

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 consolidated financial statements for the three months ended August 31, 2014, 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 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 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 this report and the documents incorporated by reference herein 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.

The term "mineralized material" as used in this Quarterly Report on Form 10-Q, although permissible under SEC Industry Guide 7, does not indicate "reserves" by SEC Industry Guide 7 standards. We cannot be certain that any part of the mineralized material will ever be confirmed or converted into SEC Industry Guide 7 compliant "reserves". Investors are cautioned not to assume that all or any part of the mineralized material will ever be confirmed or converted into reserves or that mineralized material can be economically or legally extracted.

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"). Mineral resources that are not mineral reserves have no demonstrated economic viability. The preliminary assessments on the NBP are preliminary in nature and include "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 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 contains forward-looking statements or information within the meaning of the United States Private Securities Litigation Reform Act of 1995 concerning 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 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 placements completed in November 2013 and August 2014, 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, and for the preparation of a new Preliminary Economic Evaluation ("PEA") of 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.

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 our requirement of significant additional capital;
- risks related to our limited operating history;
- risks related to our history of losses;
- risks related to cost increases for our exploration and, if warranted, development projects;
- risks related to our properties being in the exploration stage;
- risks related to mineral exploration and production activities;
- risks related to our lack of mineral production from our properties;
- risks related to estimates of mineral resources;
- risks related to changes in mineral resource estimates;
- risks related to differences in United States and Canadian reserve and resource reporting;
- risks related to our exploration activities being unsuccessful;
- risks related to fluctuations in gold, silver and other metal prices;

- risks related to our ability to obtain permits and licenses for production;
- risks related to government and environmental regulations that may increase our costs of doing business or restrict our operations;
- risks related to proposed legislation that may significantly affect the mining industry;
- risks related to land reclamation requirements;
- risks related to competition in the mining industry;
- risks related to equipment and supply shortages;
- risks related to current and future joint ventures and partnerships;
- risks related to our ability to attract qualified management;
- risks related to the ability to enforce judgment against certain of our Directors;
- risks related to currency fluctuations;
- risks related to claims on the title to our properties;
- risks related to surface access on our properties;
- risks related to potential future litigation;
- risks related to our lack of insurance covering all our operations;
- risks related to our status as a “passive foreign investment company” under US federal tax code; and
- risks related to 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 II, Item 1A, Risk Factors, of this Quarterly Report on Form 10-Q, 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

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:

- The Company had an offering pursuant to a registration statement on Form S-1 (“Registration Statement”) and a short form prospectus in Canada (the “Canadian Prospectus”) of 5,150,000 common shares (the “Shares”) of the Company at a price of \$1.20 per Share for aggregate gross proceeds of \$6,180,000 (the “Offering”). The Shares were issued on August 27, 2014 to certain funds managed by Van Eck Associates Corp., to the Tocqueville Gold Fund and to certain members of Corvus management and directors (collectively, the “Investors”), each such Investor being an accredited investor as such term is defined under National Instrument 45-106 - *Prospectus and Registration Exemptions*). No underwriter was involved in the preparation of the Registration Statement or Canadian Prospectus or performed any review of the contents of the Registration Statement or Canadian Prospectus, and no underwriter’s fee was payable in connection with the Offering. No securities were issued to any persons other than the Investors pursuant to the Registration Statement and Canadian Prospectus.

- **NBP Exploration:** The 2014 Phase I drilling campaign started in February 2014 with focus on the Yellowjacket vein system and the Phase II program began in July. In September two core rigs began drilling to delineate the extent of the Josh Vein and explore the southern extensions. To date, 7250 metres have been drilled in 30 holes. It is anticipated that approximately 4,000 metres more will be completed before drilling stops at the end of November.
- **LMS Project (Alaska):** Work is underway to prepare an initial mineral resource estimate 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 mineral resource estimate, 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 West Pogo property.
- **Chisna Project (Alaska):** In July 2014 a modest exploration program was completed on the Rock On and Ptarmigan prospects 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 the 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 does not have SEC Industry Guide 7 compliant proven or probable reserves and our operations on the NBP are exploratory in nature.

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).

Based upon a US \$1300 gold price and a silver to gold price ratio of 59:1, the NBP currently has estimated mineral resources defined in six deposits: the structurally controlled Yellowjacket milling deposit and the oxidized disseminated heap leach Sierra Blanca, Jolly Jane, Air Track West, Connection and Mayflower deposits. The Yellowjacket vein-style deposit has an Indicated Mineral Resource of 3.69 Mt at an average grade of 1.03 g/t gold and 5.52 g/t silver for 122,000 contained ounces of gold and 654,000 ounces of silver and an Inferred Mineral Resource of 18.40 Mt with an average grade of 0.94 g/t gold and 6.16 g/t silver for 555,000 contained ounces of gold and 3.64M ounces of silver, both at a 0.29 g/t gold cutoff. The five oxidized disseminated heap leach deposits contain an Indicated Mineral Resource of 25.72 Mt at an average grade of 0.29 g/t gold for 240,000 contained ounces of gold and an Inferred Mineral Resource of 185.99 Mt at 0.19 g/t gold for 1,136,000 contained ounces of gold (both at a 0.13 g/t gold cut-off), with appreciable silver credits. For full details with respect to the assumptions underlying the current resource estimate detailed herein, please review the NBP Technical Report.

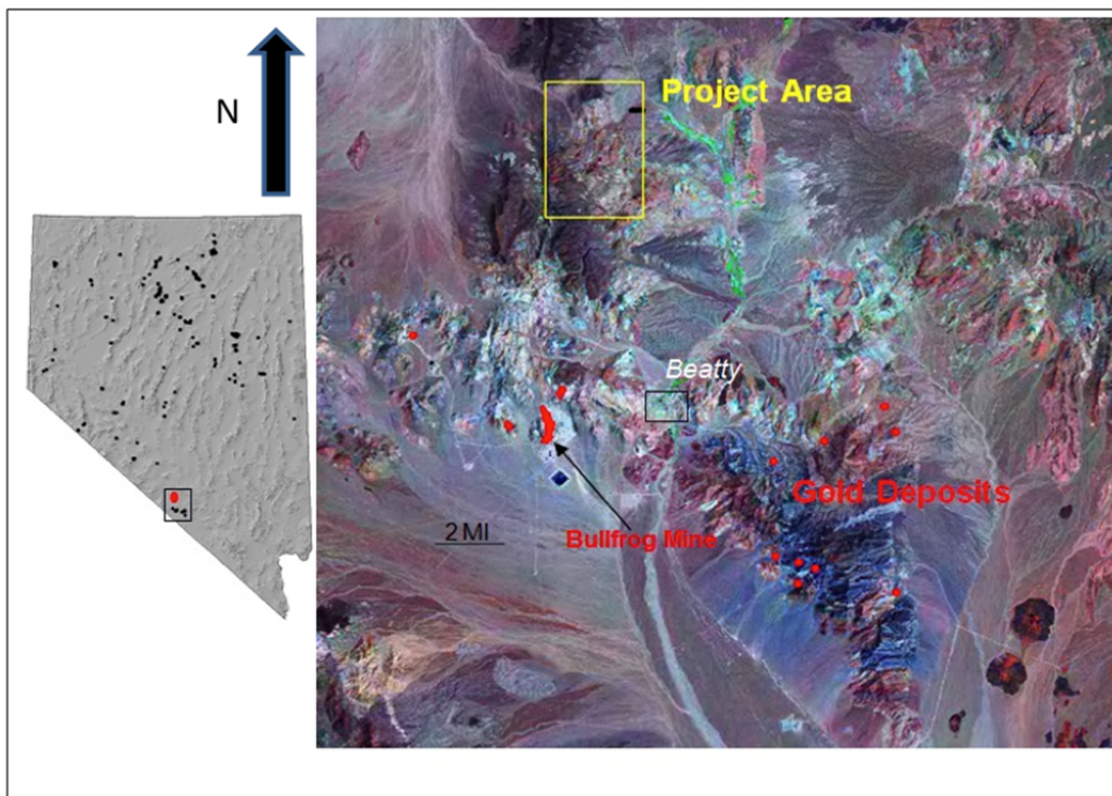


Figure 1 Property Map showing the Location of the North Bullfrog Project

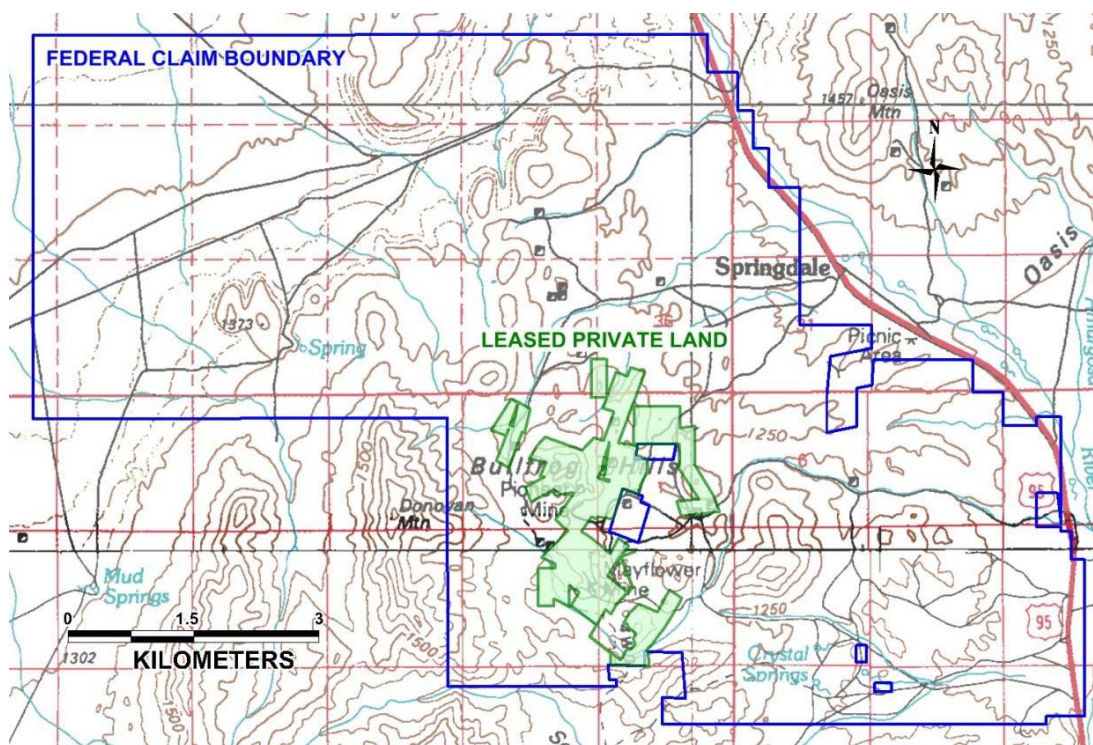


Figure 2 Property Map of the North Bullfrog Project, Blue outline shows the NBP boundary and green areas are the Leased Private Land

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.

Drilling at Sierra Blanca and Yellowjacket began in February 2014 and will continue through November 2014. During that time it is anticipated that approximately 11,000 metres of drilling will be completed. Phase I drilling, which focused on the delineation of the West Vein and northern extension, was completed in June 2014 and Phase II, which is focused on the Josh Vein and the southern extensions, began in July. As part of Phase II, two core rigs began operating in September 2014. Part of the drilling will be of PQ3 diameter to collect sample material for metallurgical testing. Water samples are being collected on a quarterly basis from the monitor wells and springs in the area. The latest sampling event was in July 2014. The meteorological station has been maintained and continues to collect continuous data in the NBP area.

Following the return of all results from the Phase I and II 2014 programs, the Company plans on calculating a new resource estimate for the NBP in the first quarter of 2015. This new resource estimate will form the basis of an initial PEA that will incorporate the Yellowjacket discovery. The PEA is presently scheduled to be completed in the second quarter of 2015. In addition, the Company is engaged in detailed metallurgical studies of the new high-grade mineralization which have to date provided very encouraging initial results. The NBP is also being advanced on a number of development fronts as well as project characterization work ahead of permitting.

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

Table 2: NBP Expenditures in Q1 2015

Project Labor	0.199M
Drilling	0.596M
Assay Costs	0.134M
Project Studies	0.261M
Total NBP	1.190M

Recent Exploration Work

Recent Drilling at the Yellowjacket Zone

During this period the Company has now received the assay results from the 13 additional drill holes completed as part of the Phase I and Phase II of the 2014 drill program. This drilling adds to the continuity of the West Vein and the extension of the Josh Vein to the north (Figure 3, Table 3).

Holes NB-14-387, 388 and 389 were drilled to test the southern limits of the West Vein/Josh Vein system (Table 3, Figure 3). Hole NB-14-387, returned 28 metres of 1 g/t gold and 6 g/t silver and expands the continuity of the Josh Vein 60 metres

down dip from NB-12-184 (58 metres @ 1.7 g/t gold and 33 g/t silver, see NR13-03, January 22, 2013) and 50 metres south along strike from hole NB-14-389 (24.6 metres of 2.8 g/t gold and 14.1 g/t silver, see NR14-14, May 22, 2014). Between NB-14-389 and NB-14-387, the West Vein merges with the Josh Vein (Figure 3).

Holes NB-14-390, 391 and 392 have been drilled on the northern extension of the Josh Vein (Figure 3). The final complete vein plus stockwork intercept for NB-14-391 returned 18 metres of 8.5 g/t gold and 34 g/t silver. Hole NB-14-392, which represents a 40 metre step out to the north from NB-14-391, encountered 9.3 metres of 1.9 g/t gold and 12 g/t silver in the Josh Vein. In hole NB-14-390 the Josh Vein zone is present as thin silver-rich quartz veining within highly altered host rock which limited main vein development and thus resulted in less mineralization due to a lack of vein density (Table 3).

Drill hole NB-14-392 intersected the Josh Vein and its surrounding stockwork and continued to test a parallel target to the east of the main vein zone called the Rhyolite Zone (referring to its host rock). The hole was successful in intersecting 11.3 metres @ 3.3 g/t gold and 4 g/t silver in this new zone. This intersection is a follow-up to the original discovery hole drilled last year (NB-13-352 with 2.4 metres @ 7.6 g/t gold and 6.9 g/t silver, see NR13-29, October 29, 2013) and confirms its strike and dip. The Rhyolite Zone dips to the east similar to the Liberator Zone (50 metres east) and potentially represents a new high-grade vein system similar to the West Vein discovery made earlier this year.

Holes NB-14-393 through NB-14-398 mapped the Josh Vein structure to the north while hole NB-14-399 was drilled to fill a gap in the current drilling on the central portion of the Josh Vein. The drilling has shown that the Josh Vein fault structure continues to the north but is filled with silicified rock flour rather than vein material. However, two new mineralized structures have been discovered which will require follow-up.

Both holes NB-14-395 and 396 encountered significant mineralization along the NW10 Fault, a structure that was not previously known to be mineralized. In hole NB-14-395 the Josh Vein is less than 6 metres away from the NW10 fault which may play a role in the mineralization (Table 3). The interaction of these faults may also explain why the Josh Vein is only weakly mineralized to the north of hole NB-14-395.

In NB-14-397 a silicified fault running 0.44g/t gold and 5g/t silver over 3.7 metres was discovered. This feature is important because it is hosted in debris flow sediments that were previously assumed to be post-Yellowjacket mineralization cover. This discovery will open up new possibilities for exploration in the north.

These two structures, together with the Rhyolite Zone (NB-14-392 with 11.3 metres @ 3.3 g/t gold and 4 g/t silver and NB-13-352 with 2.4 metres @ 7.6 g/t gold and 6.9 g/t silver; NR Sept 4, 2014) indicate that the northern end of the Yellowjacket Zone is still open for exploration.

Hole NB-14-399 was drilled to fill a gap in the previous drilling at the point immediately north of the intersection of the West Vein and the Josh Vein (Figure 3). The hole has confirmed that the strike of the vein has changed to north-northwest at this location and that the vein is well mineralized. Hole NB-14-400 (assays pending) was drilled 50 metres down-dip from NB-14-399 and, based on the presence of visible gold, is expected to confirm the down-dip continuity of the vein there.

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 3). 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. 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.

Hole NB-14-402 returned a main Josh Vein intercept of 4.5 metres @ 14.6 g/t gold and 79 g/t silver. The bulk of hole NB-14-402 assays are still pending, but the current stockwork plus vein intercept returned 17 metres @ 4.9 g/t gold and 28 g/t silver (Table 3). This result is similar to the vein intercept in NB-13-370, which returned 4.9 metres @ 21.2g/t gold and 117 g/t silver (NR14-03, January 22, 2014), located 30 metres to the south in the same target area. The results from Hole 14-402 confirm the lateral continuity of the vein thickness and grade within the main shoot. In addition, this new intercept is located about 150 metres north along strike and 100 metres deeper than hole NB-14-399 and has significantly higher grades. Two other holes drilled in this target area have also intercepted broad zones of veining with visible gold and silver mineralization. At least two other holes are planned for this target area as exploration focuses on this higher-grade internal shoot zone within the Josh Vein system. Two other similar high-grade shoot type targets have been outlined within the nearly 1 kilometre long Josh Vein system, and it is also planned to drill these in 2014.

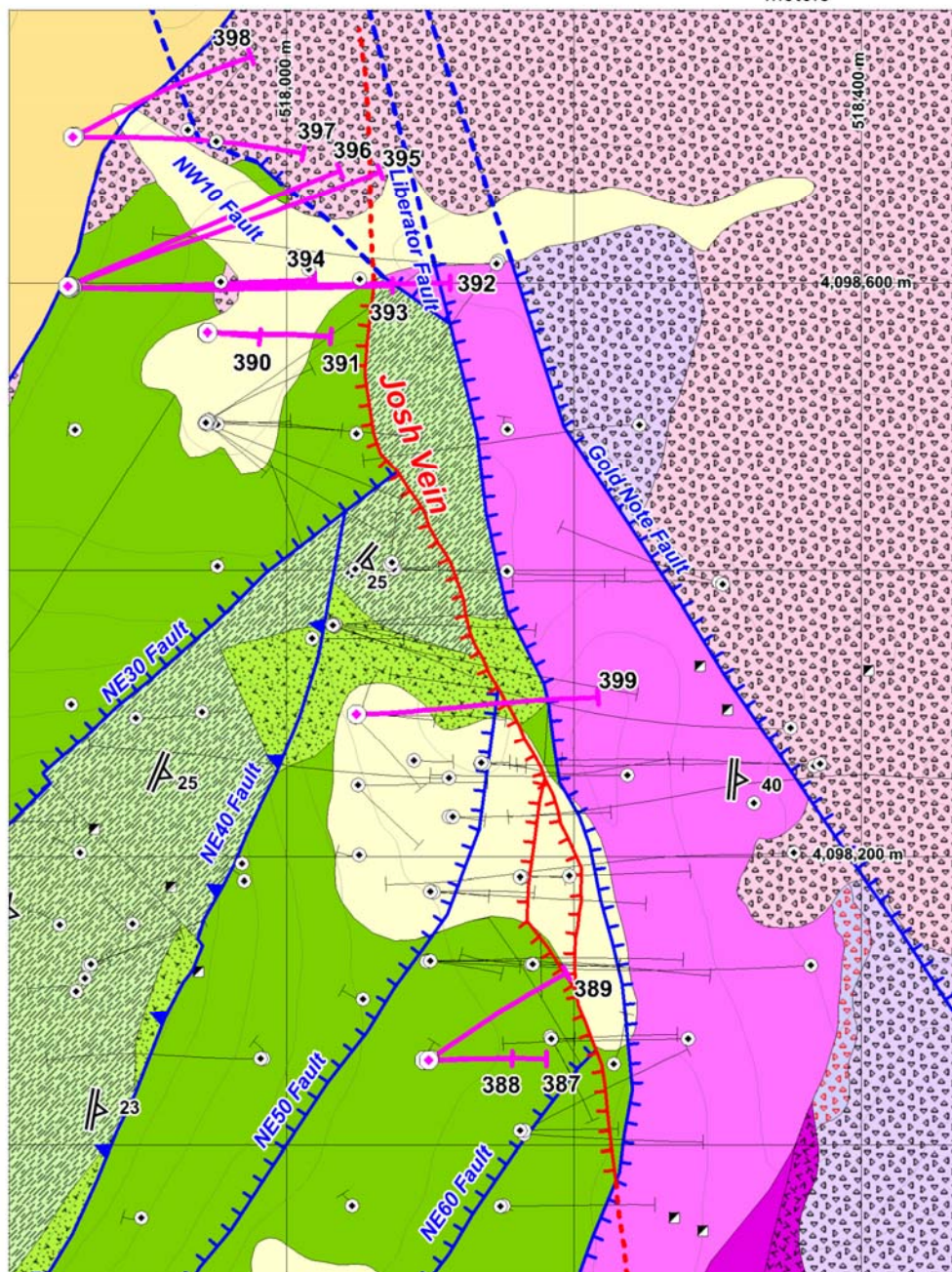
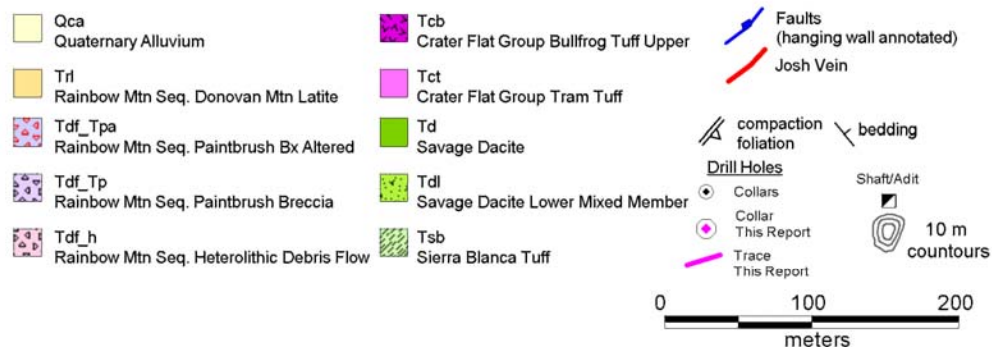


Figure 3 – Geologic Map of the Yellowjacket Area showing locations of collars and traces for holes cited in this report.

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 (m)	To (m)	Interval (m)	Gold (g/t)	Silver (g/t)	Comments
NB-14-387	153.3	170.2	17.0	0.8	4.4	WV HW Stockwork
	170.2	173.6	3.3	1.9	13.8	West Vein
	173.6	181.1	7.5	1.0	6.4	WV FW Stockwork
Az 90 incl -63			27.8	1.0	6.1	Vein + Stockwork
NB-14-388	Az 90 incl -75		No Significant Intercepts			Hole lost before target
NB-14-389	142.0	153.2	11.2	1.1	4.8	WV HW Stockwork
	153.2	161.7	8.5	6.1	33.6	West Vein
	161.7	166.6	4.9	1.0	1.8	WV FW Stockwork
Az 58 incl -57			24.6	2.8	14.1	Vein + Stockwork
NB-14-390	130.8	147.0	16.2	0.58	1.72	Disseminated
	173.4	194.4	21.0	0.3	8.6	JV HW Stockwork
	194.4	198.4	4.0	0.2	7.8	JV
	198.4	216.5	18.1	0.2	12.9	JV FW Stockwork
			43.1	0.3	10.4	Vein + Stockwork
Az 90 incl -80	223.6	229.6	6.0	0.69	2.00	Disseminated
NB-14-391 Including	117.4	142.6	25.2	3.8	22.4	JV HW Stockwork
	135.4	139.3	3.8	19.93	107.86	
	142.6	151.0	8.4	17.3	66.3	JV
	151.0	156.3	5.3	0.7	5.8	JV FW Stockwork
			17.6	8.5	33.5	Vein + Stockwork
Az 90 incl -67	204.5	228.0	23.5	0.67	0.85	Disseminated
NB-14-392	211.8	218.1	6.2	0.8	7.9	JV HW Stockwork
	218.1	219.0	0.9	12.7	58.3	JV
	219.0	221.1	2.1	0.4	1.3	JV FW Stockwork
			9.3	1.9	11.5	Vein + Stockwork
Az 90 incl -45	251.1	262.4	11.3	3.32	4.14	Rhyolite Stockwork
NB-14-393	139.6	146.8	7.2	0.89	1.0	Disseminated
	181.6	187.2	5.6	0.82	1.1	Disseminated
	207.6	225.3	17.8	0.45	4.0	JV HW Stockwork
	225.3	228.3	3.0	0.66	40.5	Josh Vein
	228.3	231.6	3.3	0.25	11.2	JV FW Stockwork
Az 90 incl -51	293.5	360.1	66.7	0.46	0.9	Disseminated
NB-14-394	114.9	177.3	62.4	0.67	1.3	Disseminated
	242.2	245.5	3.3	0.40	12.6	JV HW Stockwork
	245.5	246.7	1.3	0.15	1.8	Josh Vein
	246.7	248.5	1.8	0.46	9.0	JV FW Stockwork
Az 90 incl -62	286.8	322.4	35.6	0.41	1.3	Qtz Stockwork
NB-14-395	226.5	234.4	7.9	0.42	8.7	JV HW Stockwork
	234.4	239.3	4.9	1.14	22.6	Josh Vein
	239.3	241.5	2.2	0.43	6.1	JV FW Stockwork
	245.1	254.7	9.6	1.13	6.4	NW10 Fault
	254.7	270.4	15.7	0.44	3.2	NW10 Fault
Az 69 incl -50	268.8	287.7	18.8	1.20	3.5	NW10 HW Stockwork
NB-14-396	147.6	160.9	13.4	0.41	1.2	Disseminated
	242.2	267.2	25.0	0.16	7.3	JV HW Stockwork
	267.2	267.7	0.5	0.14	2.9	Josh Vein
	267.7	269.8	2.1	0.15	2.6	JV FW Stockwork
	328.6	333.4	4.8	1.03	2.9	NW10 Fault
Az 66 incl -62	333.4	340.8	7.4	0.43	1.0	NW10 HW Stockwork
	40.5	44.2	3.7	0.44	5.0	Silicified Fault in Debris Flow

Hole ID	From (m)	To (m)	Interval (m)	Gold (g/t)	Silver (g/t)	Comments
NB-14-397	141.5	218.7	77.2	0.35	1.5	Disseminated
	266.1	282.8	16.7	0.06	2.3	JV HW Stockwork
	282.8	286.0	3.1	0.05	2.7	Josh Vein
	316.3	324.8	8.5	0.70	1.6	Py Veining
	338.7	362.4	23.7	0.19	4.0	Qtz Stockwork
Az 90 incl -65	372.8	374.1	1.3	0.24	2.1	NW10 Fault
NB-14-398	147.4	166.8	19.4	0.37	0.9	Disseminated
	170.8	191.8	21.0	0.42	0.7	Disseminated
	231.5	243.0	11.5	0.73	1.0	Qtz Stockwork
	285.1	304.9	19.8	0.07	1.1	JV HW Stockwork
	304.9	308.1	3.2	0.04	0.4	Josh Vein
NB-14-399	308.1	311.4	3.3	0.03	0.3	JV FW Stockwork
	334.7	340.0	5.3	0.41	1.0	Qtz Stockwork
NB-14-399	112.2	115.4	3.2	0.67	4.9	JV HW Stockwork
	115.4	116.9	1.6	10.59	59.1	Josh Vein
	116.9	121.6	4.7	0.99	4.3	JV FW Stockwork
Az 90 incl -45			9.4	2.5	13.7	Vein + Stockwork
	147.1	154.2	7.1	0.66	1.0	Qtz Stockwork
NB-14-402	169.8	179.3	9.5	1.8	10.4	JV HW Stockwork
	179.3	183.7	4.5	14.6	79.0	Josh Vein
	183.7	186.8	3.0	0.4	5.3	JV FW Stockwork
Az 112, incl -46			17.0	4.9	28	Vein + Stockwork

**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 the main structure. Several intersections are below the assumed economic cutoff of 0.3g/t gold and are reported simply to indicate the tenor of the mineralization along the Josh Vein Fault.*

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 4, and indicate high gold and silver recovery at fine particle sizes, but substantially reduced recoveries at larger particle sizes. The test data in Table 4 indicated that Yellowjacket mineralization is suitable for a cyanide leach milling process.

**Table 4: 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

Composite	Feed Size (P80 - inches)	Au Recovery (%)	Ag Recovery (%)	NaCN Consumption (kg/mt)	Lime Added (kg/mt)
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	150 mesh	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 mineral resource (location shown in Figure 4).

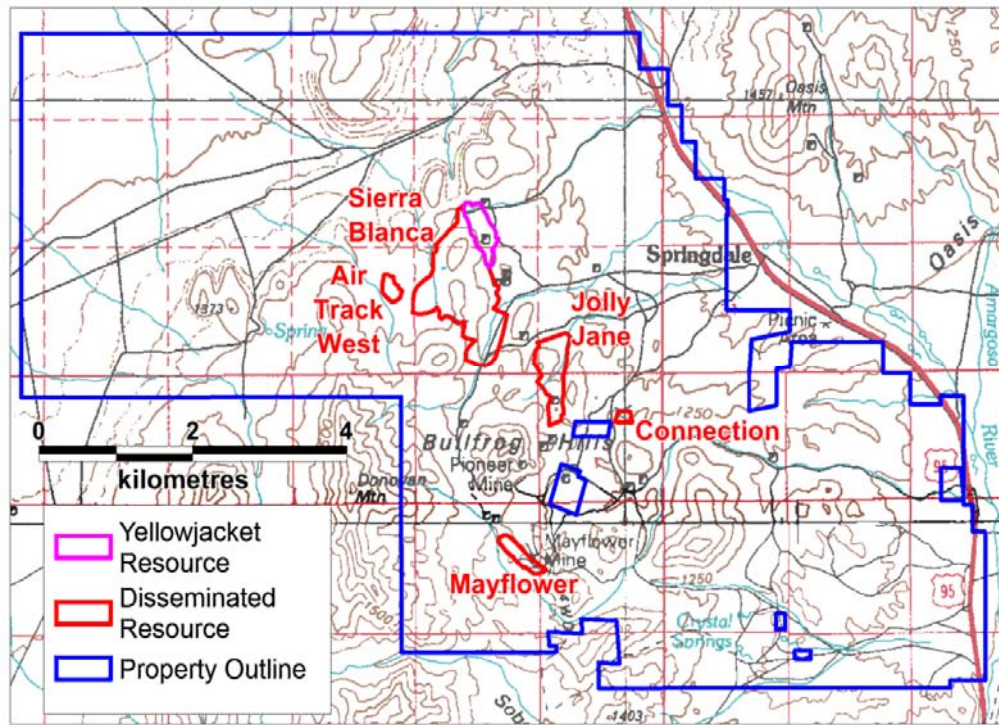


Figure 4: Corvus land position at the NBP with estimated mineral resource areas shown.

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 5 and 6). 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 cyanide 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 4. 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 presently 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 currently proposed mill flow sheet, plant design and estimated actual recovery predictions for operations.

Table 5 – Results of Gravity Recoverable Gold testing followed by Cyanide Bottle Roll testing of the Yellowjacket Deposit Composites.

Metallurgical Composite	Calculated Au Head Grade (g/t)	Yellowjacket Mineralization Type*	% of Yellowjacket Deposit Contained Au	Metallurgical Test Results		
				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 6 - Results of Gravity Recoverable Silver testing followed by Cyanide Bottle Roll testing of the Yellowjacket Deposit Composites

Metallurgical Composite	Calculated Ag Head Grade (g/t)	Yellowjacket Mineralization Type*	% of Yellowjacket Deposit Contained Ag	Metallurgical Test Results		
				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
YJPQ05	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

Other Developments

A number of other advances 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 NBP, by Valley Electric Association is nearly complete. The upgraded capacity of the line exceeds the current projected power requirements of the NBP. 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 Nevada 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 ending May 31, 2014, and in Q1 of the current fiscal year ending May 31, 2015.

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.

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 (other than 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 the NBP 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 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.

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 Technical Report (other than the portions for which other QP's are responsible, as noted below), and specifically for the Mineral Resource Estimate (other than the estimate of the NBP 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 NBP mineralization inventory contained in the NBP Technical 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 Technical 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 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.

Results of Operations

Three months ended August 31, 2014 Compared to Three months ended August 31, 2013

For the three months ended August 31, 2014, the Company had a net loss of \$2,627,018 compared to a net loss of \$3,423,679 in the comparative period of the prior year. Included in net loss was \$456,481 (2013 - \$388,337) in stock-based compensation charges which is a result of previously granted stock options which vested during the period. The decrease in loss of \$796,661 in the three 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 \$1,489,088 incurred in the current period compared to \$2,487,907 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. This decrease was slightly offset by an increase in stock-based compensation charges of \$16,431 in the current period compared to \$14,909 in the prior period.

Consulting fees increased to \$168,826 (2013 - \$135,858) mainly due to increased stock-based compensation charges of \$123,826 during the current period compared to \$94,584 in the prior period.

Investor relations expenses decreased to \$184,524 (2013 - \$276,159) due to decreased stock-based compensation charges of \$71,219 during the current period compared to \$93,506 in the prior period. This was further decreased by \$69,348 due to a combination of decreases in investor relations-related travel, advertising and marketing, and the number of personnel engaged as the Company worked on completing the financing which closed at the end of August 2014.

Professional fees increased to \$114,489 (2013 - \$62,017) primarily due to increased stock-based compensation charges of \$18,777 during the current period compared to \$13,514 in the prior period, and an increase of \$47,209 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.

Regulatory expenses increased to \$55,157 (2013 - \$15,172) due to additional filing and listing fees incurred in the current period due to the Company's registration of its securities in the US.

Wages and benefits increased to \$447,970 (2013 - \$360,665) mainly due to an increase in stock-based compensation charges of \$226,228 in the current period compared to \$171,824 in the prior period and an increase of \$32,901 in wages and benefits in the current period.

Other expense categories that reflected only moderate change period over period were administration expenses of \$3,015 (2013 - \$1,636), charitable donations of \$nil (2013 - \$516), depreciation expenses of \$6,115 (2013 - \$4,916), insurance expenses of \$11,462 (2013 - \$14,160), office expenses of \$35,343 (2013 - \$35,597), rent expenses of \$23,121 (2013 - \$22,738) and travel expenses of \$12,244 (2013 - \$17,997).

Other items amounted to a loss of \$75,664 compared to an income of \$11,659 in the prior period. This was mainly due to an unrealized loss on marketable securities of \$38,977 in the current period compared to \$nil in the comparative period of the prior year. There was an increase in foreign exchange to a loss of \$38,457 (2013 - \$11,631), which is the result of factors outside of the Company's control and a decrease in interest income of \$1,770 (2013 - \$23,290) 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 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 \$6,642,082 as at August 31, 2014 compared to \$3,227,970 as at May 31, 2014. The change in cash position was the net result of \$932 used on property and equipment, \$2,536,915 used for operating activities and \$5,989,833 received from the public offering (net of share issue costs) during the three months ended August 31, 2014.

As at August 31, 2014, the Company had working capital of \$6,811,892 compared to working capital of \$2,986,574 as at May 31, 2014. 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 are \$5,040,000 until May 31, 2015. The Company's anticipated burn rate averages approximately \$1,072,000 for September to November, 2014, where approximately \$208,000 is for administrative purposes and approximately \$864,000 is for planned exploration expenditures related to the completion of the ongoing Phase II exploration program at the NBP. From December 2014 to May 2015, the monthly burn rate averages approximately \$304,000, of which \$208,000 is for administrative purposes and approximately \$96,000 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 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.

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. 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.

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 Registration Statement on Form S-1/A as filed with the SEC on August 7, 2014, 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 August 31, 2014, 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-15(e) 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 August 31, 2014, 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 quarter ended August 31, 2014 that have materially, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

None.

ITEM 1A. RISK FACTORS

There have been no material changes from the risk factors set forth in our Registration Statement on Form S-1/A as filed with the SEC on August 7, 2014.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Unregistered Sales of Equity Securities

None

Repurchase of Securities

None

Use of Proceeds

On August 27, 2014, the Company closed a non-brokered public equity financing and issued 5,150,000 common shares at a price of \$1.20 per share for gross aggregate proceeds of \$6,180,000 (the “Offering”). The offering was registered under the United States Securities Act of 1933, as amended, pursuant to a Form S-1 registration statement filed with the United States Securities and Exchange Commission (the “Registration Statement”) and qualified in certain Canadian provinces pursuant to a prospectus filed with the relevant Canadian regulatory authorities.

The Registration Statement (File No. 333-197099) went effective on August 20, 2014. The Offering commenced on August 20, 2014 and closed on August 27, 2014 upon the sale of all 5,150,000 common shares registered under the Registration Statement. The aggregate amount registered was \$6,180,000 (US\$5,768,000 based on an exchange rate of \$1=US\$0.9327). In connection with the Offering, the Company paid \$190,167 in share issuance costs.

Of the \$5,989,833 in net proceeds received from the offering, the net proceeds have been used as follows:

Company Cost Center	Budget 2015 Q1 Jun 1 – Aug 31	Actual 2015 Q1 Jun 1 – Aug 31*	Variance (Budget – Actual) Jun 1 – Aug 31
Corporate			
Company Administration	\$ 600,000	\$ 603,000	\$ (3,000)
Land & Corp Support	\$ 125,000	\$ 222,000	\$ (97,000)
Subtotal	\$ 725,000	\$ 825,000	\$ (100,000)
NBP Exploration			
Project Labor	\$ 323,800	\$ 199,000	\$ 124,800
Drilling	\$ 812,700	\$ 596,000	\$ 216,700
Assay Costs	\$ 166,800	\$ 134,000	\$ 32,800
Project Studies	\$ 256,700	\$ 261,000	\$ (4,300)
Subtotal	\$ 1,560,000	\$ 1,190,000	\$ 370,000
Total	\$ 2,285,000	\$ 2,015,000	\$ 270,000

**Unaudited Cost Reporting*

Actual Land & Corp Support expenditures are above the planned expenditures as land payments scheduled for 2015 Q2 were paid in 2015 Q1. Actual Project Labor and Drilling expenditures were below planned expenditures as the Company halted drilling in August while it worked on closing the public equity financing.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Pursuant to Section 1503(a) of the Dodd-Frank Act, issuers that are operators, or that have a subsidiary that is an operator, of a coal or other mine in the United States are required to disclose specified information about mine health and safety in their periodic reports. These reporting requirements are based on the safety and health requirements applicable to mines under the Federal Mine Safety and Health Act of 1977 (the “Mine Act”) which is administered by the U.S. Department of Labor’s Mine Safety and Health Administration (“MSHA”). During the three month period ended August 31, 2014, the Company and its subsidiaries and their properties or operations were not subject to regulation by MSHA under the Mine Act and thus no disclosure is required under Section 1503(a) of the Dodd-Frank Act.

ITEM 5. OTHER INFORMATION

None.