation generally provides for restrictions and prohibitions on spills, releases or emissions into the air, discharges into water, management of waste, management of hazardous substances, protection of natural resources, antiquities and endangered species and reclamation of lands disturbed by mining operations. Certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which means stricter standards, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations.

*Regulatory Requirements*: The activities of the Company are subject to extensive regulations governing various matters, including environmental protection, management and use of toxic substances and explosives, management of natural resources, exploration, development of mines, production and post-closure reclamation, exports, price controls, taxation, regulations concerning business dealings with indigenous peoples, labour standards on occupational health and safety, including mine safety, and historic and cultural preservation. Failure to comply with applicable laws and regulations may result in civil or criminal fines or penalties, enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions, any of which could result in the Company incurring significant expenditures. The Company may also be required to compensate those suffering loss or damage by reason of a breach of such laws, regulations or permitting requirements. It is also possible that future laws and regulations, or more stringent enforcement of current laws and regulations by governmental authorities, could cause additional expense, capital expenditures, restrictions on or suspension of the Company's operations and delays in the exploration and development of the Company's properties.

*Limited Experience with Development-Stage Mining Operations*: The Company has limited experience in placing resource properties into production, and its ability to do so will be dependent upon using the services of appropriately experienced personnel or entering into agreements with other major resource companies that can provide such expertise. There can be no assurance that the Company will have available to it the necessary expertise when and if it places its resource properties into production.

*Enforcement of Civil Liabilities*: As substantially all of the assets of the Company and its subsidiaries are located outside of Canada, and certain of the directors and officers of the Company are resident outside of Canada, it may be difficult or impossible to enforce judgements granted by a court in Canada against the assets of the Company or the directors and officers of the Company residing outside of Canada.

*Mining Industry is Intensely Competitive*: The Company's business of the acquisition, exploration and development of mineral properties is intensely competitive. The Company may be at a competitive disadvantage in acquiring additional mining properties because it must compete with other individuals and companies, many of which have greater financial resources, operational experience and technical capabilities than the Company. The Company may also encounter increasing competition from other mining companies in efforts to hire experienced mining professionals. Competition for exploration resources at all levels is currently very intense, particularly affecting the availability of manpower, drill rigs and helicopters. Increased competition could adversely affect the Company's ability to attract necessary capital funding or acquire suitable producing properties or prospects for mineral exploration in the future.

*The Company may be a "passive foreign investment company" under the U.S. Internal Revenue Code, which may result in material adverse U.S. federal income tax consequences to investors in Common Shares that are U.S. taxpayers*: Investors in the Company's common shares that are U.S. taxpayers should be aware that the Company expects it will be in the current year, a "passive foreign investment company" under Section 1297(a) of the U.S. Internal Revenue Code (a "PFIC"). If the Company is or becomes a PFIC, generally any gain recognized on the sale of its common shares and any "excess distributions" (as specifically defined) paid on its common shares must be rateably allocated to each day in a U.S. taxpayer's holding period for the common shares. The amount of any such gain or excess distribution allocated to prior years of such U.S. taxpayer's holding period for the common shares generally will be subject to U.S. federal income tax at the highest tax applicable to ordinary income in each such prior year, and the U.S. taxpayer will be required to pay interest on the resulting tax liability for each such prior year, calculated as if such tax liability had been due in each such prior year.

Alternatively, a U.S. taxpayer that makes a "qualified electing fund" (a "QEF") election with respect to the Company generally will be subject to U.S. federal income tax on such U.S. taxpayer's pro rata share of the Company's "net capital gain" and "ordinary earnings" (as specifically defined and calculated under U.S. federal income tax rules), regardless of whether such amounts are actually distributed by the Company. U.S. taxpayers should be aware, however, that there can be no assurance that the Company will satisfy record keeping requirements under the QEF rules or that the Company will supply U.S. taxpayers with required information under the QEF rules, in event that the Company is a PFIC and a U.S. taxpayer wishes to make a QEF election. As a second alternative, a U.S. taxpayer may make a "mark-to-market election" if the Company is a PFIC and its common shares are "marketable stock" (as specifically defined). A U.S. taxpayer that makes a mark-to-market election generally will include in gross income, for each taxable year in which the Company is a PFIC, an amount equal to the excess, if any, of (a) the fair market value of the common shares as of the close of such taxable year over (b) such U.S. taxpayer's adjusted tax basis in the common shares.

The above paragraphs contain only a brief summary of certain U.S. federal income tax considerations. Investors should consult their own tax advisor regarding the PFIC rules and other U.S. federal income tax consequences of the acquisition, ownership, and disposition of common shares of the Company.

## Selected Financial Information

### Selected Annual Information

The Company's consolidated financial statements for the years ended May 31, 2014 and 2013 (the "Financial Statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The following selected financial information for the years ended May 31, 2014 and May 31, 2013 is taken from the Company's audited consolidated financial statements for the year ended May 31, 2014. The information for the year ended May 31, 2012 is taken from the audited consolidated financial statements for the year ended May 31, 2013. This information should be read in conjunction with those statements. Selected annual financial information appears below.

| **Description** | **May 31, 2014 $** (annual) | **May 31, 2013 $** (annual) | **May 31, 2012 $** (annual) |
|---|---|---|---|
| Interest Income | 41,912 | 53,921 | 19,667 |
| Consulting fees (including share-based payment charges) | 670,217 | 584,990 | 341,494 |
| Property investigation expenditures | - | (111) | 11,125 |
| Wages and benefits (including share-based payment charges) | 1,871,740 | 2,028,142 | 885,870 |
| Professional fees (including share-based payment charges) | 483,191 | 511,746 | 343,026 |
| Investor relations (including share-based payment charges) | 1,148,833 | 1,050,508 | 435,071 |
| Foreign exchange gain (loss) | (8,016) | (1,570) | 16,219 |
| Write-off of exploration and evaluation assets | (617,304) | (330,410) | - |
| Loss on sale of exploration and evaluation assets | (1,631,436) | - | - |
| Unrealized loss on marketable securities | (26,388) | - | - |
| Loss for the year | (7,025,797) | (5,068,741) | (2,531,387) |
| Basic and Diluted Loss per share | (0.10) | (0.09) | (0.06) |
| **Balance sheet:** | | | |
| Cash and cash equivalents | 3,227,970 | 7,867,270 | 6,800,377 |
| Total Current Assets | 3,493,073 | 8,077,364 | 6,947,976 |
| Exploration and evaluation assets | 33,843,671 | 28,030,332 | 18,701,812 |
| Long term financial liabilities | 260,208 | 248,832 | - |
| Cash dividends | N/A | N/A | N/A |

**Year ended May 31, 2014 Compared to Year ended May 31, 2013**

For the year ended May 31, 2014, the Company had a net loss of $7,025,797 compared to a net loss of $5,068,741 in the prior year. Included in net loss was $1,600,866 (2013 - $1,799,218) in share-based payment charges which is a result of a combination of granting of 1,449,654 stock options (2013 - 2,425,846 stock options) and previously granted stock options which vested during the year. The increase in loss of $1,957,056 in the current year was due to a combination of factors discussed below.

Consulting fees increased to $670,217 (2013 - $584,990) mainly due to share-based payment charges of $448,193 during the current year compared to $399,990 in the prior year. There were also an increase of $29,524 in director fees and an increase of $7,500 in consulting fees in the current period compared to the prior period.

Investor relations expenses increased to $1,148,833 (2013 - $1,050,508). While share-based payment charges of $295,914 during the current year were less than the $397,983 in the prior year, this decrease was offset by an increase of $200,394 due to a combination of increases in investor relations-related travel, advertising and marketing, and the number of personnel engaged, all of which are associated with an increased push by the Company to make investors aware of the Company's business and the results of its ongoing activities.

Professional fees decreased to $483,191 (2013 - $511,746) primarily due to decreased share-based payment charges of $66,178 during the current period compared to $151,726 in the prior period somewhat offset by an increase of $56,993 in accounting and legal fees in the current period compared to the prior period as a result of costs incurred by the Company in restructuring its US subsidiaries.

Regulatory expenses increased to $118,637 (2013 - $62,368) due to additional filing and listing fees incurred in the current period.

Travel expenses decreased to $138,153 (2013 - $231,472) due to less attendance at trade shows and conferences in the current period compared to the prior period.

Wages and benefits decreased to $1,871,740 (2013 - $2,028,142) due to a decrease in share-based payment charges to $790,581 in the current period compared with $849,519 in the prior year and a decrease of $97,464 in wages and benefits in the current period due to a decrease in the number of employees.

Other expense categories which reflected only moderate change year over year were administration expenses of $11,133 (2013 - $3,187), bad debts of $22,118 (2013 - $nil), charitable donations of $1,172 (2013 - $8,595), depreciation expenses of $25,657 (2013 - $17,757), insurance expenses of $52,914 (2013 - $50,019), office expenses of $145,625 (2013 - $169,194), property investigation recovery of $nil (2013 – $111), and rent of $95,175 (2013 - $72,815).

Other items amounted to a loss of $2,241,232 compared to a loss of $278,059 in the prior period. There was a loss on sale of the Company's interest in the Terra property of $1,631,436 in the current period compared to $nil in the comparative period of the prior year, the write-off of the Company's interests in the West Pogo property in Alaska and the Gerfaut property in Quebec totaling $617,304 in the current period compared to a write-off of the Company's interest in the Gerfaut property of $330,410 in the prior period, and an unrealized loss on marketable securities of $26,388 in the current period compared to $nil in the prior period. There was also an increase in foreign exchange loss of $8,016 (2013 - $1,570), which is the result of factors outside of the Company's control, offset by an increase in interest income of $41,912 (2013 - $53,921) as a result of investments in cashable GICs during the current period.

Share-based Payment Charges

Share-based payment charges for the year ended May 31, 2014 of $1,650,077 (2013 - $1,872,072) were allocated as follows:

| 2014 | Before allocation of share-based payment charges | Share-based payment charges | After Allocation of share-based payment charges |
|---|---|---|---|
| Consulting | $ 222,024 | $ 448,193 | $ 670,217 |
| Investor relations | 852,919 | 295,914 | 1,148,833 |
| Professional fees | 417,013 | 66,178 | 483,191 |
| Wages and benefits | 1,081,159 | 790,581 | 1,871,740 |
| | | 1,600,866 | |
| Exploration and evaluation assets | | 49,211 | |
| | | $ 1,650,077 | |

| 2013 | Before allocation of share-based payment charges | Share-based payment charges | After Allocation of share-based payment charges |
|---|---|---|---|
| Consulting | $ 185,000 | $ 399,990 | $ 584,990 |
| Investor relations | 652,525 | 397,983 | 1,050,508 |
| Professional fees | 360,020 | 151,726 | 511,746 |
| Wages and benefits | 1,178,623 | 849,519 | 2,028,142 |
| | | 1,799,218 | |
| Exploration and evaluation assets | | 72,854 | |
| | | $ 1,872,072 | |

**Three months ended May 31, 2014 Compared to Three Months ended May 31, 2013**

For the three months ended May 31, 2014, the Company had a net loss of $1,774,264 compared to a net loss of $1,332,088 in the comparative period of the prior year. Included in net loss was $277,369 (2013 - $338,573) in share-based payment charges which is a result of previously granted stock options which vested during the period. The increase in loss of $442,176 in the three month period of the current year was due to a combination of factors discussed below.

Consulting fees decreased to $126,154 (2013 - $119,671) mainly due to share-based payment charges decreased to $81,154 in the current period from $74,671 in the prior period.

Investor relations expenses increased to $271,023 (2013 - $230,390) due to decreased share-based payment charges of $50,150 during the current period compared to $76,755 in the prior period, this decrease was offset by an increase of $67,238 due to a combination of increases in investor relations-related travel, advertising and marketing, and the number of personnel engaged, all of which are associated with an increased push by the Company to make investors aware of the Company's business and the results of its ongoing activities.

Professional fees increased to $149,680 (2013 - $132,804) primarily due to decreased share-based payment charges of $11,025 during the current period compared to $27,679 in the prior period somewhat offset by an increase of $33,530 in accounting fees in the current period compared to the prior period as a result of costs incurred by the Company in restructuring its US subsidiaries.

Regulatory expenses increased to $36,167 (2013 - $6,609) due to additional filing and listing fees incurred in the current period.

Travel expenses increased to $54,491 (2013 - $37,521) due to less attendance at trade shows and conferences in the current period compared to the prior period.

Wages and benefits decreased to $387,077 (2013 - $403,685) mainly due to share-based payment charges decreased to $135,040 in the current period from $159,468 in the prior period.

Other expense categories that reflected only moderate change period over period were administration expenses of $3,093 (2013 - $987), charitable donations of $550 (2013 - $ nil), , depreciation expenses of $10,681 (2013 - $8,492), insurance expenses of $13,776 (2013 - $13,536), office expenses of $40,287 (2013 - $47,791), rent expenses of $25,259 (2013 – $20,787) and travel expenses of $54,491 (2013 - $37,521).

Other items amounted to a loss of $633,908 compared to a loss of $309,815 in the prior period. This was mainly due to the write-off of the Company's interest in the West Pogo property in Alaska of $614,456 in the current period compared to a write-off of the Company's interest in the Gerfaut property of $330,410 in the prior period and an unrealized loss on marketable securities of $26,388 in the current period compared to $nil in the comparative period of the prior year. There was an increase in foreign exchange to a gain of $3,481 (2013 - $1,269), which is the result of factors outside of the Company's control and a decrease in interest income of $3,455 (2013 - $19,326) as a result of less investment in cashable GIC during the current period.

**Supplemental Information:**

**Comparison to Selected Prior Quarterly Periods**

The following selected financial information is a summary of quarterly results taken from the Company's unaudited quarterly consolidated financial statements:

| **Description** | **May 31, 2014** | **February 28, 2014** | **November 30, 2013** | **August 31, 2013** |
|---|---|---|---|---|
| Interest income | $ 3,455 | $ 5,026 | $ 10,141 | $ 23,290 |
| Write-off of exploration and evaluation costs | (614,456) | (457) | (753) | (1,638) |
| Loss on sale of exploration and evaluation costs | - | (1,631,436) | - | - |
| Unrealized loss on marketable securities | (26,388) | - | - | - |
| Net loss for the period | (1,774,264) | (2,912,690) | (1,065,502) | (1,273,341) |
| Basic and diluted loss per common share | $ (0.03) | $ (0.04) | $ (0.02) | $ (0.02) |

| **Description** | **May 31, 2013** | **February 28, 2013** | **November 30, 2012** | **August 31, 2012** |
|---|---|---|---|---|
| Interest income | $ 19,326 | $ 10,114 | $ 10,213 | $ 14,268 |
| Write-off of exploration and evaluation costs | (330,410) | - | - | - |
| Loss on sale of exploration and evaluation costs | - | - | - | - |
| Unrealized loss on marketable securities | - | - | - | - |
| Net loss for the period | (1,332,088) | (1,370,716) | (1,752,658) | (613,279) |
| Basic and diluted loss per common share | $ (0.03) | $ (0.02) | $ (0.03) | $ (0.01) |

The previous discussion considers the reasons for some of the variations in the quarterly numbers but, as with most junior mineral exploration companies, the results of operations (including interest income and net losses) are not the main factor in establishing the financial health of the Company. Of far greater significance are the mineral properties in which the Company has, or may earn an interest in its working capital and how many shares it has outstanding. The variation seen over such quarters is primarily dependent upon the success of the Company's ongoing property evaluation program and the timing and results of the Company's exploration activities on its then current properties, none of which are possible to predict with any accuracy. There are no general trends regarding the Company's quarterly results, and the Company's business of mineral exploration is not seasonal. The write-off of exploration and evaluation assets can have a material effect on quarterly results as and when they occur. Another factor which can cause a material variation in net loss on a quarterly basis is the grant of stock options due to the resulting share-based payment charges which can be significant when they arise. General operating costs other than the specific items noted above tend to be quite similar from period to period. The variation in income is related solely to the interest earned on funds held by the Company, which is dependent upon the success of the Company in raising the required financing for its activities which will vary with overall market conditions, and is therefore difficult to predict.

**Liquidity and Capital Resources**

The Company has no revenue generating operations from which it can internally generate funds. To date, the Company's ongoing operations have been financed by the sale of its equity securities by way of private placements and the exercise of incentive stock options and share purchase warrants. The Company believes that it will be able to secure additional private placements and public financings in the future, although it cannot predict the size or pricing of any such financings. In addition, the Company can raise funds through the sale of interests in its mineral properties, although current market conditions have substantially reduced the number of potential buyers/acquirers of any such interest(s). This situation is unlikely to change until such time as the Company can develop a bankable feasibility study on one of its projects. When acquiring an interest in mineral properties through purchase or option, the Company will sometimes issue common shares to the vendor or optionee of the property as partial or full consideration for the property interest in order to conserve its cash.

The Company reported cash and cash equivalents of $3,227,970 as at May 31, 2014 compared to $7,867,270 as at May 31, 2013. The change in cash position was the net result of $8,851,306 used in net exploration expenditures on exploration and evaluation costs, on property and equipment, and for a reclamation deposit, $3,052,255 used for operating activities, $1,976,580 received from sale of exploration and evaluation costs and $5,237,988 received from the private placement and exercise of stock options during the current year.

As at May 31, 2014, the Company had working capital of $2,870,123 compared to working capital of $7,556,914 as at May 31, 2013. The Company expects that it will operate at a loss for the foreseeable future and believes the current cash and cash equivalents will be sufficient for it to maintain its currently held properties, and fund its currently anticipated general and administrative costs, for the balance of the year ending May 31, 2015. The Company's current anticipated operating expenses (not including the planned Phase II exploration program to be funded by the proposed offering) are $3,200,000 until May 31, 2015. The Company's anticipated burn rate averages approximately $341,666 for June to August, 2014, where approximately $241,666 is for administrative purposes and approximately $100,000 is for planned exploration expenditures related to the completion of the ongoing Phase I exploration program at the NBP. From September 2014 to May 2015, the monthly burn rate averages approximately $241,666, all of which is for administrative purposes, including land holding costs for the Company's currently held mineral properties. In addition to the proposed Offering, the Company anticipates that it will pursue additional public or private equity financings in late 2014 to raise additional funds for additional exploration at the NBP. In any event, the Company will be required to raise additional funds, again through public or private equity financings, prior to the end of May 2015 in order to continue in business. Should such financing not be available in that time-frame, the Company will be required to reduce its activities and will not be able to carry out all of its presently planned exploration and development activities at the NBP on its currently anticipated scheduling.

Other than the proposed Offering, the Company currently has no further funding commitments or arrangements for additional financing at this time (other than the potential exercise of options) and there is no assurance that the Company will be able to obtain additional financing on acceptable terms, if at all. There is significant uncertainty that the Company will be able to secure any additional financing in the current equity markets - see "Risk Factors - Insufficient Financial Resources/Share Price Volatility". The quantity of funds to be raised and the terms of any proposed equity financing that may be undertaken will be negotiated by management as opportunities to raise funds arise. Specific plans related to the use of proceeds will be devised once the proposed Offering has been completed and management knows what funds will be available for these purposes.

The Company has no exposure to any asset-backed commercial paper. Other than cash held by its subsidiaries for their immediate operating needs in Alaska and Nevada, all of the Company's cash reserves are on deposit with a major Canadian chartered bank. The Company does not believe that the credit, liquidity or market risks with respect thereto have increased as a result of the current market conditions. However, in order to achieve greater security for the preservation of its capital, the Company has, of necessity, been required to accept lower rates of interest, which has also lowered its potential interest income.

The following table discloses the Company's contractual obligations for mineral claim payments, mineral property lease and option payments and committed operating lease obligations. The Company does not have any long-term debt or loan obligations. Under the terms of certain option agreements and mineral property leases, the Company is required to make certain scheduled acquisition payments, incur certain levels of expenditures, and make lease and/or advance royalty payments as summarized in the table below in order to maintain and preserve the Company's interests in the related mineral properties. If the Company is unable or unwilling to make any such payments or incur such expenditures, the Company would lose or forfeit its rights to acquire or hold the related mineral properties. However, such payments are optional, and the Company can choose not to make such payments.

| | **Payments Due by Period(4)** | | | | |
|---|---|---|---|---|---|
| **Contractual Obligations** | ***Total*** | ***Prior to May 31, 2015*** | ***June 1, 2015 to May 31, 2017*** | ***June 1, 2017 to May 31, 2020*** | ***June 1, 2020 to May 31, 2023*** |
| *Mineral Property Leases/Options(1)(2)(3)(5)* | $5,556,018 | $701,391 | $1,307,139 | $1,808,244 | $1,739,244 |
| *Operating Lease Obligations(5)* | $466,497 | $39,985 | $106,628 | $159,942 | $159,942 |
| *Total Contractual Obligations* | $6,022,515 | $741,376 | $1,413,767 | $1,968,186 | $1,899,186 |

Notes:

1. Does not include required work expenditures, as it is assumed that the required expenditure level is significantly below the work which will actually be carried out by the Company.
2. Does not include potential royalties that may be payable (including annual minimum royalty payments based on future prices and actual royalties paid) or any potential royalty buyouts or buydowns.
3. Payments of ITH shares assume fair value of $0.49 (closing price on May 31, 2014).
4. Assumes CAD and USD at par.
5. Assumes that the Company will renew all leases at the end of the original lease term.

## Transactions with Related Parties

During the year ended May 31, 2014, the Company entered into the following transactions with related parties and paid or accrued the following amounts, excluding share-based payment charges, in connection therewith:

| Name | Relationship | Purpose of transaction | Amount |
|---|---|---|---|
| Jeffrey Pontius | CEO of the Company | Wages and benefits | $ 262,631 |
| Russell Myers | President of the Company | Wages and benefits | $ 237,510 |
| Carl Brechtel | COO of the Company | Wages and benefits | $ 252,709 |
| Blue Pegasus Consulting Inc. | Company controlled by the CFO of the Company | Consulting | $ 97,000 |
| Lawrence W. Talbot Law Corporation | Company controlled by the VP and General Counsel of the Company | Professional fees | $ 84,907 |
| Quatloo Investment Inc. | Company controlled by the VP Corporate Communications of the Company | Consulting | $ 172,500 |
| Steve Aaker | Director of the Company | Director Fees | $ 20,500 |
| Edward Yarrow | Director of the Company | Director Fees | $ 20,750 |
| Anton Drescher | Director of the Company | Director Fees | $ 22,000 |
| Rowland Perkins | Director of the Company | Director Fees | $ 22,000 |
| Catherine Gignac | Director of the Company | Director Fees | $ 14,524 |

During the year ended May 31, 2014 and to the date of this MD&A, the following stock options were granted to insiders.

| Name | Relationship | Grant Date | Number Granted | Exercise Price |
|---|---|---|---|---|
| Jeffrey Pontius | CEO of the Company | August 16, 2013 | 500,000 | $ 0.76 |
| Russell Myers | President of the Company | August 16, 2013 | 300,000 | $ 0.76 |
| Carl Brechtel | COO of the Company | August 16, 2013 | 300,000 | $ 0.76 |
| Peggy Wu | CFO of the Company | August 16, 2013 | 100,000 | $ 0.76 |
| Lawrence W. Talbot | VP and General Counsel of the Company | August 16, 2013 | 50,000 | $ 0.76 |
| Quentin Mai | VP Corporate Communications of the Company | August 16, 2013 | 300,000 | $ 0.76 |
| Steve Aaker | Director of the Company | August 16, 2013 | 100,000 | $ 0.76 |
| Edward Yarrow | Director of the Company | August 16, 2013 | 100,000 | $ 0.76 |
| Anton Drescher | Director of the Company | August 16, 2013 | 150,000 | $ 0.76 |
| Rowland Perkins | Director of the Company | August 16, 2013 | 150,000 | $ 0.76 |
| Catherine Gignac | Director of the Company | August 16, 2013 | 150,000 | $ 0.76 |

The foregoing incentive stock options have a term of 5 years and are subject to vesting provisions, whereby 33.30% vest upon grant, and additional 33.30% on the first anniversary of the date of grant and the balance on the second anniversary of the date of grant.

During the year ended May 31, 2014 and to the date of this MD&A, the following stock options previously granted to insiders vested as to the following amounts:

| Name | Relationship | Vesting Date | Number Vested | Exercise Price |
|---|---|---|---|---|
| Jeffrey Pontius | CEO of the Company | July 29, 2013 | 33,400 | $ 0.50 |
| | | August 16, 2013 | 166,500 | $ 0.76 |
| Russell Myers | President of the Company | August 16, 2013 | 99,900 | $ 0.76 |
| Carl Brechtel | COO of the Company | August 16, 2013 | 99,900 | $ 0.76 |
| | | November 17, 2013 | 33,300 | $ 0.67 |
| | | May 29, 2014 | 33,300 | $ 0.92 |
| Peggy Wu | CFO of the Company | August 16, 2013 | 33,300 | $ 0.76 |
| | | November 17, 2013 | 16,650 | $ 0.67 |
| Lawrence W. Talbot | VP and General Counsel of the Company | August 16, 2013 | 16,650 | $ 0.76 |
| Quentin Mai | VP Corporate Communications of the Company | August 16, 2013 | 99,900 | $ 0.76 |
| | | May 29, 2014 | 66,600 | $ 0.92 |
| Steve Aaker | Director of the Company | July 29, 2013 | 33,400 | $ 0.50 |
| | | August 16, 2013 | 33,300 | $ 0.76 |
| Edward Yarrow | Director of the Company | July 29, 2013 | 33,400 | $ 0.50 |
| | | August 16, 2013 | 33,300 | $ 0.76 |
| Anton Drescher | Director of the Company | July 29, 2013 | 33,400 | $ 0.50 |
| | | August 16, 2013 | 49,950 | $ 0.76 |
| Rowland Perkins | Director of the Company | July 29, 2013 | 33,400 | $ 0.50 |
| | | August 16, 2013 | 49,950 | $ 0.76 |
| Catherine Gignac | Director of the Company | August 16, 2013 | 49,950 | $ 0.76 |

During the three month period ended May 31, 2014, the Company entered into the following transactions with related parties and paid or accrued the following amounts, excluding share-based payment charges, in connection therewith:

| Name | Relationship | Purpose of transaction | Amount |
|---|---|---|---|
| Jeffrey Pontius | CEO of the Company | Wages and benefits | $ 54,977 |
| Russell Myers | President of the Company | Wages and benefits | $ 49,479 |
| Carl Brechtel | COO of the Company | Wages and benefits | $ 49,479 |
| Blue Pegasus Consulting Inc. | Company controlled by the CFO of the Company | Consulting | $ 18,000 |
| Lawrence W. Talbot Law Corporation | Company controlled by the VP and General Counsel of the Company | Professional fees | $ 23,907 |
| Quatloo Investment Inc. | Company controlled by the VP Corporate Communications of the Company | Investor Relations | $ 37,500 |
| Steve Aaker | Director of the Company | Director Fees | $ 4,500 |
| Edward Yarrow | Director of the Company | Director Fees | $ 4,500 |
| Anton Drescher | Director of the Company | Director Fees | $ 4,500 |
| Rowland Perkins | Director of the Company | Director Fees | $ 4,500 |
| Catherine Gignac | Director of the Company | Director Fees | $ 4,500 |

During the three month period ended May 31, 2014 and to the date of this MD&A there were no stock options granted to insiders.

During the three month period ended May 31, 2014 and to the date of this MD&A, the following stock options previously granted to insiders vested as to the following amounts:

| Name | Relationship | Vesting Date | Number Vested | Exercise Price |
|---|---|---|---|---|
| Carl Brechtel | COO of the Company | May 29, 2014 | 33,300 | $ 0.92 |
| Quentin Mai | VP Corporate Communications of the Company | May 29, 2014 | 66,600 | $ 0.92 |

The Company has entered into a retainer agreement dated June 1, 2011 with Lawrence W. Talbot Law Corporation ("LWTLC"), pursuant to which LWTLC agrees to provide legal services to the Company. Pursuant to the retainer agreement, the Company has agreed to pay LWTLC a minimum annual retainer of $72,000 (plus applicable taxes and disbursements). The retainer agreement may be terminated by LWTLC on reasonable notice, and by the Company on one year's notice (or payment of one year's retainer in lieu of notice). An officer of the Company is a director and shareholder of LWTLC.

The Company has also entered into change of control agreements during the period with the CEO, President and the COO of the Company. In the case of termination, the officers are entitled to an amount equal to a multiple (ranging from two times to three times) of the sum of the annual base salary then payable to the officer, the aggregate amount of bonus(es) (if any) paid to the officer within the calendar year immediate preceding the Effective Date of Termination, and an amount equal to the vacation pay which would otherwise be payable for the one year period next following the Effective Date of Termination.

## Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

## Proposed Transactions

As at the date of this MD&A there are no proposed transactions that the board of directors or senior management who believe that confirmation of the decision by the board is probable, have decided to proceed with and that have not been publicly disclosed.

## Critical Accounting Estimates

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting year. Areas requiring the use of estimates in the preparation of the Company's consolidated financial statements include the carrying value and the recoverability of the exploration and evaluation assets included in the Statements of Financial Position, the assumptions used to determine the fair value of share-based payments in the Statement of Comprehensive Loss, and the estimated amounts of reclamation and environmental costs. Management believes the estimates used are reasonable; however, actual results could differ materially from those estimates and, if so, would impact future results of operations and cash flows.

## Critical Accounting Judgements

Critical accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments. The Company has made the following critical accounting judgments:

- The determination of deferred tax assets and liabilities recorded in the financial statements.

- The determination of whether technical feasibility and commercial viability can be demonstrated for its exploration and evaluation assets. Once technical feasibility and commercial viability of a property can be demonstrated, it is reclassified from exploration and evaluation assets and subject to different accounting treatment. As at May 31, 2014 management had determined that no reclassification of exploration and evaluation assets was required.

- The determination of functional currency. In accordance with IAS 21 "The Effects of Changes in Foreign Exchange Rates", management determined that the functional currency of Corvus Gold (USA) Inc., Corvus Gold Nevada Inc., Raven Gold Alaska Inc. and SoN Land and Water LLc (collectively, together with the Company, the "Group") is US dollars and for all other entities within the Group, the functional currency is Canadian dollars, as these are the currencies of the primary economic environment in which the companies operate.

## Changes in Accounting Policies Including Initial Adoption

Please refer to Notes 2 of the Financial Statements for a comprehensive list of the accounting policies adopted and not yet adopted during the current year.

## Financial Instruments and Other Instruments

The carrying values of the Company's cash and cash equivalents, accounts receivable, marketable securities, and accounts payable and accrued liabilities, approximate their respective fair values due to their short-term maturity. Due to the short term of all such instruments, the Company does not believe that it is exposed to any material risk with respect thereto.

The Company's cash and cash equivalents at May 31, 2014 was $3,227,970 of which $2,280,992 was held in US dollars.

The Company's accounts receivables and payables at May 31, 2014 were normal course business items that are settled on a regular basis.

## Material Proceedings

The Company is not a party to any material proceedings.

## Management's Report on Internal Control over Financial Reporting

The management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process to provide reasonable assurance regarding the reliability of the Company's financial reporting for external purposes in accordance with IFRS. Internal control over financial reporting includes maintaining records that in reasonable detail accurately and fairly reflect the Company's transactions and dispositions of the assets of the Company; providing reasonable assurance that transactions are recorded as necessary for preparation of the Company's consolidated financial statements in accordance with IFRS; providing reasonable assurance that receipts and expenditures are made in accordance with authorizations of management and the directors of the Company; and providing reasonable assurance that unauthorized acquisition, use or disposition of Company's assets that could have a material effect on the Company's consolidated financial statements would be prevented or detected on a timely basis. Because of its inherent limitations, internal control over financial reporting is not intended to provide absolute assurance that a misstatement of the Company's consolidated financial statements would be prevented or detected.

Management conducted an evaluation of the effectiveness of the Company's internal control over financial reporting based on the framework and criteria established in *Internal Control – Integrated Framework*, issued by the Committee of Sponsoring Organizations of the Treadway Commission. This evaluation included review of the documentation of controls, evaluation of the design effectiveness of controls, testing of the operating effectiveness of controls and a conclusion on this evaluation. Based on this evaluation, management concluded that the Company's internal control over financial reporting was effective as of May 31, 2014.

## Changes in Internal Control over Financial Reporting

Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Chief Executive Officer and Chief Financial Officer have concluded that there has been no change in the Company's internal control over financial reporting during the quarter ended May 31, 2014 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

## Disclosure of Outstanding Share Data (At August 7, 2014)

### Authorized and Issued Capital Stock:

| Authorized | Issued | Value |
|---|---|---|
| An unlimited number of common shares without par value | 70,415,028 | $ 53,703,440 |

### Incentive Stock Options Outstanding:

| Number | Exercise Price | Expiry Date |
|---|---|---|
| 150,000 | $1.08 | September 27, 2014 |
| 483,334 | $0.50 | July 29, 2016 |
| 210,000 | $0.67 | November 17, 2016 |
| 300,000 | $0.92 | May 29, 2017 |
| 2,561,900 | $0.96 | September 19, 2017 |
| 2,470,000 | $0.76 | August 16, 2018 |
| 6,175,234 | | |

**Warrants Outstanding: None.**

## Additional Sources of Information

Additional disclosures pertaining to the Company, including its most recent Annual Information Form, financial statements, material change reports, press releases and other information, are available on the SEDAR website at www.sedar.com or on the Company's website at www.corvusgold.com. Readers are urged to review these materials, including the technical reports filed with respect to the Company's mineral properties.