

## **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 three months ended August 31, 2016, 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"). 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 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 and use of proceeds of sales of none-core assets;
- 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 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:

- our requirement of significant additional capital;
- our limited operating history;
- our history of losses;
- cost increases for our exploration and, if warranted, development projects;
- our property being in the exploration stage;
- mineral exploration and production activities;
- our lack of mineral production from our property;
- estimates of mineral resources;
- changes in mineral resource estimates;
- differences in United States and Canadian mineral reserve and mineral resource reporting;
- our exploration activities being unsuccessful;
- fluctuations in gold, silver and other metal prices;
- 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 property;
- surface access on our property;
- 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 22, 2016, 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).

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 maintaining a retained royalty.

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

- NBP Exploration: Planning for Phase 2 of the 2016 exploration drilling program was completed and the initiation of Phase 2 is scheduled for the first half of October 2016. The drilling will focus on resource expansion potential for the Sierra Blanca/YellowJacket deposit to the north and west in the Swale Zone and to the east in the Liberator Zone. In addition, two new exploration/new discovery targets will be tested at North Jolly Jane and Cat Hill.
- Results for Phase I drilling in 2016 demonstrated the continuity of gold mineralization directly adjacent to the current Sierra Blanca/YellowJacket whittle pit shells and indicated newly discovered mineralization at the Swale target immediately north of the YellowJacket/Sierra Blanca deposits. Drilling during the period in Black Vein-Liberator structure indicated further exploration potential of this new high grade structural zone.
- Metallurgical composite samples were created and shipped to Hazen Research of Golden, CO to begin evaluation of processing alternative for the new zones of mineralization identified by drilling northeast and northwest of the YellowJacket and Sierra Blanca deposits.
- Baseline characterization activities continued with the collection of water quality samples from NBP water monitoring wells and springs located in the immediate area of NBP.
- On July 18, 2016, the Company completed a non-brokered private placement with Osisko Mining Inc. and issued 2,550,000 common shares at a price of \$1.02 per share for gross proceeds of \$2,601,000. The funding will be used to continue exploration on the NBP and for general corporate costs.

### **Corporate Financial Activities**

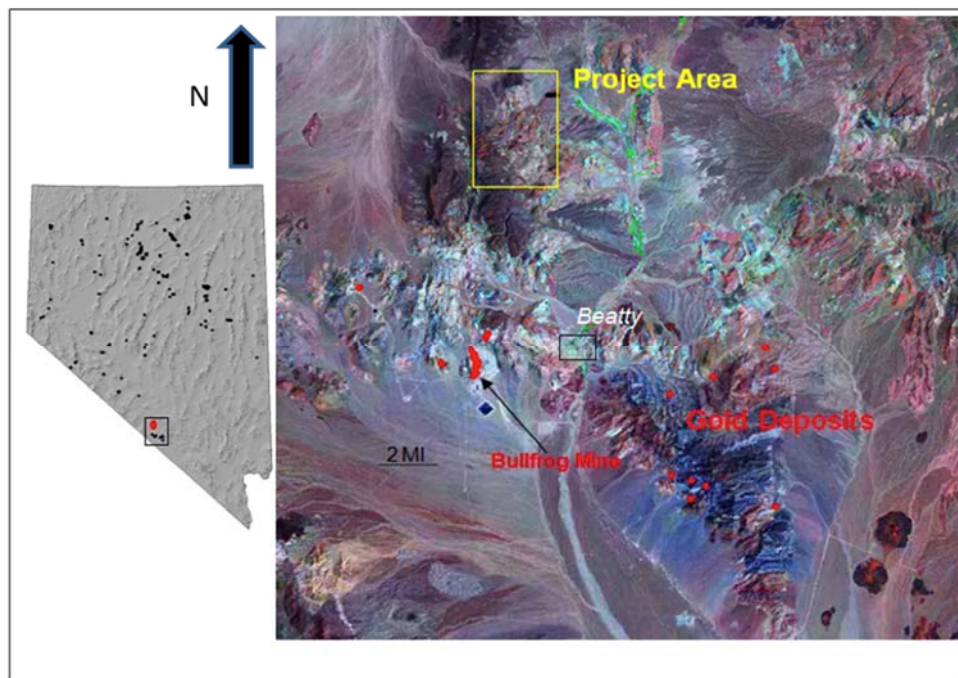
On July 18, 2016, the Company announced the closing of a \$2,601,000 non-brokered private placement at \$1.02 per share. Under the terms of the agreement, the Company issued 2,550,000 common shares. The participant in the private placement included Osisko Mining Inc.

## Nevada Property

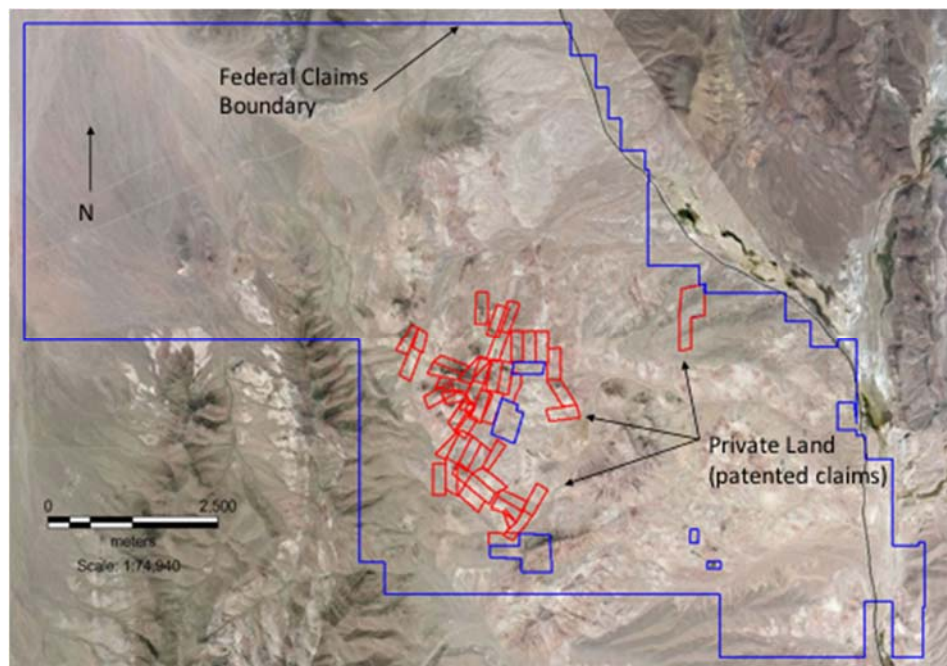
### North Bullfrog Project

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, as amended and restated on May 18, 2016, (the “Technical Report”) is available under Corvus Gold’s SEDAR profile at [www.sedar.com](http://www.sedar.com) and EDGAR profile at [www.sec.gov](http://www.sec.gov). 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 Sacrobatus hydrographic basin (Basin 146).



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

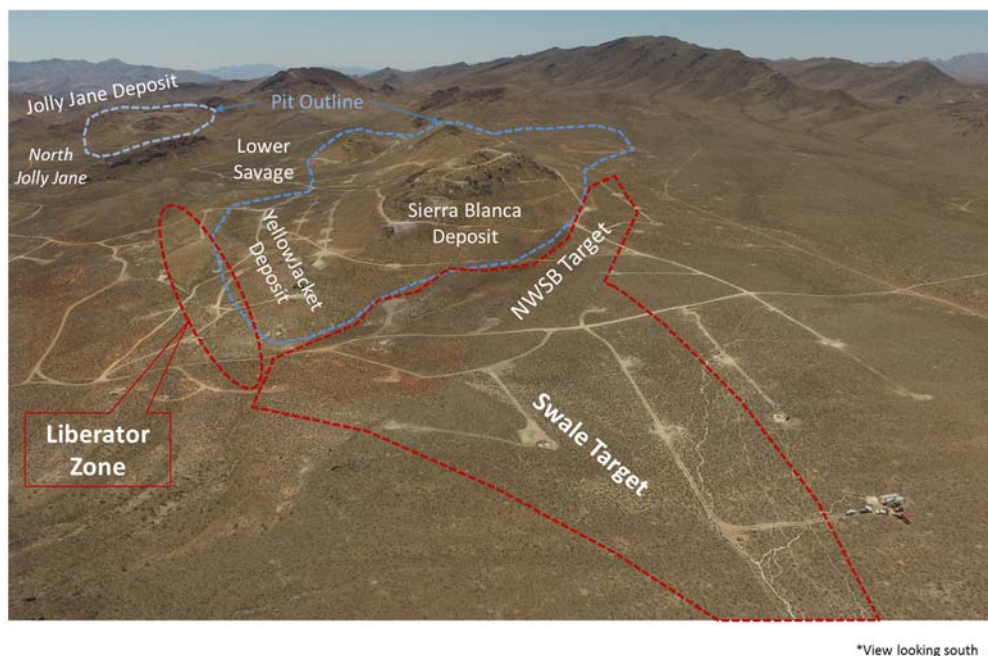


**Figure 2. Property Map of the North Bullfrog Project, Blue outline shows the NBP boundary and red areas are the Leased Private Land (UTm NAD 27 Zone 11).**

### **Phase I 2016 Drilling Results**

Phase I 2016 drilling has demonstrated the continuity of gold mineralization directly adjacent to the current whittle pit shell at the NW Sierra Blanca target and produced a significant new discovery at the Swale target immediately north of the YellowJacket/Sierra Blanca deposits (Figure 3). A total of 6,250 metres of Reverse Circulation (RC) drilling was completed during 2016 Phase I. Drilling was concentrated around the Swale target located at a major intersection of the northwest trending YellowJacket zone and the northeast trending NWSB zone.

Results have returned a number of higher grade (+1 g/t gold) structural zones within a 500 by 200 metre target area. The initial hole at the new Swale target (NB-16-300) intersected 18.3m of 1.76 g/t gold and 2.4 g/t silver (Table 1). The new Swale discovery is characterized by extensive quartz stockwork mineralization that is directly associated with a large rhyolite intrusive. Drilling at the NW Sierra Blanca target has extended gold mineralization to the northeast toward the current north end of the YellowJacket deposit, with alteration and grades increasing in this direction (NB-16-298 intersecting 22.9m of 1.69 g/t gold and 2.64 g/t silver, Table 2). Additional drilling was performed to further delineate mineralization in the Black Vein-Liberator Target and in the Lower Savage Target during this period. The locations of these targets are shown with respect to the Sierra Blanca-YellowJacket deposits in Figure 3.



\*View looking south

**Figure 3. Looking south at the YellowJacket/Sierra Blanca deposit and the surrounding 2016 exploration targets.**



## Swale Discovery

The discovery at the Swale target represents a new style of gold mineralization with both quartz vein and replacement type mineralization, which are uniquely hosted by an extensive rhyolite intrusive body that is located at the north end of the YellowJacket trend. Hole NB-16-300 intersected the new zone at the bottom of the hole (18.3m at 1.76 g/t gold, Table 1). The Swale mineralization is directly associated with an intensely fractured and altered rhyolite body. Hole NB-16-299 intersected the edge of this new zone at the bottom of the hole where alteration intensity was increasing.

This newly discovered mineralized zone appears to be associated with the intersection of two broad NW and NE structural zones at the north end of the current defined YellowJacket deposit. This major intersection appears to have controlled the emplacement of the extensive rhyolite body and the associated gold mineralization. The rhyolite intrusive body is highly fractured and forms a favourable host and may have a genetic association with the gold systems in the area. Two additional holes drilled to the west of NB-16-300 (NB-16-304 & -305 in Table 1) intersected thick intervals of highly altered and quartz veined rhyolite which suggests the favourable host unit extends to the west. In addition the rhyolite body extends to the north and east of the YellowJacket deposit including the NE-trending, Rhyolite Vein discovered in 2015 in hole NB-15-267 (NR15-14, October 15, 2015) with 10.7m at 3.5 g/t gold. Locations of some of the drill holes in the Swale Target are shown in Figure 4.

Results from holes NB-16-304, -305 and -308 at the Swale target have now focused our exploration on the potential in this area and confirmed the northern extension of the YellowJacket structural system. Hole NB-16-308 intersected 3.1 metres at 2.2 g/t gold and 3.5 g/t silver within 9.15m at 1.02 g/t gold and 1.93 silver which is the northern extension of the structural zone previously encountered in hole NB-16-300 (18.3m at 1.76 g/t gold). Mineralization in hole NB-16-308 continues to trend NW and is hosted in a dacite unit as opposed to the more favorable rhyolite unit in hole NB-16-300. This new drilling has extended the YellowJacket system approximately 250 metres northwest of the current YellowJacket resource.

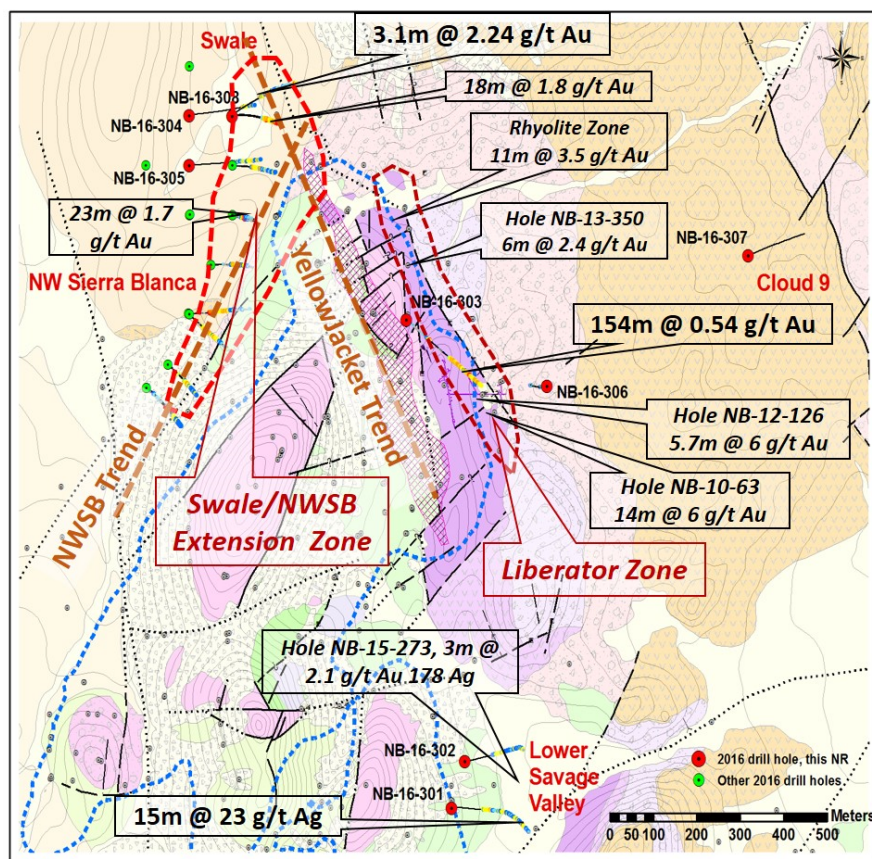
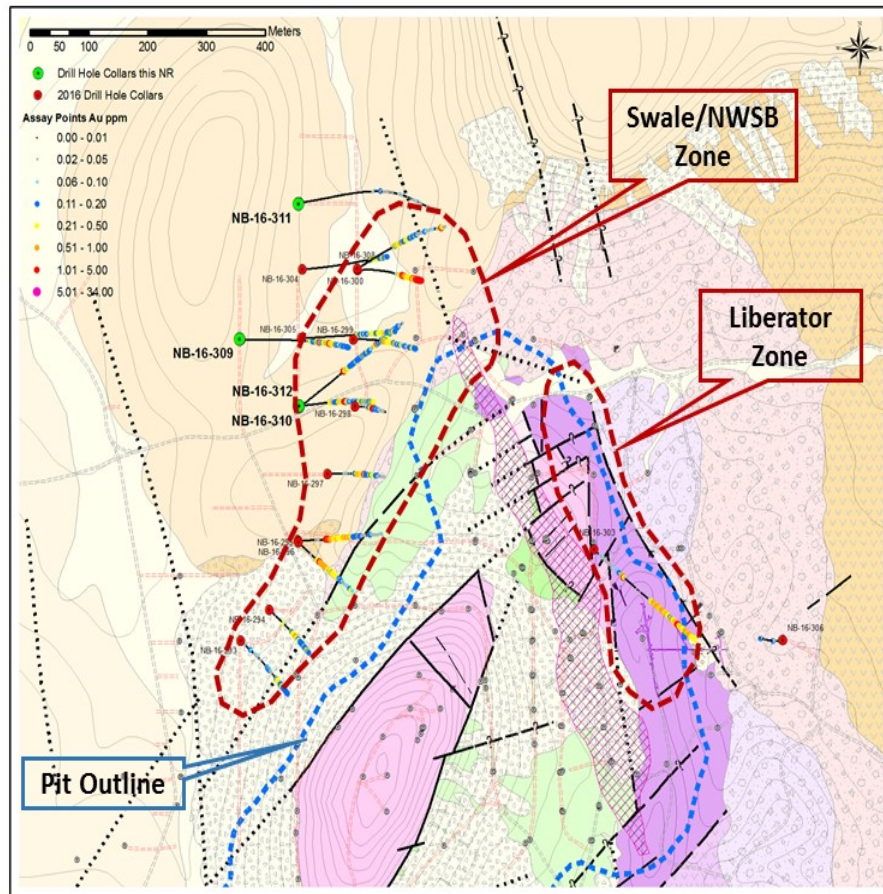


Figure 4. Drill hole locations map for the Phase I 2016 North Bullfrog project.

In addition, the large rhyolite body intersected in holes NB-16-304 and -305 has returned thick intervals of low-grade gold and silver and a number of zones with high levels of uranium and molybdenum. This highly altered and broadly mineralized rhyolite body has emerged as an important host rock for structurally controlled, YellowJacket type vein and stockwork zones. A number of the remaining exploration holes in the Swale target area have intersected parallel broad structural zones to the southwest and south of the zones hit in holes NB-WW-300 and -308. This area is about 500 metres by 200 metres at the north and west end of the current YellowJacket resource. With the earlier results from the NE trending NWSB zone in hole NB-16-298 (NR16-09, June 7, 2016, 23m at 1.7 g/t gold, Table 2) we are now projecting a major structural intersection of the two

systems at the north end of the current pit design. This complexly faulted area forms an excellent mineralizing environment for multiple high-grade zones and will be a primary target of resource development drilling in the second phase of the 2016 program.

Two of the final four holes drilled in the Phase I program targeted the northern extension of mineralization intersected in hole NB-16-298 (23m at 1.69 g/t gold, NR16-09, June 7, 2016, Table 2) and returned encouraging intercepts such as NB-16-310 with 13.7m at 1.18 g/t gold and NB-16-312 with 4.6m at 1.08 g/t gold and 6.1m at 1.2 g/t gold (Table 1 and Figure 5). These intervals are surrounded by over 100 metres of low-grade mineralization indicating the system remains very strong to the north of the currently defined Sierra Blanca/YellowJacket deposit. The current interpretation of the higher grade mineralization in this area indicates it is controlled by a series of north and northeast trending structures and structural intersections with the major northeast structural zone hosting the mineralization in hole NB-16-298.



**Figure 5 –Drill hole locations for Phase I 2016 drilling near the Swale and Liberator Zones.**

Hole NB-16-309 tested the Swale system 200 metres to the southwest of hole NB-16-300 (18m at 1.8 g/t gold, NR16-09, June 7, 2016) and returned several broad intercepts of low-grade mineralization including 65.5m of 0.40 g/t gold (Table 1). This broad zone of gold mineralization from the currently farthest west hole drilled in this area, indicates the system remains open and suggests that potential exists in this direction for other feeder zones.

Holes NB-16-311 was drilled north of prior hole NB-16-308 (3.1m at 2.24 g/t gold, NR16-11, August 2, 2016) but failed to hit the favourable host rock package or any significant mineralization.

**Table 1: Drill Results from the Swale 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-16-299</b>	102.11	164.59	62.48	0.39	1.02
AZ 085 dip -60 inc	109.73	121.92	12.19	0.55	0.99
inc	155.45	161.54	6.09	0.58	0.97
	175.26	184.4	9.14	0.17	1.41
	224.03	230.12	6.09	0.15	0.58
	237.74	257.56	19.82	0.19	1.24

*\*hole ended in mineralization*

	From (m)	To (m)	Length (m)*	Gold (g/t)	Silver (g/t)
<b>NB-16-300</b>	153.92	254.51	100.59	0.78	2.03
AZ 085 dip -60 inc	158.5	188.98	30.48	0.68	2.82
inc	205.74	208.79	3.05	0.65	2.41
inc	213.36	220.98	7.62	0.79	2.04
inc	225.55	231.65	6.10	0.88	2.05
inc	<b>236.22</b>	<b>254.51</b>	<b>18.29</b>	<b>1.76</b>	<b>2.37</b>

*\*hole ended in mineralization*

	From (m)	To (m)	Length (m)*	Gold (g/t)	Silver (g/t)
<b>NB-16-304</b>	211.84	274.32	62.48	0.30	1.09
AZ 085 dip-50 inc	213.36	219.46	6.1	0.68	2.37
inc	259.08	260.6	1.52	0.62	1.46

*\*hole ended in mineralization*

	From (m)	To (m)	Length (m)*	Gold (g/t)	Silver (g/t)
<b>NB-16-305</b>	153.92	190.5	36.58	0.17	0.85
AZ 085 dip -50	202.69	288.04	85.35	0.22	0.77

*\*hole ended in mineralization*

	From (m)	To (m)	Length (m)*	Gold (g/t)	Silver (g/t)
<b>NB-16-308</b>	152.4	207.26	54.86	0.31	0.93
AZ 060 dip -65	211.84	237.74	25.9	0.12	0.39
	<b>316.99</b>	<b>326.14</b>	<b>9.15</b>	<b>1.02</b>	<b>1.93</b>
inc	<b>320.04</b>	<b>323.09</b>	<b>3.05</b>	<b>2.24</b>	<b>3.47</b>

	From (m)	To (m)	Length (m)*	Gold (g/t)	Silver (g/t)
<b>NB-16-309</b>	239.27	259.08	19.81	0.19	0.61
AZ 087 dip-60	263.65	329.18	65.53	0.40	0.67
inc	280.42	281.94	1.52	0.58	0.34
inc	294.13	304.8	10.67	0.69	0.96
inc	309.37	313.94	4.57	0.65	1.60
	339.85	352.04	12.19	0.14	0.55
	356.62	365.76	9.14	0.13	0.44

*\*hole ended in mineralization*



<b>NB-16-310</b>	<b>From (m)</b>	<b>To (m)</b>	<b>Length (m)*</b>	<b>Gold (g/t)</b>	<b>Silver (g/t)</b>
AZ 085 dip -55	100.58	164.59	64.01	0.49	1.48
<i>inc</i>	108.2	109.73	1.52	0.67	2.75
<i>inc</i>	132.59	140.21	7.62	0.61	1.05
<i>inc</i>	<b>149.35</b>	<b>163.07</b>	<b>13.72</b>	<b>1.18</b>	<b>2.22</b>
	214.88	220.98	6.1	0.20	0.39
	227.08	294.13	67.05	0.24	0.96
<i>inc</i>	275.84	277.37	1.52	0.82	0.75
<i>inc</i>	289.56	292.61	3.05	0.61	1.09

*\*hole ended in mineralization*

#### **NB-16-311**

No significant results

AZ 080 dip-50

<b>NB-16-312</b>	<b>From (m)</b>	<b>To (m)</b>	<b>Length (m)*</b>	<b>Gold (g/t)</b>	<b>Silver (g/t)</b>
AZ 055 dip-45	137.16	240.79	103.63	0.24	0.68
<i>inc</i>	<b>138.68</b>	<b>143.26</b>	<b>4.58</b>	<b>1.08</b>	<b>1.87</b>
<i>inc</i>	152.4	153.92	1.52	0.53	1.03
<i>inc</i>	227.08	228.6	1.52	0.58	1.21
	266.7	335.28	68.58	0.31	0.71
<i>inc</i>	<b>272.8</b>	<b>278.89</b>	<b>6.09</b>	<b>1.20</b>	<b>1.28</b>
<i>inc</i>	323.09	324.61	1.52	0.55	1.22
	339.85	358.14	18.29	0.16	0.41
	364.24	371.86	7.62	0.17	0.36

*\*hole ended in mineralization*

*\* Mineralized thickness calculated @ 0.10 g/t Au cutoff with internal vein/stockwork intervals calculated @ 0.5 g/t Au cutoff*

#### **NW Sierra Blanca Target**

A total of six holes from the 2016 exploration program have been returned from the NW Sierra Blanca target covering about 400 metres of the north end of the system. These results continue to show good continuity of the new mineralized zone which lies just west of the current resource/whittle shell boundary. The current data has shown that grades are increasing to the northeast toward the north end of the YellowJacket deposit with the farthest hole to the northeast, NB-16-298 returning 22.9 meters of 1.69 g/t gold and 2.6 g/t silver (Table 2) from a broad zone of stockwork quartz veining. This new vein system discovery is about 100 metres west and trends parallel to the YellowJacket deposit. When linked with prior intercepts like hole NB-15-282 (NR16-02, January 19, 2016) which returned 3.1m at 5 g/t gold and 42 g/t silver within 19.8m of 1.7 g/t Au and 12 g/t Ag the area has emerged as a significant new zone of high grade mineralization which could expand the current mill resource, follow up drilling is planned.

**Table 2: Drill Results from NW Sierra Blanca and Swale Targets**

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

	From (m)	To (m)	Length (m)*	Gold (g/t)	Silver (g/t)
<b>NB-16-293</b>	97.54	103.63	6.09	0.19	0.42
AZ 130 dip -50	143.26	208.79	65.53	0.21	0.79

*hole ended in mineralization*

	From (m)	To (m)	Length (m)*	Gold (g/t)	Silver (g/t)
<b>NB-16-294</b>	64.01	68.58	4.57	0.20	1.20
AZ 130 dip -60	102.11	213.36	111.25	0.23	1.31
inc	121.92	132.59	10.67	0.63	3.13

	From (m)	To (m)	Length (m)*	Gold (g/t)	Silver (g/t)
<b>NB-16-295</b>	74.68	161.54	86.86	0.53	1.21
AZ 090 dip-50	74.68	99.06	24.38	0.80	1.50
inc	103.63	106.68	3.05	0.58	0.97
inc	121.92	146.3	24.38	0.60	1.31
inc	166.12	169.16	3.04	0.17	0.33
	201.17	204.22	3.05	0.42	0.42

	From (m)	To (m)	Length (m)*	Gold (g/t)	Silver (g/t)
<b>NB-16-296</b>	65.53	150.88	85.35	0.55	1.36
AZ 125 dip -50	73.15	106.68	33.53	0.82	2.08
inc	120.4	124.97	4.57	0.71	1.09
inc	131.06	132.59	1.53	0.58	1.69
inc	141.73	143.26	1.53	0.50	0.60
	156.97	163.07	6.1	0.13	0.31
	205.74	208.79	3.05	0.22	0.45

	From (m)	To (m)	Length (m)*	Gold (g/t)	Silver (g/t)
<b>NB-16-297</b>	99.06	208.79	109.73	0.35	1.62
AZ 085 dip -60	108.2	124.97	16.77	0.65	1.92
inc	129.54	131.06	1.52	0.58	0.82
inc	137.16	141.73	4.57	1.37	14.69
inc	193.55	195.07	1.52	0.57	1.11

	From (m)	To (m)	Length (m)*	Gold (g/t)	Silver (g/t)
<b>NB-16-298</b>	92.96	155.45	62.49	0.76	1.49
AZ 085 dip -60	121.92	144.78	22.86	1.69	2.64

*hole ended in mineralization*

\* Mineralized thickness calculated @ 0.10 g/t Au cutoff with internal vein/stockwork intervals calculated @ 0.5 g/t Au cutoff

### **Black Vein - Liberator Target**

Initial drill results from the Black Vein target have highlighted the importance of the re-emerging Liberator structural zone, a parallel structural zone just east of the YellowJacket deposit with potential to host high-grade mineralization. Significantly, drill hole NB-16-303 drilled into the Black Vein target returned 153.9m at 0.54 g/t gold & 0.92 g/t silver (Table 3). Follow up drilling is being planned to test for significant tonnage of higher grade mineralization.

Drill holes NB-16-303 was drilled to test the deep potential below earlier high-grade intersection returned from the Liberator structural zone in the Black Vein target area; NB-10-63 (NR11-03, February 1, 2011) with 13.7m @ 5.9 g/t gold & 5.2 g/t silver and NB-12-126 (NR12-10, March 22, 2012) with 5.7m @ 6.6 g/t gold & 9.9 g/t silver). Results from hole NB-16-303

intersected a very broad zone of gold mineralization within the target (153.9m @ 0.54 g/t gold). This very thick zone of gold mineralization and the shallower high-grade intersections appears to be associated with the large Liberator fault system which lies just east of the YellowJacket deposit but dips in the opposite direction. The Liberator structural zone has not been effectively explored in the past and is now emerging as an important target area immediately east of the current pit design. It's also possible that the previously discovered Rhyolite zone (10.7m @ 3.5 g/t gold) and the 350 zone (6m @ 2.4 g/t gold) are also related to the Liberator system which has a known strike length of over a kilometre. This emerging new YellowJacket type target will also be tested in the next phase of drilling.

Scout drilling was completed to test the depth potential of the Liberator zone to the east and to test a wildcat vein target in the Cloud 9 area. Hole NB-16-306 was drilled about 100 metres east of the Black Vein target and intersected a broad low-grade interval of gold mineralization deep along the Liberator fault (~400m below surface). This mineralization indicates the Liberator gold system is extensive. Hole NB-16-307 tested the Cloud 9 target, a banded quartz vein outcropping along the West Jolly Jane fault about 800 metres east of Black Vein and about 2 kilometres north of the Jolly Jane deposit, although altered the hole failed to return any significant gold or silver values.

**Table 3: Drill Results Lower Savage and Black Vein Targets**

*(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.)*

<b>Black Vein</b>	<b>From (m)</b>	<b>To (m)</b>	<b>Length (m)*</b>	<b>Gold (g/t)</b>	<b>Silver (g/t)</b>
<b>NB-16-303</b>	94.49	102.11	7.62	0.54	1.30
AZ 130 dip -50	<b>193.55</b>	<b>347.47</b>	<b>153.92</b>	<b>0.54</b>	<b>0.92</b>
inc	199.64	249.94	50.3	0.58	1.03
inc	266.7	271.27	4.57	0.53	1.01
inc	275.84	301.75	25.91	0.68	0.83
inc	310.9	333.76	22.86	0.66	0.97
	<i>hole ended in mineralization</i>				

<b>NB-16-306</b>	<b>From (m)</b>	<b>To (m)</b>	<b>Length (m)*</b>	<b>Gold (g/t)</b>	<b>Silver (g/t)</b>
AZ 265 dip -80	475.49	495.3	19.81	0.24	0.47

**NB-16-307**  
AZ 070 dip -45  
No significant results

<b>Lower Savage</b>	<b>From (m)</b>	<b>To (m)</b>	<b>Length (m)*</b>	<b>Gold (g/t)</b>	<b>Silver (g/t)</b>
<b>NB-16-301</b>	124.97	135.64	10.67	0.25	0.46
AZ 085 dip -50	140.21	179.83	39.62	0.31	0.89
inc	146.3	147.83	1.52	0.61	0.88
inc	161.54	169.16	7.62	0.52	1.23
	207.26	286.51	79.25	0.21	1.13
	295.66	361.19	65.53	0.21	1.07
	367.28	408.43	41.15	0.33	9.22
inc	<b>368.81</b>	<b>384.05</b>	<b>15.2</b>	<b>0.44</b>	<b>23.80</b>

<b>NB-16-302</b>	<b>From (m)</b>	<b>To (m)</b>	<b>Length (m)*</b>	<b>Gold (g/t)</b>	<b>Silver (g/t)</b>
AZ 083 dip -55	121.92	137.16	15.24	0.16	0.51
	141.73	237.74	96.01	0.23	0.80
	252.98	324.61	71.63	0.16	0.87
	336.8	373.38	36.58	0.18	0.42
	379.48	388.62	9.14	0.18	0.43

*\* Mineralized thickness calculated @ 0.10 g/t Au cutoff with internal vein/stockwork intervals calculated @ 0.5 g/t Au cut*

Significant intercepts in the Lower Savage Target drilled in this period are listed in Table 3. Two holes were drilled to follow-up high-grade silver mineralization found at depth below a large new zone of low-grade mineralization east of the current pit design. These two holes drilled 100 metres north and south of the original discovery hole NB-15-273 (NR16-03, January 26, 2016, 3.1m @ 2.1 g/t gold & 178 g/t silver) and intersected thick zones of low-grade mineralization confirming the systems extension to the east. In hole NB-16-301 a thicker zone of silver mineralization (15.2m @ 0.4 g/t gold and 23 g/t silver) was intersected in the same horizon as the earlier intercept in hole 273. The hole to the north, NB-16-302 also hit this horizon but only returned low-grade silver (37m @ ~0.4 g/t silver). The mineralization appears to be related to a replacement style within a specific horizon in the volcanic package near the basement contact. Although intriguing, this deeper replacement style of mineralization will not be followed up in the next phase of drilling.



## **Project Development Activities**

Monitoring programs to develop baseline characterization data for support of future permitting activities continued during the period. Water quality samples were collected from NBP monitoring wells and surrounding areal springs in September. Meteorological monitoring continued with quarterly reports submitted to NDEP. The NDWR permit for the 1600 acre-feet of water rights in Sarcobatus (Basin 146) was renewed by the Nevada State Engineer for the 2016-2017 period.

## **Phase II Drill Program**

Corvus Gold will begin its 2016 Phase II drill program in mid-October when an RC drilling rig is scheduled to return to NBP. The program will involve approximately 7,000 metres of reverse circulation drilling designed to address resource expansion potential for the Sierra Blanca/YellowJacket deposit to the north and west in the Swale Zone and to the east in the Liberator Zone. In addition, two new exploration/new discovery targets will be tested at North Jolly Jane and Cat Hill. All of the planned exploration and development programs for 2016 and 2017 as well as corporate costs are fully funded.

## **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 the Technical Report, which is available under Corvus Gold's SEDAR profile at [www.sedar.com](http://www.sedar.com) and EDGAR profile at [www.sec.gov](http://www.sec.gov). 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.

## **Results of Operations**

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### **Three months ended August 31, 2016 Compared to Three months ended August 31, 2015**

For the three months ended August 31, 2016, the Company had a net loss of \$1,505,937 compared to a net loss of \$1,821,292 in the comparative period of the prior year. Included in net loss was \$176,238 (2015 - \$294,881) in stock-based compensation charges which is a result of previously granted stock options which vested during the period. The decrease in loss of \$315,355 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 \$653,506 incurred in the current period compared to \$790,059 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 \$4,635 in the current period compared to \$5,455 in the prior period.

Consulting fees decreased to \$161,266 (2015 - \$192,393) mainly due to decreased stock-based compensation charges of \$98,516 during the current period compared to \$131,643 in the comparative period of the prior year offset by an increase in consulting fees of \$2,000 mainly due to increase in directors' fees.

Investor relations expenses decreased to \$145,480 (2015- \$164,774) mainly due to decreased stock-based compensation charges of \$20,534 during the current period compared to \$38,901 in the comparative period of the prior year.

Wages and benefits decreased to \$340,086 (2015 - \$579,010) mainly due to decreased stock-based compensation charges of \$50,645 during the current period compared to \$110,645 in the comparative period of the prior year and a decrease of \$178,924 in wages and benefits in the current period mainly as a result of adjustment in wages of several senior executive officers offset by the severance pay to the former President in the comparative period of the prior year.

Other expense categories that reflected only moderate change period over period were administration expenses of \$361 (2015 - \$2,775), depreciation expenses of \$5,322 (2015 - \$6,300), insurance expenses of \$29,482 (2015 - \$31,060), office expenses of \$28,885 (2015 - \$38,622), professional fees of \$65,162 (2015 - \$70,482), regulatory expenses of \$22,829 (2015 - \$26,981), rent expenses of \$28,883 (2015 - \$26,300) and travel expenses of \$18,829 (2015 - \$17,675).

Other items amounted to a loss of \$5,846 compared to a gain of \$125,139 in the comparative period of the prior year. There was a gain on sale of the Company's interest in the West Pogo property of \$nil in the current period compared to \$25,728 in the comparative period of the prior year. There was an increase in foreign exchange to a loss of \$14,610 (2015 - gain of \$93,846), which is the result of factors outside of the Company's control and an increase in interest income of \$8,764 (2015 - \$5,565) as a result of more 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 \$6,038,546 as at August 31, 2016 compared to \$4,783,519 as at May 31, 2016. The change in cash position was the net result of \$1,417,728 used for operating activities, \$4,271 used on property and equipment, \$2,689,485 received from the private placement of common shares in July of 2016 (net of share issue costs) and exercise of stock options during the three months ended August 31, 2016.

As at August 31, 2016, the Company had working capital of \$6,105,309 compared to working capital of \$4,742,321 as at May 31, 2016. 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, 2019. Following May 31, 2019, the Company will need to scale back anticipated activities and costs or raise additional financing to fund operations through the year ending May 31, 2020. The Company's current anticipated operating expenses are \$2,489,000 until December 31, 2016 and \$4,826,000 until August 31, 2017. The Company's anticipated monthly burn rate averages approximately \$622,000 for September to December 2016, where approximately \$282,000 is for administrative purposes and approximately \$340,000 is for planned exploration expenditures related to the completion of the ongoing Phase II exploration program at the NBP. From September 2016 to August 2017, the Company's anticipated monthly burn rate averages approximately \$402,000, of which \$234,000 is for administrative purposes and approximately \$168,000 is for planned exploration expenditures related to the ongoing Phase II exploration program 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 September 2019 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 22, 2016, under "Certain United States Federal Income Tax Considerations".

## **Emerging Growth Company Status**

We qualify as an "emerging growth company" as defined in Section 101 of the Jumpstart our Business Startups Act ("JOBS Act") as we do not have more than \$1,000,000,000 in annual gross revenue and did not have such amount as of May 31, 2016, being the last day of our last fiscal year.

We may lose our status as an emerging growth company on the last day of our fiscal year during which (i) our annual gross revenue exceeds \$1,000,000,000 or (ii) we issue more than \$1,000,000,000 in non-convertible debt in a three-year period. We will lose our status as an emerging growth company if at any time we are deemed to be a large accelerated filer. We will lose our status as an emerging growth company on the last day of our fiscal year following the fifth anniversary of the date of the first sale of common equity securities pursuant to an effective registration statement (August 28, 2019).

As an emerging growth company, we are exempt from Section 404(b) of the Sarbanes-Oxley Act of 2002 and Section 14A (a) and (b) of the Securities Exchange Act of 1934. Such sections are provided below:

- Section 404(b) of the Sarbanes-Oxley Act of 2002 requires a public company's auditor to attest to, and report on, management's assessment of its internal controls.
- Sections 14A(a) and (b) of the Securities and Exchange Act, implemented by Section 951 of the Dodd-Frank Act, require companies to hold shareholder advisory votes on executive compensation and golden parachute compensation.

As long as we qualify as an emerging growth company, we will not be required to comply with the requirements of Section 404(b) of the Sarbanes-Oxley Act of 2002 and Section 14A(a) and (b) of the Securities Exchange Act of 1934, we may however determine to voluntarily comply with such requirements in our discretion.

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

Not applicable.

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

### **Disclosure Controls and Procedures**

As of August 31, 2016, 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 August 31, 2016, 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 August 31, 2016 that have materially, or are reasonably likely to materially affect, the Company's internal control over financial reporting.