

## **ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

*The following discussion and analysis should be read in conjunction with our unaudited condensed interim consolidated financial statements for the six months ended November 30, 2015, and the related notes thereto, which have been prepared in accordance with generally accepted accounting principles in the United States ("U.S. GAAP"). This discussion and analysis contains forward-looking statements and forward-looking information that involve risks, uncertainties and assumptions. Our actual results may differ materially from those anticipated in these forward-looking statements and information as a result of many factors. See section heading "Note Regarding Forward-Looking Statements" below. All currency amounts are stated in Canadian dollars unless noted otherwise.*

### **CAUTIONARY NOTE TO U.S. INVESTORS REGARDING ESTIMATES OF MEASURED, INDICATED AND INFERRED RESOURCES AND PROVEN AND PROBABLE RESERVES**

Corvus Gold Inc. ("we", "us", "our," "Corvus" or the "Company") is a mineral exploration company engaged in the acquisition and exploration of mineral properties. The mineral estimates in the Technical Report referenced in this Quarterly Report on Form 10-Q have been prepared in accordance with the requirements of the securities laws in effect in Canada, which differ from the requirements of United States securities laws. As used in the Technical Report referenced in this Quarterly Report on Form 10-Q, the terms "mineral reserve", "proven mineral reserve" and "probable mineral reserve" are Canadian mining terms as defined in accordance with Canadian National Instrument 43-101 "Standards of Disclosure for Mineral Projects" ("NI 43-101") and the Canadian Institute of Mining, Metallurgy and Petroleum (the "CIM") CIM Definition Standards on Mineral Resources and Mineral Reserves, adopted by the CIM Council, as amended. These definitions differ from the definitions in the United States Securities and Exchange Commission ("SEC") Industry Guide 7 ("SEC Industry Guide 7"). Under SEC Industry Guide 7 standards, a "final" or "bankable" feasibility study is required to report reserves, the three-year historical average price is used in any reserve or cash flow analysis to designate reserves, and the primary environmental analysis or report must be filed with the appropriate governmental authority.

In addition, the terms "mineral resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource" are defined in and required to be disclosed by NI 43-101; however, these terms are not defined terms under SEC Industry Guide 7 and are normally not permitted to be used in reports and registration statements filed with the SEC. Investors are cautioned not to assume that all or any part of a mineral deposit in these categories will ever be converted into reserves. "Inferred mineral resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all, or any part, of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies, except in rare cases. Investors are cautioned not to assume that all or any part of an inferred mineral resource exists or is economically or legally mineable. Disclosure of "contained ounces" in a resource is permitted disclosure under Canadian regulations; however, the SEC normally only permits issuers to report mineralization that does not constitute "reserves" by SEC standards as in place tonnage and grade without reference to unit measures.

Accordingly, information contained in the Technical Report referenced in this report contain descriptions of our 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.

### **CAUTIONARY NOTE TO ALL INVESTORS CONCERNING ECONOMIC ASSESSMENTS THAT INCLUDE INFERRED RESOURCES**

The Company currently holds or has the right to acquire interests in an advanced stage exploration project in Nye County, Nevada referred to as the North Bullfrog Project (the "NBP"), and in an early stage exploration project in the Goodpaster District of central Alaska, referred to as the LMS Project ("LMS"). Mineral resources that are not mineral reserves have no demonstrated economic viability. The preliminary economic assessment on the NBP reported in the Company's Technical Report, "Technical Report and Preliminary Economic Assessment for Combined Mill and Heap Leach Processing at the North Bullfrog Project Bullfrog Mining District, Nye County, Nevada" with an effective date of June 16, 2015" is preliminary in nature and includes "inferred mineral resources" that have a great amount of uncertainty as to their existence, and are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. The Company's Technical Report on LMS, "Technical Report on the LMS Gold Project, Goodpaster District, Alaska" with an effective date of August 1, 2014 includes "inferred mineral resources" that have a great amount of uncertainty as to their existence, and are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. It cannot be assumed that all, or any part, of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies. There is no certainty that such inferred mineral resources at the NBP or LMS will ever be realized. Investors are cautioned not to assume that all or any part of an inferred mineral resource exists or is economically or legally mineable.

## NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q and the exhibits attached hereto contain “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, as amended, and “forward-looking information” within the meaning of applicable Canadian securities legislation, collectively “forward-looking statements”. Such forward-looking statements concern our anticipated results and developments in the operations of the Company in future periods, planned exploration activities, the adequacy of the Company’s financial resources and other events or conditions that may occur in the future. Forward-looking statements are frequently, but not always, identified by words such as “expects,” “anticipates,” “believes,” “intends,” “estimates,” “potential,” “possible” and similar expressions, or statements that events, conditions or results “will,” “may,” “could” or “should” (or the negative and grammatical variations of any of these terms) occur or be achieved. These forward looking statements may 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 NBP;
- the Company’s estimates of the quality and quantity of the mineral 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 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 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.

Such forward-looking statements reflect the Company’s current views with respect to future events and are subject to certain known and unknown risks, uncertainties and assumptions. Many factors could cause actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, among others, risks related to:

- to our requirement of significant additional capital;
- to our limited operating history;
- to our history of losses;
- to cost increases for our exploration and, if warranted, development projects;
- to our properties being in the exploration stage;
- to mineral exploration and production activities;
- to our lack of mineral production from our properties;
- to estimates of mineral resources;
- to changes in mineral resource estimates;
- to differences in United States and Canadian mineral reserve and mineral resource reporting;
- to our exploration activities being unsuccessful;
- to fluctuations in gold, silver and other metal prices;
- to our ability to obtain permits and licenses for production;
- government and environmental regulations that may increase our costs of doing business or restrict our operations;
- proposed legislation that may significantly affect the mining industry;
- land reclamation requirements;
- competition in the mining industry;
- equipment and supply shortages;

- current and future joint ventures and partnerships;
- our ability to attract qualified management;
- the ability to enforce judgment against certain of our Directors;
- currency fluctuations;
- claims on the title to our properties;
- surface access on our properties;
- potential future litigation;
- our lack of insurance covering all our operations;
- our status as a “passive foreign investment company” under US federal tax code; and
- the Common Shares.

Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein. This list is not exhaustive of the factors that may affect any of the Company’s forward-looking statements. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company or other future events or conditions may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors, including without limitation those discussed in Part I, Item 1A, Risk Factors, of our Annual Report on Form 10-K, as filed with the SEC on August 26, 2015, which are incorporated herein by reference, as well as other factors described elsewhere in this report and the Company’s other reports filed with the SEC.

The Company’s forward-looking statements contained in this Quarterly Report on Form 10-Q are based on the beliefs, expectations and opinions of management as of the date of this report. The Company does not assume any obligation to update forward-looking statements if circumstances or management’s beliefs, expectations or opinions should change, except as required by law. For the reasons set forth above, investors should not attribute undue certainty to or place undue reliance on forward-looking statements.

## **Current Business Activities**

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### **General**

The Company’s material mineral property is the NBP, an advanced exploration 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 two early stage projects in Alaska (Chisna and LMS) through its Alaskan subsidiary, Raven Gold Alaska Inc. (“Raven Gold”).

The primary focus of the Company will be to leverage its exploration expertise to expand its existing deposits and discover major new gold deposits. Other than with respect to the ongoing exploration of the NBP, the Company’s strategy is to leverage its other non-core assets by monetizing them for cash payments and maintaining a retained royalty and or carried interest for future value streams. To meet this objective, the Company has completed the sale of its West Pogo property and its surrounding regional database for cash payments to the Company and a retained royalty. In addition, the Company is looking to sell its LMS Project and Chisna Project under similar terms.

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

- NBP Exploration: A second phase of the 2015 drilling campaign started in August and continued until December 11, 2015. Phase 2 of the 2015 drilling focused on assessing the expansion potential of the high-grade Yellowjacket deposit and surrounding vein systems, following up targets identified in Savage Valley and East Bullfrog, and generally assessing the potential for discovery of new high-grade systems throughout the North Bullfrog District.
- New structural zones with high grade intercepts were identified on both the east and west sides of the YellowJacket deposit; the Rhyolite Zone and the NW Sierra Blanca Zone.
- Initial drilling in the new East Bullfrog area discovered low-grade gold and silver mineralization in the Alunite Hill target area and a number of new targets have been developed from the recent large soil survey of the area. Drilling in the East Bullfrog area was extended into the Vinegaroon and Cat Hill targets.
- On September 1, 2015, the Company closed a non-brokered private placement equity financing with Resource Capital Fund and issued 4,255,320 common shares at a price of \$0.47 per share for gross proceeds of \$2,000,000. The funding will be used to continue exploration on the NBP and for general corporate costs.
- On September 9, 2015, the Company granted incentive stock options to consultants and employees of the Company to purchase 640,000 common shares in the share capital of the Company. The options are exercisable on or before September 9, 2020 at a price of \$0.46 per share. The options will vest as to 33.3% on September 9, 2015, 33.3% on September 9, 2016, and 33.4% on September 9, 2017.
- On November 13, 2015, the Company granted incentive stock options to consultants and employees of the Company to purchase 1,010,000 common shares in the share capital of the Company. The options are exercisable on or before

November 13, 2020 at a price of \$0.49 per share. The options will vest as to 33.3% on November 13, 2015, 33.3% on November 13, 2016, and 33.4% on November 13, 2017.

- Chisna Project in Alaska has been reduced to the core claims covering the Grubstake copper-gold porphyry system. The Chisna claims and the surrounding regions geologic database are being offered for sale.

Corvus held its Annual General Meeting on October 9, 2015 in Vancouver, British Columbia. All resolutions put forward were approved, and the following individuals were re-elected as directors of the Company: Steven Aaker, Anton Drescher, Catherine Gignac, Edward Yarrow, Rowland Perkins and Jeffrey Pontius.

## **Corporate Financial Activities**

On September 1, 2015, Corvus Gold Inc. closed a \$2,000,000 non-brokered private placement at \$0.47. Under the terms of the agreement, the Company issued 4,255,320 common shares with no warrant and a 6 month hold period on the stock. With the completion of this financing, Resource Capital Fund joins the growing list of other major long-company, long-gold Corvus Gold shareholders.

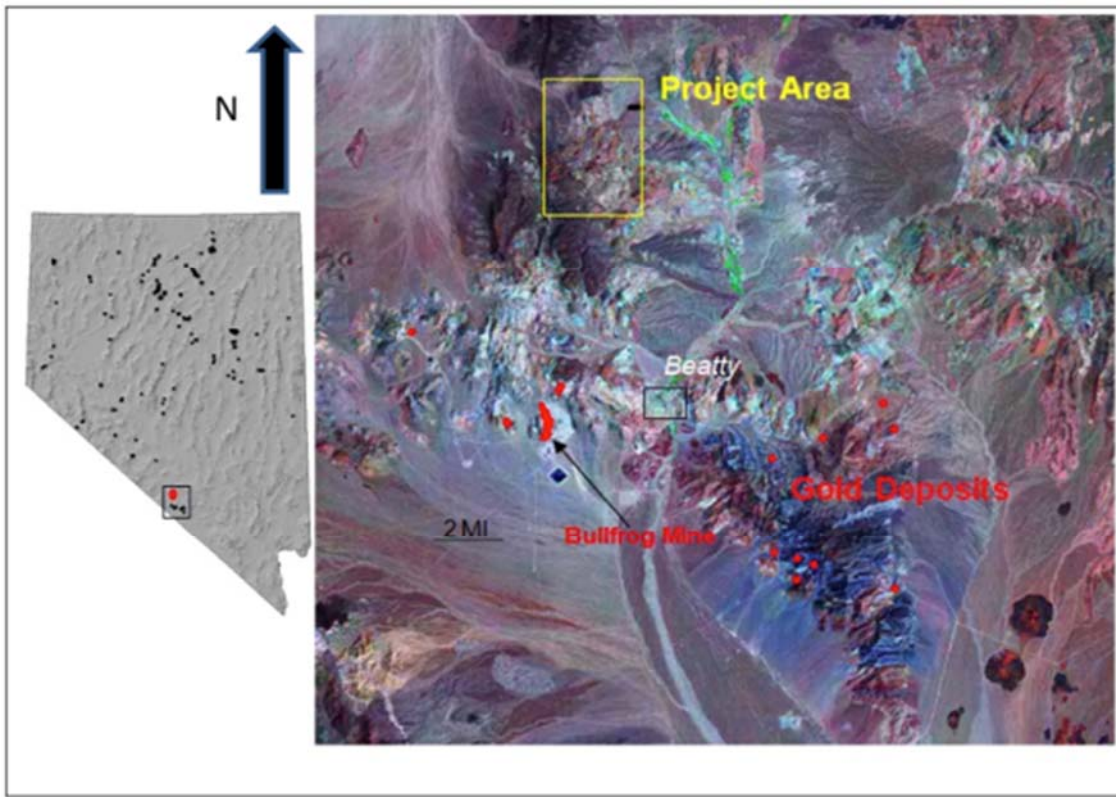
On December 17, 2015 Corvus Nevada paid off the US\$240,000 promissory note remaining from purchase of the 5 Millman patented claims adjacent to the Mayflower deposit at NBP.

## **Nevada Property**

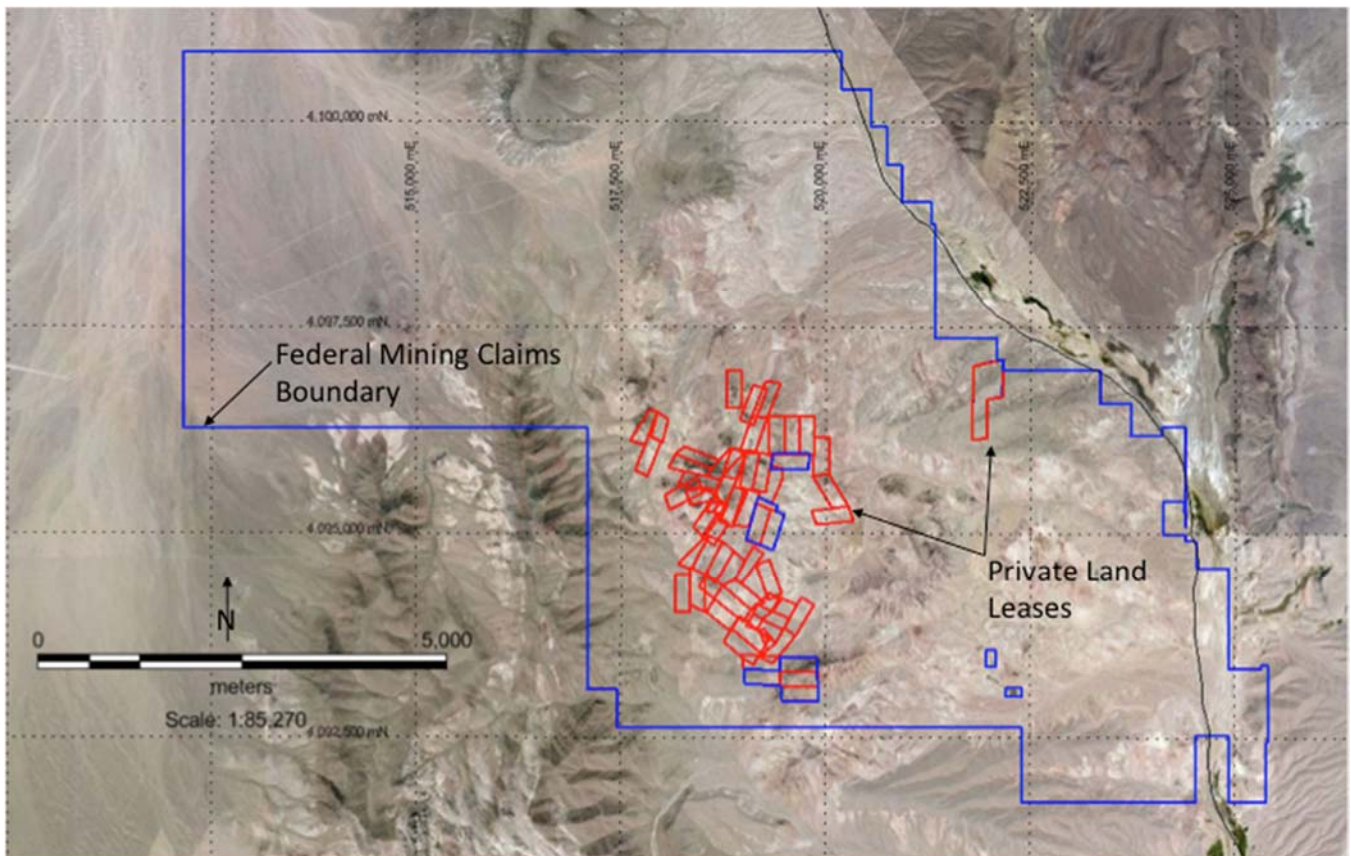
### ***North Bullfrog Project***

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 does not have any known proven or probable reserves under SEC Industry Guide 7 and the project is exploratory in nature. A NI 43-101 technical report entitled “Technical Report and Preliminary Economic Assessment for Combined Mill and Heap Leach Processing at the North Bullfrog Project Bullfrog Mining District, Nye County, Nevada” with an effective date of June 16, 2015 (the “Technical Report”), and is available on SEDAR. The Technical Report is referred to herein for informational purposes only and is not incorporated herein by reference. The Technical Report contains disclosure regarding mineral resources that are not Guide 7 compliant proven or probable reserves, see “Cautionary Note to U.S. Investors Regarding Estimates of Measured, Indicated and Inferred Resources and Proven and Probable Reserves” above.

The NBP is located in the Bullfrog Hills of northwestern Nye County, Nevada (Figure 1). The NBP covers about 7,223 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 sections 6, 9, 15, 16, and 17 T11S, R47E, MDBM. We have a total of nine option/lease agreements in place that give us control of an aggregate of 51 patented lode mining claims (Figure 2). Corvus Nevada owns an additional 5 patented claims (the Millman claims) and a 430 acre property with 1600 acre-feet of water rights located north of NBP in the Sarcobatus hydrographic basin.



*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 red areas are the Leased Private Land (UTm NAD 27 Zone 11).*

## North Bullfrog District Wide Exploration Program

The Company is engaged in a District wide exploration program to assess the potential for further high-grade vein systems similar to the YellowJacket discovery, as well as assessing the potential for expanding the YellowJacket system itself.

A second phase of drilling of newly defined targets in the main Sierra Blanca/YellowJacket resource area and the new East Bullfrog exploration area began in August of this year and completed 8800 metres of reverse circulation drilling by December of this year. The program included the first modern exploration drilling ever done in the new and very large East Bullfrog target, a massive area of intense alteration covering some 14<sup>2</sup> kilometres. In addition the program tested a number of targets in and around the large Sierra Blanca/YellowJacket deposit which could host other YellowJacket or Bullfrog type systems.

### East Bullfrog Exploration

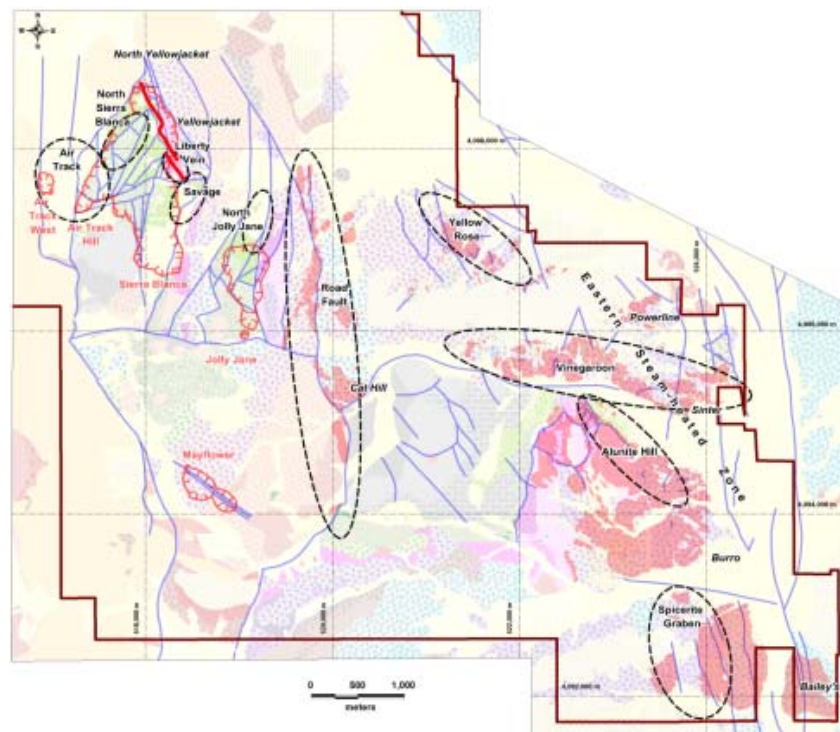
In September, positive results were returned from the initial two scout drill holes in the new Alunite Hill target within the previously untested East Bullfrog area. Results from these holes intersected multiple zones of low-grade gold and silver mineralization representing the first confirmation that gold-silver systems are present in this large untested target area (Table 1). Mineralization appears directly related to the large outcropping alteration system along a District scale NNW trending structural zone (Figure 3).

In addition final results from an initial soil survey of the East Bullfrog structural belt returned a number of surface gold and silver anomalies which correlate with the large NNW structural zones, enhancing targeting for follow-up drilling (Figure 4).

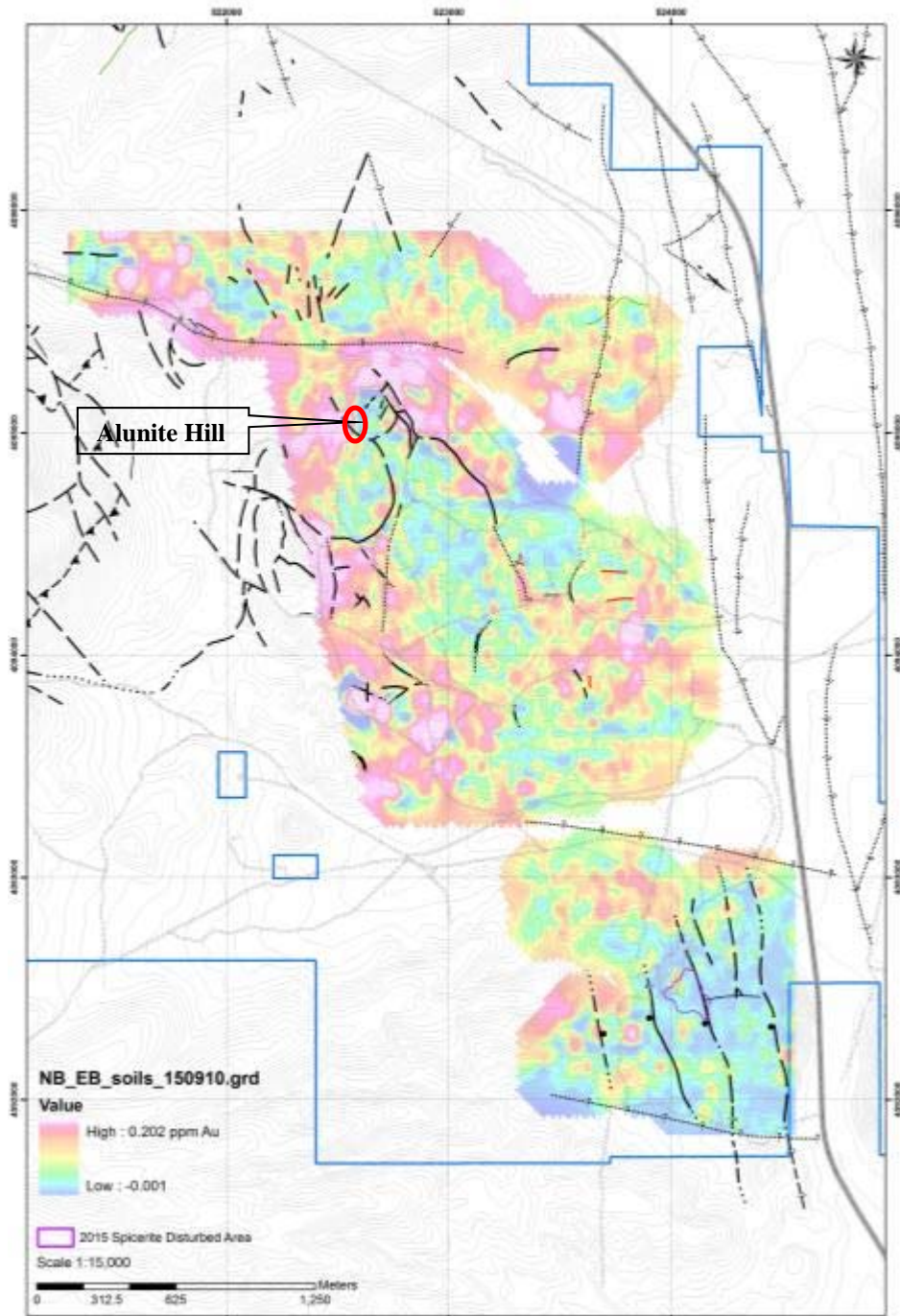
**Table 1: Initial Results from Alunite Hill Target**

*(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.)*

	From (m)	To (m)	Length (m)	Gold (g/t)	Silver (g/t)
<b>NB-15-260</b>	128.02	134.11	6.09	0.19	1.705
	192.02	193.55	1.52	0.105	8.790
<i>Notable Silver Zones</i>	<i>121.92</i>	<i>134.11</i>	<i>12.19</i>		<i>1.989</i>
	<i>140.21</i>	<i>147.83</i>	<i>7.62</i>		<i>3.088</i>
	<i>164.59</i>	<i>175.26</i>	<i>10.67</i>		<i>1.386</i>
<b>NB-15-261</b>	111.25	115.82	4.57	0.153	0.290
	121.92	124.97	3.04	0.171	0.475
	129.54	131.06	1.52	0.103	0.590



**Figure 3. North Bullfrog District scale target map.**



**Figure 4. East Bullfrog area gridded gold in soil map with hotter colors representing higher gold values.**

These initial drill results and the gridded soil sampling data were used as a basis to revise the East Bullfrog exploration plan, and a revised, and expanded Notice of Intent permit application was filed with the U.S. Department of the Interior, Bureau of Land Management (BLM) Tonopah Field Office and was approved in December, 2015.

#### *Eastern Area Scout Drilling*

Results from four scout holes drill in the Spicerite and North Spicerite targets have returned only minor low-grade gold intercepts. Holes NB-15-262, 263, 264 and 265 tested three structural zones in the south end of the East Bullfrog regional target area with negative results. Follow-up drilling in the East Bullfrog area focused on the newly emerging large targets at Vinegaroon and Cat Hill which have returned encouraging surface gold and silver anomalies. Drill results are pending for these two areas.

#### *Rhyolite Zone*

The second phase drilling produced a broad intercept from the Rhyolite Zone discovery northeast of the YellowJacket deposit (Table 2). The new high-grade intercept in hole NB-15-267 of 10.7m of 3.47 g/t Au and 3.6 g/t Ag is within a broad interval

of moderate grade mineralization (210m of 0.47 g/t Au and 1.4 g/t Ag) and represents a new center of gold-silver mineralization immediately east of the YellowJacket deposit (Figure 5). Other surrounding high-grade gold intervals from the Rhyolite Zone include hole NB-13-352 (NR13-29, Oct.29, 2013) with 2.4m of 7.57 g/t Au and hole NB-14-392 (NR14-17, Sept.4, 2014) with 9.77m of 3.77 g/t Au. The Rhyolite Zone mineralization is localized along a major NE trending structure which appears to be related to the large NE structures along the west side of the Sierra Blanca deposit to the southwest where earlier 2015 drilling intercepted higher level stockwork type mineralization (NB-15-425 with 4.1m @ 1.3 g/t Au and hole NB-15-426 with 3.7m @ 1.3 g/t Au shown in Figure 6).

**Table 2: Initial Results from Rhyolite Zone**

(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.)

	From (m)	To (m)	Length (m)*	Gold (g/t)	Silver (g/t)
<b>NB-15-267</b>	77.72	82.3	4.58	0.147	0.35
Azi 300 Incl -55	99.06	108.2	9.14	0.346	1.02
	112.78	323.08	210.31	0.472	1.41
<b>including vein/sw</b>	<b>173.74</b>	<b>184.4</b>	<b>10.66</b>	<b>3.471</b>	<b>3.59</b>
<b>including vein/sw</b>	<b>210.31</b>	<b>211.84</b>	<b>1.52</b>	<b>1.01</b>	<b>1.37</b>
<b>including vein/sw</b>	<b>225.55</b>	<b>227.08</b>	<b>1.52</b>	<b>1.09</b>	<b>2.76</b>

\* Mineralized thickness is calculated on a 0.10 g/t Au cutoff with internal vein/stockwork intervals calculated using a 1.0 g/t Au cutoff

The Rhyolite Zone is centered on a NE-trending, moderate to steeply SE-dipping quartz vein/stockwork zone, hosted in a rhyolite intrusive body. The zone was intersected in 2014 by oriented core holes NB-14-352 and 392 at approximately the same elevation, and about 25 meters apart which confirmed NE-strike. New hole NB-15-267 tested this zone about 25 meters vertically below, confirming the dip angle and grade continuity. The zone is open along strike to the NE, SW and down-dip. With the confirmation of the Rhyolite Zone's strike, dip and grade continuity, a new high-grade gold system is emerging marginal to the existing YellowJacket deposit. It is important to note is that this is the first time Corvus Gold has specifically targeted a NE vein zone in the YellowJacket area and the fact that it is now surrounded by a very broad lower grade zone suggests the system is becoming stronger along strike and down dip. This success has increased the potential for the other major NE structural zones that cross the YellowJacket deposit and extend to the east.

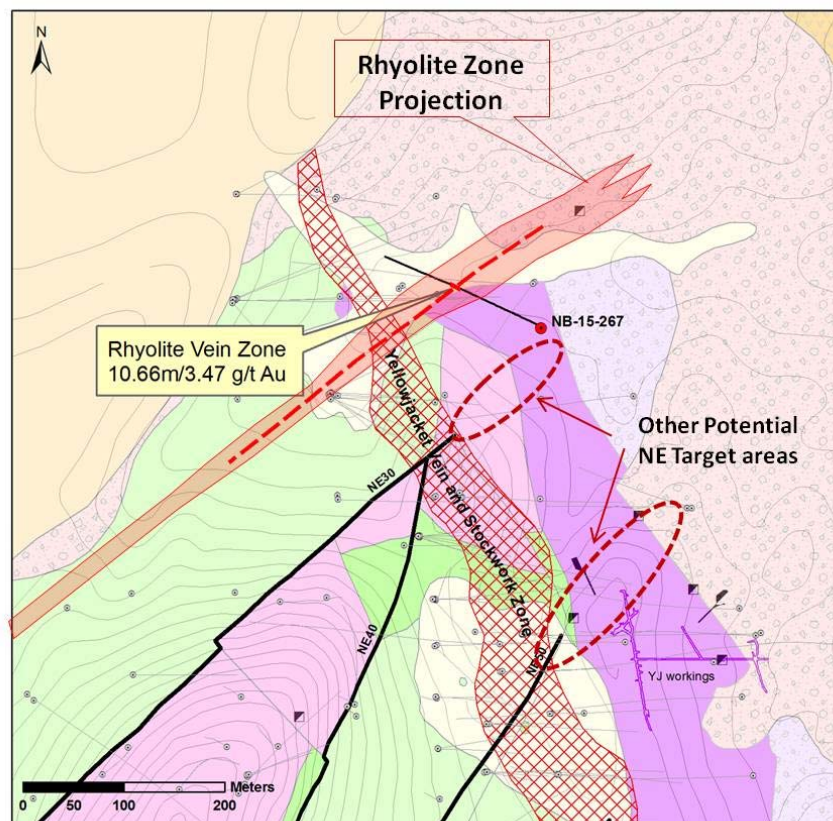




Figure 5. Drill hole map showing the new Rhyolite Zone with new drill hole location.

**NW Sierra Blanca Zone**

The newly identified mineralization at NW Sierra Blanca is covered by shallow pediment and represents another blind discovery near the western range front of the large Sierra Blanca/YellowJacket deposit. The current drilling (Table 3) covers about 200 metres of strike length (Figure 6).

**Table 3: Initial Results from NW Sierra Blanca Zone**

(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.)

	From (m)	To (m)	Length (m)*	Gold (g/t)	Silver (g/t)
<b>NB-15-268</b>	39.62	48.77	9.15	0.27	0.45
AZ 090 dip -50	53.34	96.01	42.67	0.45	0.61
<i>including</i>	<b>86.87</b>	<b>88.39</b>	<b>1.52</b>	<b>1.15</b>	<b>1.51</b>
	108.2	112.78	4.58	0.21	0.04
<b>NB-15-269</b>	13.72	19.81	6.09	0.64	0.77
AZ 090 dip -55	54.86	62.48	7.62	0.37	1.1
	<b>92.96</b>	<b>112.78</b>	<b>19.82</b>	<b>1.28</b>	<b>1.8</b>
	167.64	172.21	4.57	0.23	0.5
<b>NB-15-270</b>	45.72	54.86	9.14	0.35	0.58
AZ 090 dip -60	82.3	109.73	27.43	0.43	1.47
<i>including</i>	<b>85.34</b>	<b>86.86</b>	<b>1.52</b>	<b>1.05</b>	<b>1.02</b>
	118.87	144.78	25.91	0.29	0.59

\* Mineralized thickness calculated @ 0.10 g/t Au cutoff with internal vein/stockwork intervals calculated @ 1.0 g/t Au cutoff

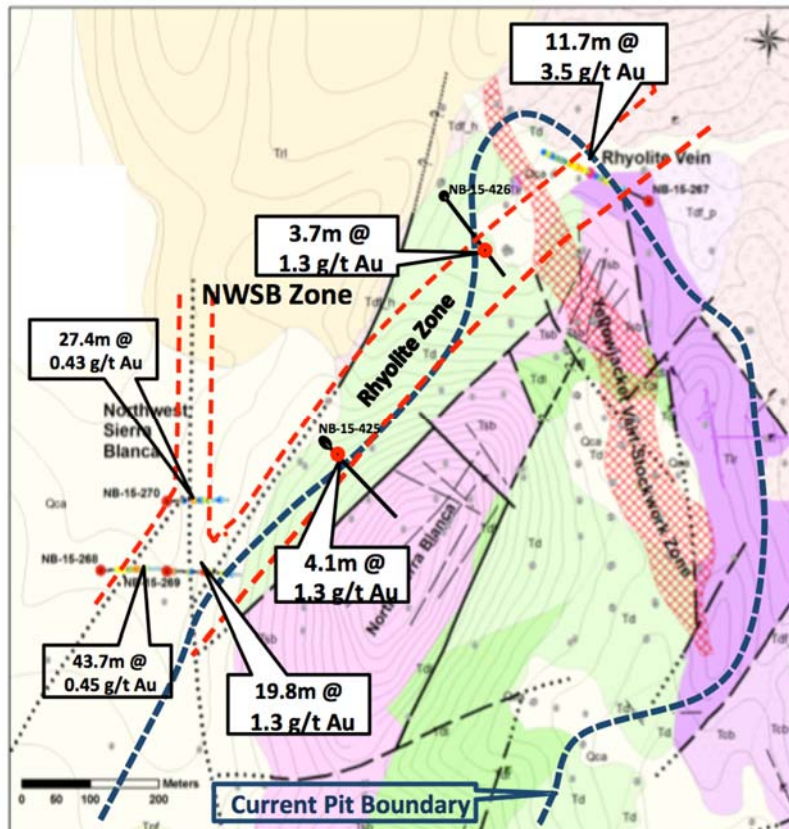


Figure 6. Drill hole map showing the new NW Sierra Blanca and Rhyolite Zones with new drill hole locations and select intercepts.

The NW Sierra Blanca Zone is covered by a thin (<20m) veneer of post-mineral, volcanic rocks and gravels. The zone appears to be dominated by two structural zones, the north-south NWSB zone and the NE trending Rhyolite Zone. The intersection of these two major structural zones was hit in hole NB-15-269 that returned a broad intercept of +1 g/t with stockwork mineralization at less than 100 metres vertically in the system (similar to upper levels of the YellowJacket system).

Gold and silver mineralization in this area is a mix of replacement sulfide/oxide material surrounding quartz stockwork zones that are controlled by the two large structural zones. The north-south NWSB structure extends north out of the Air Track Hill area where it was hit in prior drilling and projects through the intersection with the northeast trending Rhyolite Zone and continues to the north under cover. Follow-up step out holes along strike to the north and south and down dip were drilled in this encouraging new target area and results are pending.

The emergence of this new zone of mineralization that is controlled by known major mineralizing structural trends in an unexplored part of the property is encouraging for the discovery of new high-grade vein systems. The shallow cover in this area was key in concealing the system from previous explorers. The majority of the new mineralization drilled this year in the Sierra Blanca/YellowJacket area is outside the current resource and bodes well for potentially expanding the overall deposit.

### **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 the NBP disclosure in this Quarterly Report on Form 10-Q and has approved the disclosure in this Quarterly Report on Form 10-Q related thereto. 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 the NBP was designed and supervised by Mark Reischman, Nevada Exploration Manager, who is 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 Minerals in Reno, Nevada, for preparation and then on to ALS Minerals 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 Minerals 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 NBP metallurgical testing program and has approved the disclosure in this Quarterly Report on Form 10-Q 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.

ALS Minerals' 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 Minerals and an ISO compliant third party laboratory for additional quality control.

For additional information on the NBP project, including information relating to exploration, data verification and the mineral resource estimates, see "Technical Report and Preliminary Economic Assessment for Combined Mill and Heap Leach Processing at the North Bullfrog Project, Bullfrog Mining District, NYE County, Nevada" dated June 16, 2015, which is available under Corvus Gold's SEDAR profile at [www.sedar.com](http://www.sedar.com).

### **Results of Operations**

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#### **Six months ended November 30, 2015 Compared to Six months ended November 30, 2014**

For the six months ended November 30, 2015, the Company had a net loss of \$4,444,392 compared to a net loss of \$6,052,971 in the comparative period of the prior year. Included in net loss was \$456,469 (2014 - \$817,462) in stock-based compensation charges which is a result of previously granted stock options which vested during the period. The decrease in loss of \$1,608,579 in the six month period of the current year was due to a combination of factors discussed below.

The primary factor for the decrease in the net loss was the exploration expenditures of \$1,894,458 incurred in the current period compared to \$3,792,189 in the comparative period of the prior year. The exploration activities of the Company decreased mainly due to less funding being available in the current period compared with the comparative period of the prior year and a decrease in stock-based compensation charges of \$9,260 in the current period compared to \$24,847 in the prior period.

Consulting fees decreased to \$342,619 (2014 - \$373,939) mainly due to decreased stock-based compensation charges of \$221,119 during the current period compared to \$265,439 in the comparative period of the prior year offset by an increase in consulting fees of \$13,000 mainly due to increase in directors' fees.

Insurance expenses increased to \$62,189 (2014 - \$30,814) mainly due to increased insurance coverage incurred during the current period as a result of the increase in Company's directors and officers liability insurance premium due to the Company's registration of its securities in the United States.

Investor relations expenses decreased to \$362,036 (2014- \$455,082) due to decreased stock-based compensation charges of \$55,465 during the current period compared to \$121,837 in the comparative period of the prior year and a decrease of \$26,674 in investor relations-related travel, and advertising and marketing during the current period as part of the Company's efforts to decrease costs until the Company secures additional financing.

Professional fees decreased to \$164,730 (2014 - \$328,042) due to decreased stock-based compensation charges of \$11,008 during the current prior compared to \$30,278 in the comparative period of the prior year and a decrease of \$144,042 in legal and accounting fees in the current period compared to the comparative period of the prior year as a result of the Company registering its securities in the United States and termination payment of \$73,830 to a former consultant in the comparative period of the prior year.

Regulatory expenses decreased to \$39,985 (2014 - \$85,693) due to more filing and listing fees incurred in the comparative period of the prior year. These expenses decreased as a result of the Company's registration of its securities in the United States in the comparative period of the prior year.

Wages and benefits increased to \$848,715 (2014 - \$819,077). While stock-based compensation charges of \$159,617 during the prior year was less than the \$375,061 in the comparative period of the prior year. This decrease was offset by an increase of \$245,082 in wages and benefits in the current period mainly as a result of adjustment in wages of several senior executive officers and the severance pay to the former President.

Other expense categories that reflected only moderate change period over period were administration expenses of \$4,625 (2014 - \$6,173), depreciation expenses of \$12,798 (2014 - \$13,404), office expenses of 68,686 (2014 - \$71,185), rent expenses of \$54,432 (2014 - \$47,822) and travel expenses of \$68,470 (2014 - \$61,850).

Other items amounted to a loss of \$520,649 compared to an income of \$32,299 in the prior period. There was a gain on sale of the Company's interest in the West Pogo property of \$25,728 in the current period compared to \$nil in the comparative period of the prior year, a write-off of the Company's interest in the Chisna property of \$677,695 in the current period compared to \$nil in the comparative period of the prior year, and an unrealized loss on marketable securities of \$nil in the current period compared to \$43,450 in the comparative period of the prior period. There was an increase in foreign exchange to a gain of \$121,650 (2014 - gain of \$65,356), which is the result of factors outside of the Company's control and a decrease in interest income of \$9,668 (2014 - \$10,393) as a result of less investment in cashable GIC's during the current period.

### **Three months ended November 30, 2015 Compared to Three months ended November 30, 2014**

For the three months ended November 30, 2015, the Company had a net loss of \$2,623,100 compared to a net loss of \$3,425,953 in the comparative period of the prior year. Included in net loss was \$161,588 (2014 - \$360,981) in stock-based compensation charges which is a result of stock options granted during the period and previously granted stock options which vested during the period. The decrease in loss of \$802,853 in the three month period of the current year was due to a combination of factors discussed below.

Consulting fees decreased to \$150,226 (2014 - \$205,113) mainly due to decreased stock-based compensation charges of \$89,476 during the current period compared to \$141,613 in the prior period.

Exploration expenditures of \$1,104,399 incurred in the current period compared to \$2,303,101 in the comparative period of the prior year. The exploration activities of the Company decreased mainly due to less funding being available in the current period compared with the comparative period of the prior year and a decrease in stock-based compensation charges of \$3,805 in the current period compared to \$8,416 in the prior period.

Insurance expenses increased to \$31,129 (2014 - \$19,352) mainly due to increased insurance coverage incurred during the current period as a result of the increase in Company's directors and officers liability insurance premium due to the Company's registration of its securities in the United States.

Investor relations expenses decreased to \$197,262 (2014 - \$270,558) mainly due to decreased stock-based compensation charges of \$16,564 during the current period compared to \$50,618 in the prior period and a decrease of \$39,242 in investor relations-related travel, and advertising and marketing during the current period as part of the Company's efforts to decrease costs until the Company secures additional financing.

Professional fees decreased to \$94,248 (2014 - \$213,553) due to decreased stock-based compensation charges of \$2,771 during the current period compared to \$11,501 in the prior period and a decrease of \$110,575 in legal and accounting fees in the

current period compared to the prior period as a result of the Company registering its securities in the United States and termination payment of \$73,830 to a former consultant in the prior period.

Regulatory expenses decreased to \$13,004 (2014 - \$30,536) due to more filing and listing fees incurred in the prior period. These expenses decreased as a result of the Company's registration of its securities in the United States in the prior period.

Wages and benefits decreased to \$269,705 (2014 - \$371,107) mainly due to a decrease in stock-based compensation charges of \$48,972 in the current period compared to \$148,833 in the prior period.

Other expense categories that reflected only moderate change period over period were administration expenses of \$1,850 (2014 - \$3,158), depreciation expenses of \$6,498 (2014 - \$7,289), office expenses of \$30,064 (2014 - \$35,842), rent expenses of \$28,132 (2014 - \$24,701) and travel expenses of \$50,795 (2014 - \$49,606).

Other items amounted to a loss of \$645,788 compared to an income of \$107,963 in the prior period. This was mainly due to the write-off of the Company's interest in the Chisna property of \$677,695 in the current period compared to \$nil in the comparative period of the prior year offset by an unrealized loss on marketable securities of \$nil in the current period compared to \$4,473 in the comparative period of the prior year. There was a decrease in foreign exchange to a gain of \$27,804 (2014 - gain of \$103,813), which is the result of factors outside of the Company's control and a decrease in interest income of \$4,103 (2014 - \$8,623) as a result of less investment in cashable GIC's during the current period.

### **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 public offerings, 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 \$3,836,755 as at November 30, 2015 compared to \$5,159,962 as at May 31, 2015. The change in cash position was the net result of \$3,502,218 used for operating activities, \$32,594 used for capitalized acquisition costs, \$25,728 received from sale of exploration and evaluation costs, and \$1,986,599 received from the private placement of common shares in September of 2015 (net of share issue costs) during the six months ended November 30, 2015.

As at November 30, 2015, the Company had working capital of \$3,830,722 compared to working capital of \$4,716,940 as at May 31, 2015. On December 17, 2015 the Company paid the balance of the promissory note payable. 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 until May 31, 2016. Following May 31, 2016, the Company will need to scale back anticipated activities and costs or raise additional financing to fund operations through the calendar year ending December 31, 2016. The Company's current anticipated operating expenses are \$2,632,610 until May 31, 2016 and \$4,215,530 until November 30, 2016. The Company's anticipated monthly burn rate averages approximately \$439,000 for December 2015 to May 31, 2016 where approximately \$281,000 is for administrative purposes and approximately \$158,000 is for planned exploration expenditures related to the completion of the ongoing Phase II exploration program at the NBP. From December 2015 to November 2016, the Company's anticipated monthly burn rate averages approximately \$351,000, of which \$233,000 is for administrative purposes and approximately \$118,000 is for planned exploration expenditures related to the ongoing Phase II exploration program at the NBP. The Company anticipates that it will pursue additional public or private equity financings at the beginning of 2016 to raise additional funds for additional exploration at the NBP for the 2016 calendar year. In any event, the Company will be required to raise additional funds, again through public or private equity financings, prior to the end of October 2016 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.

The Company currently has no further funding commitments or arrangements for additional financing at this time (other than the potential exercise of incentive stock 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. 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.

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.

### **Off-Balance Sheet Arrangements**

The Company has no off-balance sheet arrangements.

### **Environmental Regulations**

The operations of the Company may in the future be affected from time to time in varying degrees by changes in environmental regulations, including those for future removal and site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company vary greatly and are not predictable. The Company's policy is to meet or, if possible, surpass standards set by relevant legislation by application of technically proven and economically feasible measures.

### **Certain U.S. Federal Income Tax Considerations for U.S. Holders**

The Company has been a "passive foreign investment company" ("PFIC") for U.S. federal income tax purposes in recent years and expects to continue to be a PFIC in the future. Current and prospective U.S. shareholders should consult their tax advisors as to the tax consequences of PFIC classification and the U.S. federal tax treatment of PFICs. Additional information on this matter is included in the Company's Annual Report on Form 10-K as filed with the SEC on August 25, 2015, under "Certain United States Federal Income Tax Considerations".

## **ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

Not applicable.

## **ITEM 4. CONTROLS AND PROCEDURES**

### **Disclosure Controls and Procedures**

As of November 30, 2015, an evaluation was carried out under the supervision of and with the participation of the Company's management, including the Chief Executive Officer (the principal executive officer) and Chief Financial Officer (the principal financial officer and accounting officer), of the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rules 13a-15I and 15d-15(e) of the Exchange Act). Based on the evaluation, the Chief Executive Officer and the Chief Financial Officer have concluded that, as of November 30, 2015, the Company's disclosure controls and procedures were effective in ensuring that: (i) information required to be disclosed in reports filed or submitted to the SEC under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in applicable rules and forms and (ii) material information required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, in a manner that allows for accurate and timely decisions regarding required disclosures.

The effectiveness of our or any system of disclosure controls and procedures, however well designed and operated, can provide only reasonable assurance that the objectives of the system will be met and is subject to certain limitations, including the exercise of judgement in designing, implementing and evaluating controls and procedures and the assumptions used in identifying the likelihood of future events.

### **Changes in Internal Control over Financial Reporting**

There were no changes in internal control over financial reporting during the period ended November 30, 2015 that have materially, or are reasonably likely to materially affect, the Company's internal control over financial reporting.