

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM 10-Q**

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934**

**For the quarterly period ended November 30, 2020**

**OR**

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934**

**For the transition period from to**

**Commission file number: 001-39437**



**CORVUS GOLD INC.**

(Exact Name of Registrant as Specified in its Charter)

**British Columbia, Canada**

(State or other jurisdiction of incorporation or  
organization)

**98-0668473**

(I.R.S. Employer Identification  
No.)

**1750-700 West Pender Street**

**Vancouver, British Columbia, Canada,**  
(Address of Principal Executive Offices)

**V6C 1G8**

(Zip code)

Registrant's telephone number, including area code: (604) 638-3246

Securities registered pursuant to Section 12(b) of the Act:

**Title of each class:**

Common Shares, no par value

**Trading Symbol**

KOR

**Name of each exchange on which registered:**

Nasdaq Capital Market

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐

Accelerated filer ☐

Non-accelerated filer ☒

Small reporting company ☒

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of January 7, 2021, the registrant had 126,632,845 Common Shares outstanding.

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## **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 condensed interim consolidated financial statements for the three and six months ended November 30, 2020, 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 two technical reports entitled "Technical Report and Preliminary Economic Assessment for Gravity Milling and Heap Leach Processing at the North Bullfrog Project, Bullfrog Mining District, Nye County, Nevada", dated November 21, 2020 with an effective date of October 7, 2020 (the "NBP Technical Report"), and "Technical Report and Preliminary Economic Assessment for BIOX Mill and Heap Leach Processing at the Mother Lode Project, Bullfrog Mining District, Nye County, Nevada" dated November 21, 2020 with an effective date of October 7, 2020 (the "ML Technical Report" and together with the NBP Technical Report, the "Technical Reports") 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 Reports 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") Definition Standards on Mineral Resources and Mineral Reserves, adopted by the CIM Council, as amended.

These definitions differ materially 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. Under Canadian rules, Inferred Mineral Resources can only be used in economic studies as provided under CIM Standards. 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 is economically or legally mineable. An "Inferred Mineral Resource" is that part of a mineral resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration. 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 Technical Reports referenced in this report contain descriptions of our mineral deposits that may not be comparable to similar information made public by U.S. companies reporting under SEC Industry Guide 7 requirements.

The SEC has adopted amendments to its disclosure rules to modernize the mineral property disclosure requirements for issuers whose securities are registered with the SEC. These amendments became effective February 25, 2019 (the "SEC Modernization Rules") and, following a two-year transition period, the SEC Modernization Rules will replace the historical property disclosure requirements for mining registrants that are included in SEC Industry Guide 7. The Company is not required to provide disclosure on its mineral properties under the SEC Modernization Rules until its fiscal year beginning May 31, 2021. Under the SEC Modernization Rules, the definitions of "Proven Mineral Reserves" and "Probable Mineral Reserves" have been amended to be substantially similar to the corresponding CIM Definition Standards and the SEC has added definitions to recognize "Measured Mineral Resources", "Indicated Mineral Resources" and "Inferred Mineral Resources" which are also

substantially similar to the corresponding CIM Definition Standards; however there are differences in the definitions under the SEC Modernization Rules and the CIM Definition Standards and therefore once the Company begins reporting under the SEC Modernization Rules there is no assurance that the Company's Mineral Reserve and Mineral Resource estimates will be the same as those reported under CIM Definition Standards as contained in this report.

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

The Company currently holds or has the right to acquire interests in advanced stage exploration projects in Nye County, Nevada referred to as the North Bullfrog Project (the "NBP") and the Mother Lode Project ("MLP" or "Mother Lode"). Mineral resources that are not mineral reserves have no demonstrated economic viability. The preliminary economic assessments included in the Technical Reports on the NBP and on the MLP 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 or at the MLP will ever be realized. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. Investors are cautioned not to assume that all or any part of an Inferred Mineral Resource exists or is economically or legally mineable. Readers should refer to the Technical Reports for additional information.

## **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 results of the preliminary economic assessment ("PEA") on each of NBP and MLP;
- 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 and the MLP;
- 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 the timing of the receipt of results therefrom;
- the Company's future cash requirements and use of proceeds of sales;
- general business and economic conditions;
- the Company's ability to meet its financial obligations as they come due, and the ability 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, or high-grade mineralization at the MLP;
- the potential to expand Company's existing deposits and discover new deposits;
- the potential for any delineation of higher grade mineralization at the NBP or MLP;
- the potential for there to be one or more additional vein zones;
- the potential discovery and delineation of mineral deposits/resources/reserves and any expansion thereof beyond the current estimate;
- the potential for the NBP or the MLP mineralization systems to continue to grow and/or to develop into a major new higher-grade, bulk tonnage, Nevada gold discovery;
- 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;
- that the Company will operate at a loss;
- that the Company will need to scale back anticipated costs and activities or raise additional funds;
- that the Company will have to raise substantial additional capital to accomplish its business plan over the next couple of years;

- the estimated reclamation and asset retirement costs;
- the plans related to the potential development of the MLP and the NBP; and
- the NBP and MLP work plans and mine development plans/programs.

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:

- risks related to the evolving novel coronavirus ("COVID-19") pandemic and health crisis and the governmental and regulatory actions taken in response thereto;
- 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 properties being in the exploration stage;
- mineral exploration and production activities;
- our lack of mineral production from our properties;
- 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;
- tax issues;
- current and future joint ventures and partnerships;
- our ability to attract qualified management;
- the ability to enforce judgment against certain of our directors;
- currency fluctuations;
- claims on the title to our properties;
- surface access on our properties;
- potential future litigation;
- our lack of insurance covering all our operations;
- our status as a "passive foreign investment company" under US federal tax code;
- the common shares; and
- events such as war, terrorism, natural disaster or outbreaks of disease (including COVID-19).

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 13, 2020, 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.

### General

The Company's material mineral properties are the NBP and the MLP, advanced exploration stage projects in Nevada which have a number of high-priority, bulk tonnage and high-grade vein targets (held through Corvus Nevada, a Nevada subsidiary). While exploring the NBP, the Company acquired the MLP in June 2017, which is located approximately 19 km to the south east of the NBP. The MLP was mined in the late 1980s and has substantial gold mineralization remaining unexploited extending to the north of the existing open pit mine. Exploration drilling and surface mapping have revealed that other exploration targets on the Corvus property in the Mother Lode area contain gold mineralization and are therefore being actively explored.

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 MLP and 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:

- The Company initiated active exploration drilling in the Lynnda Strip located north of Mother Lode. Four holes were completed at the Lynnda Strip and have encountered substantial thicknesses (up to 50m) of oxide gold mineralization with average grade >2 g/t within much broader oxide zones of over 150m averaging between 0.50 and 1 g/t gold.
- Definition of a high grade feeder zone target in the Central Intrusive Zone (CIZ) at Mother Lode indicated good continuity returning 130.5 m @ 2.33 g/t gold and could expand both the grade and size of the Mother Lode gold system in the northern end of the deposit.
- All drilling during the period was performed at Mother Lode and at the Lynnda Strip. A total of 28 RC drill holes were completed during the period totaling 5,989 m, of which 6 were planned as core-tail (CT) holes which are drilled to a pre-designed depth, cased and then advanced with core drilling. Nine core-tail holes were cored during the period for 1,277 m.
- One core rig was drilling, completing core-tail holes and one RC rig was drilling both core-tail locations and conventional RC holes.
- A Preliminary Economic Assessment technical report was updated for the North Bullfrog Project (the "NBP PEA"). The NBP PEA evaluated NBP as a stand-alone project using a gravity mill to produce a gravity concentrate from YellowJacket high grade mineralization and heap leach processing of a blend of Run-Of-Mine mineralization with gravity tail material for ultimate gold recovery.
- A Preliminary Economic Assessment technical report was updated for the Mother Lode Project (the "MLP PEA") as a stand-alone project employing a BIOX mill for processing the sulphide mineralization and heap leach processing of oxide mineralization.
- Planning for the continuation of the Baseline Characterization activities at North Bullfrog was completed during the period. Contracts were placed with service groups to initiate the work in January 2021.
- Corvus and representatives of the different permitting contractors met with the BLM Battle Mountain staff to plan the permit requirements and the work schedule to complete a full North Bullfrog mine permit was outlined in December.
- Water quality samples were collected for surface springs in Oasis Valley and from water quality monitoring wells at North Bullfrog.
- The water production volumes for Corvus wells at MLP, were used for MLP exploration drilling and were reported monthly to the NDWR.
- Water production well PW-2 at Mother Lode was re-completed lowering the pump to greater depth which required a stronger pipe string. The pump capacity was also increased.
- A revision of the Lynnda Strip Notice of Intent was submitted and approved during December which allows expanded drilling in the area.
- On November 6, 2020, the Company appointed Peggy Wu, its Chief Financial Officer, as a director of the Company. Ms. Wu was also appointed as a member of the Sustainable Development Committee.

### Nevada Properties

#### *NBP and MLP*

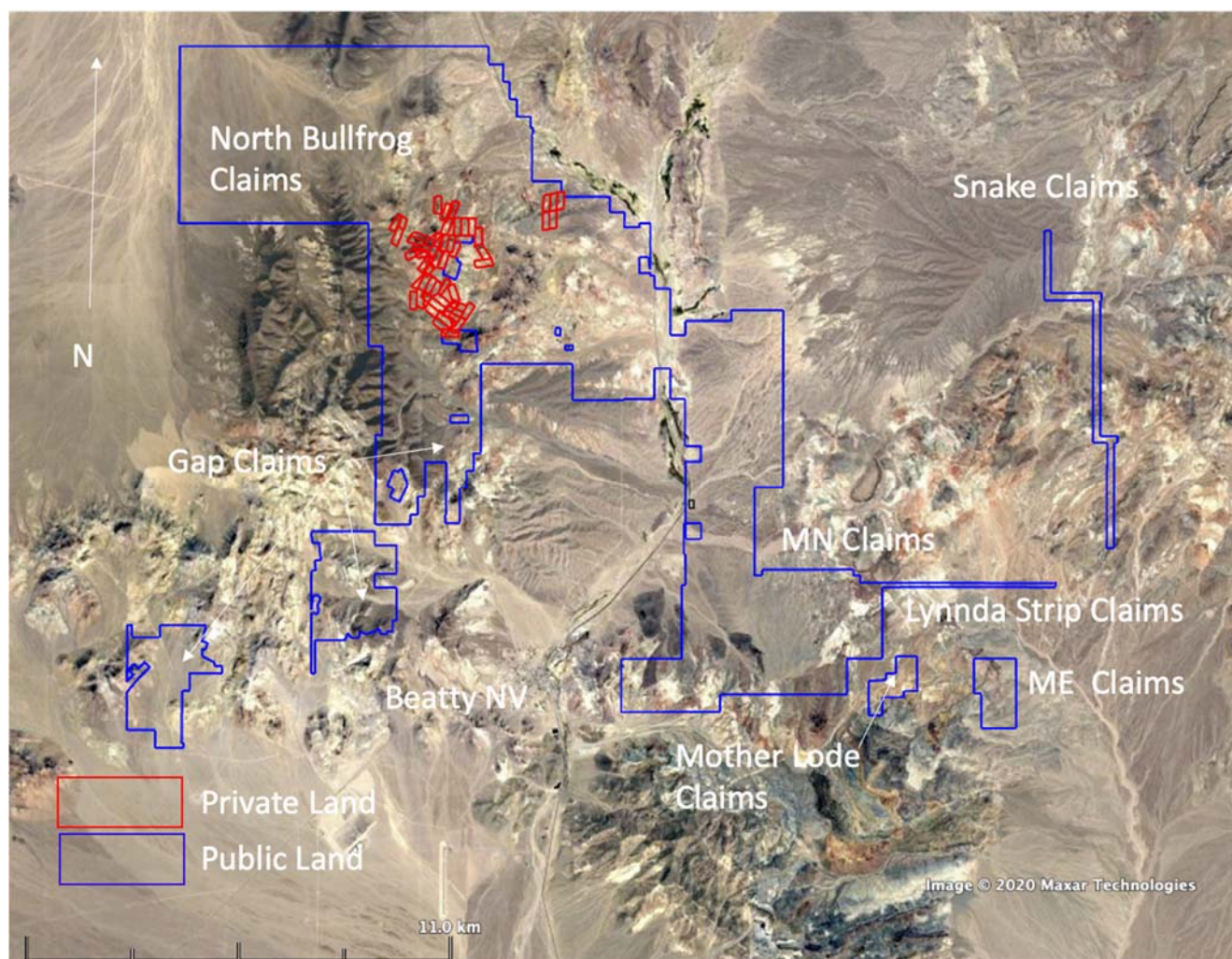
Our principal mineral properties are the NBP and the MLP, which form two separate gold exploration projects (the "NBP" and the "MLP") located in northwestern Nye County, Nevada, in the Northern Bullfrog Hills and Bare Mountains to the east, north and west of the town of Beatty. The NBP nor the MLP have any known proven or probable reserves under SEC Industry Guide 7 and the project is exploratory in nature. The Technical Reports are available under Corvus' SEDAR profile at [www.sedar.com](http://www.sedar.com) and EDGAR profile at [www.sec.gov](http://www.sec.gov), and describe the two properties as separate mining operations. The



Technical Reports are referred to herein for informational purposes only and are not incorporated herein by reference. The Technical Reports contain disclosure regarding Mineral Resources at both projects that are not SEC Industry 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 following disclosure is derived, in part, and supported by the Technical Reports.

The NBP and the MLP are located in the Bullfrog Hills and Bare Mountains of northwestern Nye County, Nevada (Figure 1). Together, the NBP and the MLP cover approximately 129 square kilometers (12,895 hectares) of patented and unpatented mining claims in sections 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, and 36 of T10S, R46E; sections 1, 2, 3, 4, 5, 6, 10, 11, 12, 13, 14, 15, 23, 24, 25, 26, 34 and 35 of T11S, R46E; sections 2, 3, 4, 5, 6, 7, 8, 9, 10, and 18 of T12S R46E; sections 19, 30, 31, and 32 of T10S, R47E; sections 4, 5, 6, 7, 8, 9, 10, 11, 14, 15, 16, 17, 18, 22, 23, 26, 27, 34, 35 and 36 of T11S, R47E; sections 1, 2, 3, 4, 8, 9, 10, 11, 12 and 13 of T12S R47E; sections 4, 9, 10, 15, 22, 27, 31, 32, 33 and 34 of T11S R48E; and sections 4, 5, 6, 7, 8, 9, 16, 17 and 18 of T12S R48E of MDBM. The total number of federal lode claims is 1601. Corvus has total of nine option/lease agreements in place that give us control of private land based on an aggregate of 51 historical patented lode claims (see Private Lands in Figure 1). Corvus Nevada owns an additional private land based on five historical patented claims (the Millman claims) and a 430 acre property with 1600 acre-feet of water rights located north of NBP in the Sarcobatus hydrographic basin (Basin 146).



**Figure 1. Property Map showing the Location of the NBP and the MLP with respect to the town of Beatty, NV.**

Studies at the NBP and MLP have been focused on the potential to develop separate mining and processing operations at each site. Technical Reports describing the conceptual mining and processing operations at each location were completed on November 21, 2020 and are available on SEDAR and EDGAR.



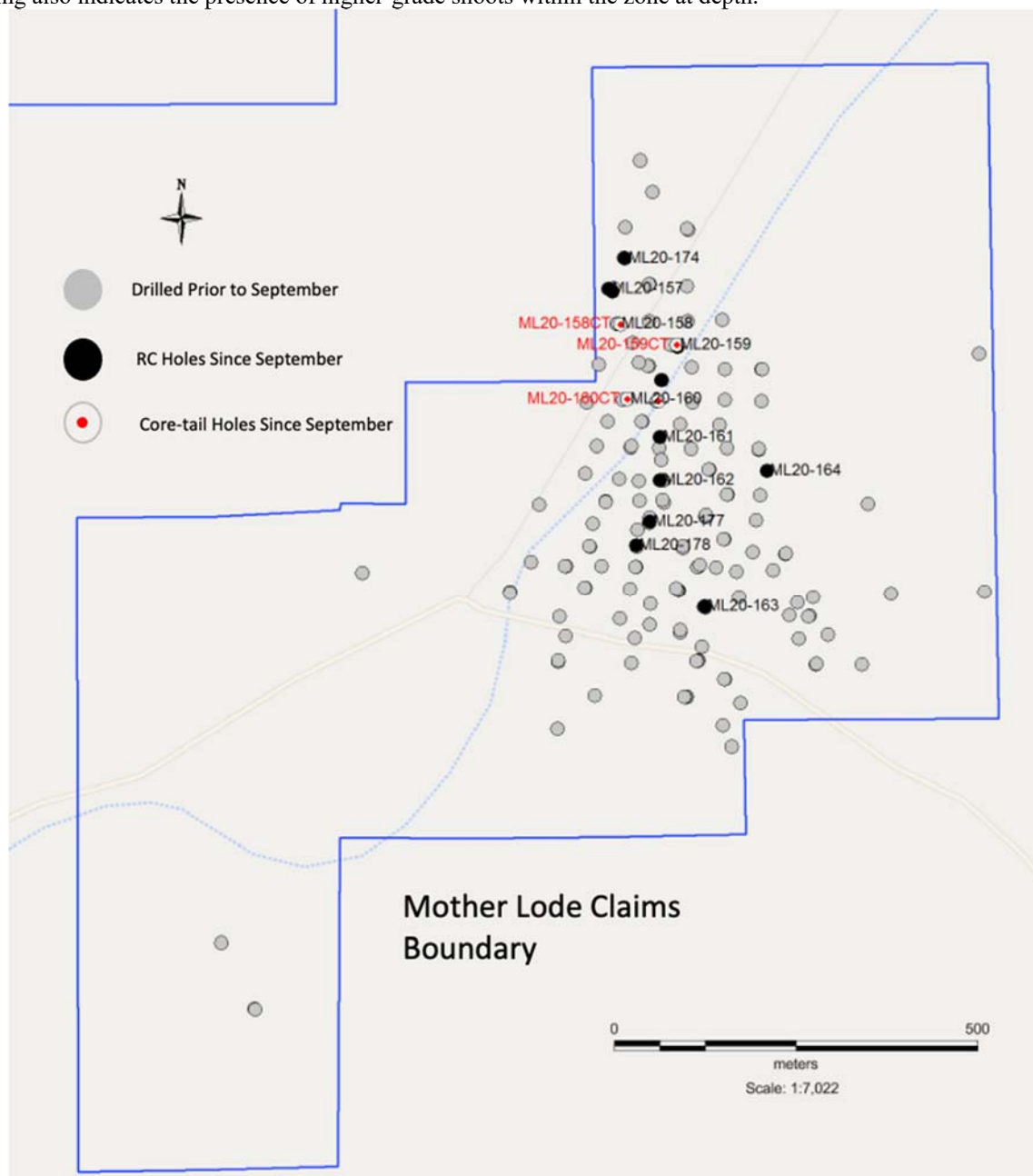
### ***NBP Drilling Activities***

No drilling was performed at North Bullfrog during the reporting period.

### ***MLP Drilling Activities***

During the period, 28 RC drill holes were completed. Ten of the RC holes were drilled at Lynnda Strip (see Figure 1) and 13 were drilled at Mother Lode. Six of those RC holes were core-tail pre-collar holes for later core drilling. Nine holes were core-tail holes with five deepened at Mother Lode and four deepened at Lynnda Strip.

Figure 2 shows the location of the hole collars drilled at Mother Lode, including the recent RC and Core-tail holes. The drilling continued to outline the Central Intrusive Zone (CIZ) proving the association of the gold mineralization with a broad zone that varies in width along strike, and remains open at depth. The zone is dominantly oxide in nature, to a depth of 600m. Preliminary cyanide leach data indicate high gold recovery averaging above 90% which indicates good potential for heap leach processing. The drilling also indicates the presence of higher-grade shoots within the zone at depth.



***Figure 2 – Locations of Corvus RC and Core-tail holes at the Mother Lode Project, Nevada***

Drilling from the Main Zone has indicated the presence of breccia intervals from the top of the CIZ that cut the Central Main Zone and contain higher-grade gold mineralization. Additional intersections in the Upper Oxide Zone are defining a sizable body of low grade mineralization that are amenable to heap leach processing in areas that were previously defined as waste material in pit shells. The cross section in Figure 3 illustrates the spatial relationship of the different mineralized zones being described here.

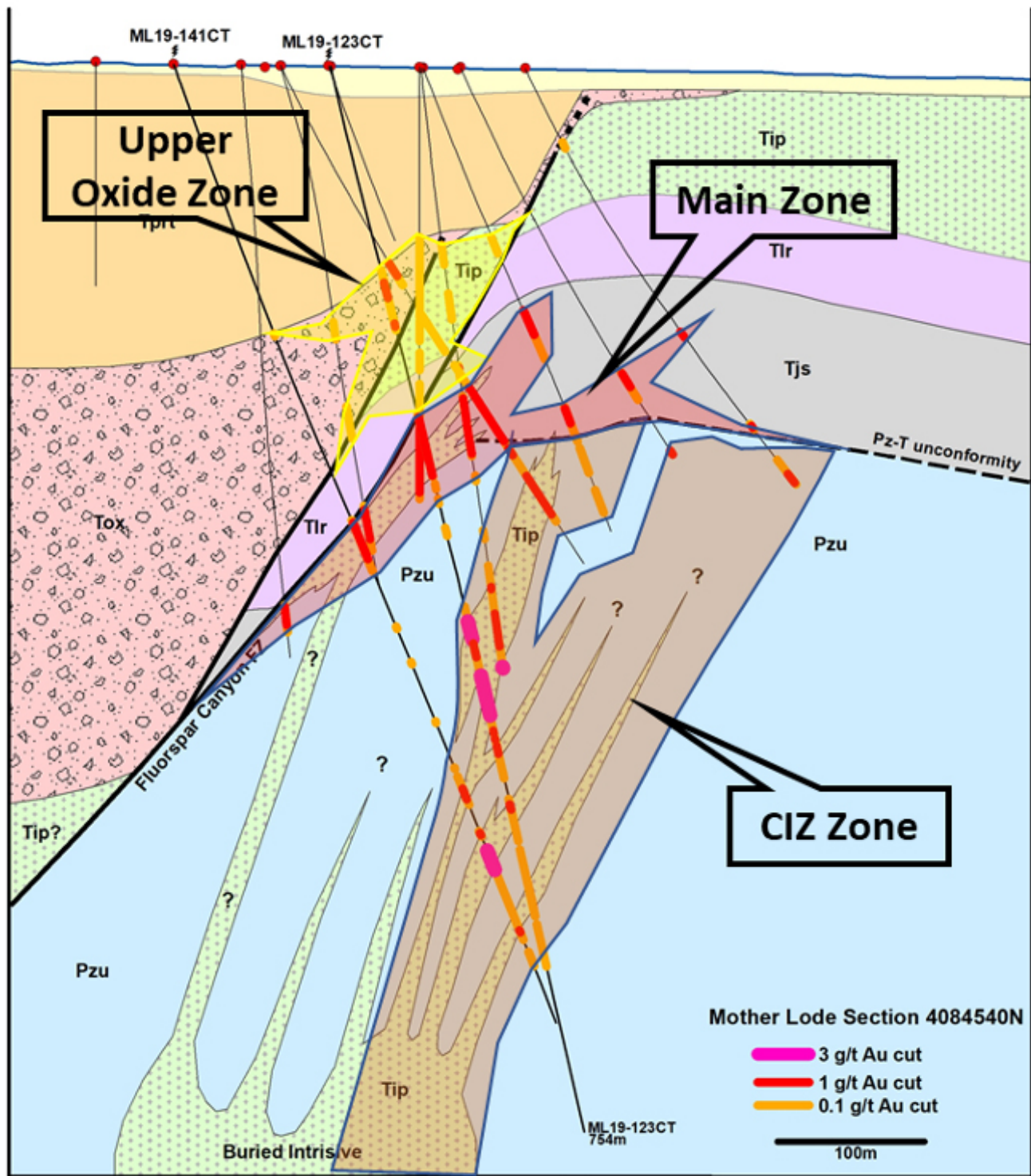


Figure 3 – Cross section along 4084540 N showing the relationship of the Main Zone to the CIZ and Upper Oxide Zones at the MLP

## Lynnda Strip

The Lynnda Strip is a new discovery near Mother Lode (see Figure 1) that appears to be part of a large zone of gold mineralization controlled by a major north-south trending structural feature that has delivered encouraging results at Corvus Golds Lynnda Strip target and to the south as reported by Coeur Mining Inc. This new Lynnda Strip discovery is also the focus of additional drilling by AngloGold Ashanti Limited to the north. Oxidation is very deep at Lynnda Strip with depths of over 500m which is similar to the deep oxidation of the CIZ zone about 1.5 kilometres to the south at Mother Lode.

Corvus drilling at Lynnda Strip, is shown on Figure 4 and has revealed high-grade vein systems associated with gray quartz stockwork systems that develop along moderately west dipping north-south structural zones and reactively flat contact related zones. These veins appear related to subsidiary, structures in the hanging wall of large displacement, north-south trending major faults and are surrounded by broad zones of disseminated lower-grade oxide gold mineralization. Corvus believes that ongoing core drilling at Lynnda Strip has shown the system could extend an addition 100 metres below the initial RC drill holes announced to date with oxidation that could be in excess of 500 metres deep. The Lynnda Strip system is currently +500 metres wide (East-West) and is displaying a system thickness that could be in excess of 200 metres. Similar to other gold mineralization systems in the Bullfrog District that are related to North-South trending structural zones, the potential strike extent could be multiples of the currently known width. With current gold grades of 2.06 g/t over 43 m in the upper zone and 1.63 g/t gold over 33.5 m in the lower zone, Corvus believes that this system could be very large and currently appears to be on the higher-grade end of the known Nevada heap-leach open pit scale of deposits.

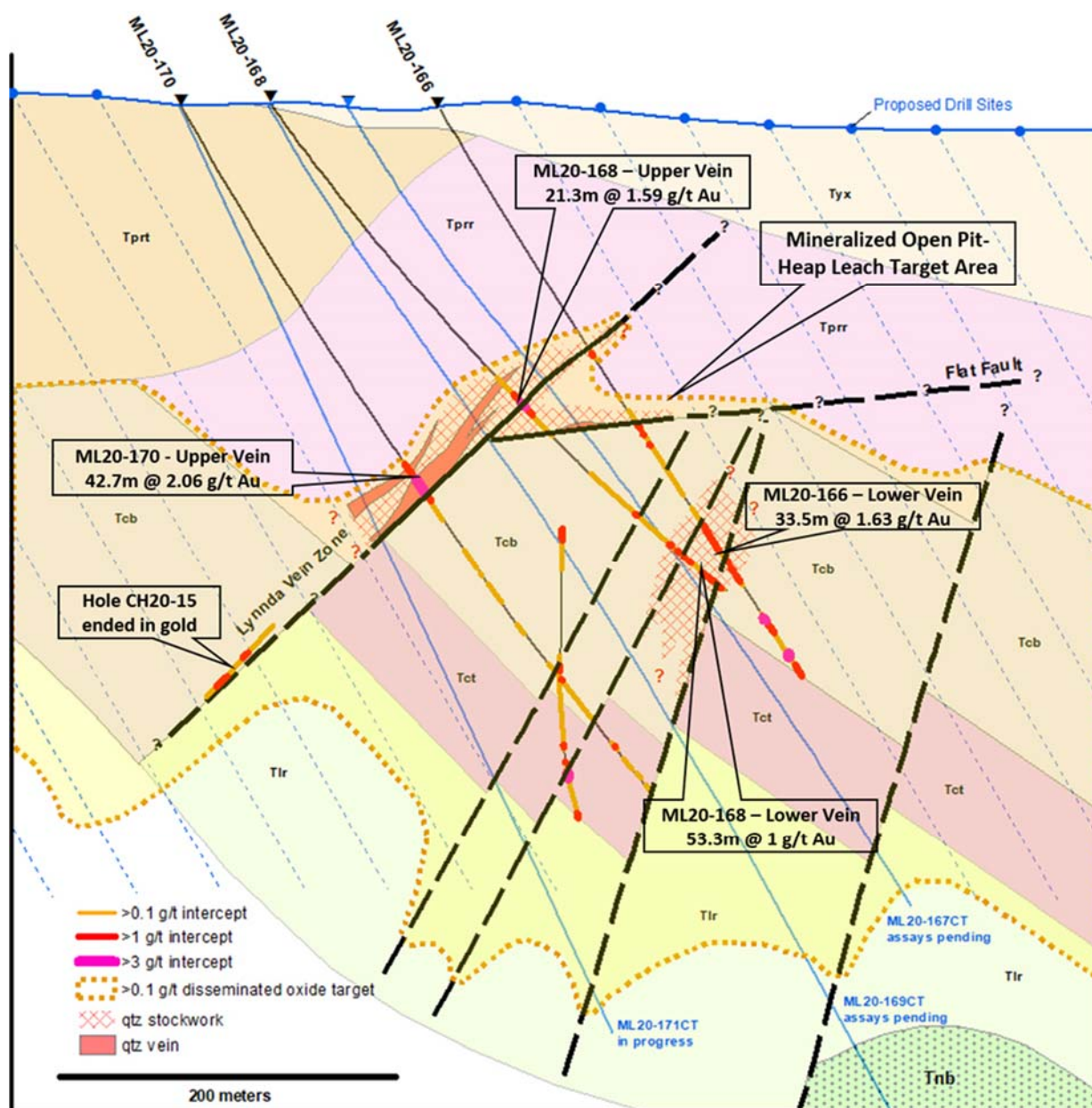


Figure 4 – Locations of Corvus RC and Core-tail holes at the Lynnda Strip near Mother Lode



## North Bullfrog Project Development

Corvus completed an updated PEA for the NBP based on a stand-alone basis, as detailed in the NBP Technical Report. The NBP PEA results indicated strong economic performance which is summarized in Table 1 and was based on resource model updates for Sierra Blanca and Mayflower that incorporated some new 2020 drill results. Mineral resources that are not mineral reserves have no demonstrated economic viability. The NBP PEA is preliminary in nature and includes Inferred Mineral Resources that have a great amount of uncertainty as to their existence, and are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as Mineral Reserves. It cannot be assumed that all, or any part, of an Inferred Mineral Resource will ever be upgraded to a higher category. Refer to the NBP Technical Report for additional information.

**Table 1 2020 NBP Preliminary Economic Assessment at \$1,500 per ounce Gold Price**

Parameter		Summary Data
Pre-Tax Cash Flow; IRR		USD \$763 M; 55%
Post-Tax NPV <sub>5%</sub> ; IRR		USD \$452 M; 47%
Overall Strip Ratio		0.91 to 1 (overburden – process tonne)
Cash Cost Years 1-7 (USD per Au ounce)		\$589
AISC <sup>1</sup> Years 1-7 (USD/produced Au oz)		\$727
Year 1-7 Average Annual Gold Production		147,000 ounces
Mine Life		14 years
Total Gold Production		1,466,550 ounces
Initial Capital Cost (USD)		\$167M
Sustaining Capital Cost (USD)		\$132M
Average Mill Recovery <sup>2</sup> (%)	Au	85%
	Ag	63%
Average Heap Leach Recovery (%)	Au	72%
	Ag	13%
Average Total Mining Rate <sup>3</sup> (t/day)		84,800
Average Mineralization Mining Rate* (t/day)		43,300

<sup>1</sup> – AISC (all-in sustaining cost) is a non-GAAP metric and may be calculated differently by others

<sup>2</sup> – mill recovery – gravity concentrate plus heap leach of gravity tail

<sup>3</sup> – 14-year rate including capitalized mining in year -1

The NBP PEA assumes conventional open pit mining and with a combination gravity mill and heap leach processing system. Higher grade vein and vein stockwork mineralization from the YellowJacket Zone at Sierra Blanca would be processed by a simple gravity mill with grinding to 48 mesh. Adequate liberation of the gold mineralization can be achieved at 48 mesh with approximately 45% gold recovery from the gravity concentrate using intense CN leaching. The gravity tail material can be blended with the lower grade, ROM heap leach mineralization for final gold recovery on the heap leach pad. Total gold recovery from the YellowJacket mineralization is projected to be 85% of the contained metal, and silver recoveries are projected to be 63%.

The majority of NBP low grade mineralization would be processed on the heap leach. Project capital costs are low due to the simple processing approach and the project economic performance is very good due to the ability to early mining of the higher grade YellowJacket mineralization.

## Mother Lode Project Development

Corvus completed an updated PEA for the MLP based on a stand-alone basis as detailed in the MLP Technical Report. The MLP PEA results indicated strong economic performance which is summarized in Table 2 and was based on a resource model update that incorporated 2020 drill results up to September 2020. Mineral resources that are not mineral reserves have no demonstrated economic viability. The MLP PEA is preliminary in nature and includes Inferred Mineral Resources that have a great amount of uncertainty as to their existence, and are considered too speculative geologically to have economic

considerations applied to them that would enable them to be categorized as Mineral Reserves. It cannot be assumed that all, or any part, of an Inferred Mineral Resource will ever be upgraded to a higher category. Refer to the MLP Technical Report for additional information.

**Table 2 2020 MLP Preliminary Economic Assessment at \$1,500 per ounce gold price**

Parameter		Summary Data
Pre-Tax Cash Flow; IRR		USD \$564M; 27%
Post-Tax NPV <sup>5</sup> ; IRR		USD \$303M; 23%
Overall Strip Ratio		3.7 to 1 (waste: process tonne)
Cash Cost Years 1-3 (USD per produced Au ounce)		\$613
AISC <sup>1</sup> Years 1-3 (USD per produced Au oz)		\$677
Year 1-8 Average Annual Gold Production		170,980 ounces
Mine Life		8 years
Total Gold Production		1,377,260 ounces
Initial Capital Cost (USD)		\$406M
Sustaining Capital Cost (USD)		\$44M
Average Mill Recovery <sup>1</sup> (%)	Au	91%
	Ag	60%
Average Heap Leach Recovery (%)	Au	74%
	Ag	7%
Average Total Mining Rate <sup>2</sup> (t/day)		91,200
Average Mineralization Mining Rate <sup>2</sup> (t/day)		19,600

<sup>1</sup>- AISC (all-in sustaining cost) is a non-GAAP metric and may be calculated differently by others

<sup>2</sup>-8 year rate including capitalized mining in year -1

The MLP Resource model was updated to incorporate new drilling data developed since the 2018 PEA report and up to September 2020. The MLP open pit configuration was revised based on Whittle Optimization, and the new designs were incorporated into the updated project configuration.

The project configuration was revised so that all required infrastructure was confined to Corvus controlled property, with the exception that the existing lay-back agreement with Coeur Mining Co. would allow the open pit boundary to expand off the Corvus land locally. Any mineralization coming from Coeur controlled land would be stockpiled for Coeur potentially subject to some future processing agreement.

The MLP PEA assumed open pit mining with an owner operated fleet and process plant. Processing assumptions were based on biological oxidation of whole sulphide mineralization. Metallurgical test data indicates that CN gold recoveries of +91 % could be obtained with this approach, which would be approximately 11% higher than had been obtained from oxidation and leaching of MLP sulphide concentrates. Capital costs of the process plant would be lower since the process would not require an oxygen plant, a flotation circuit, or an autoclave.

Substantial production of lower grade oxide mineralization is indicated by the updated mineral resource model, and the ROM heap leach feed was at higher grade when compared to the 2018 mineral resource model.

Economic performance of the project was good, and the potential for operating cost reduction exists within the processing technology. In addition, the future development of the project could benefit from potential mineral resource that could be developed at the Lynnda Strip discovery.

### **Permitting**

Corvus has expanded permitting activities for the NBP, beginning with a kick-off meeting with the BLM Battle Mountain group on December 15, 2020. Planning is underway and contracts with specialist environmental groups are in place.

Water quality samples were collected from NBP springs and water quality monitoring wells during the month of December. Data from the NBP weather station for calendar Q3 were submitted to NDEP.

Corvus has initiated baseline characterization work at Mother Lode to expand the current Exploration Permit area. The area to be addressed includes the future exploration targets, for example Lynnda Strip, and the area identified for infrastructure development identified in the 2020 MLP PEA.

The Lynnda Strip Notice of Intent was revised, and approval has been received from BLM. Water quality samples from springs that were used in the Mother Lode EA were sampled during December 2020.

## Use of Proceeds

On October 10, 2019, the Company announced the completion of a \$23,000,000 public bought deal financing, where the Company issued 11,500,000 common shares at a price of \$2.00 per common share (the “Offering”). The net proceeds to the Company from the Offering was \$21,020,000 after deducting the underwriter’s fee in the amount of \$1,380,000, and the estimated expenses of the Offering of \$600,000, which was paid out of the proceeds of the Offering.

The net proceeds of the Offering are anticipated to be applied as set out below. There are no material changes to the anticipated use of proceeds as described in the prospectus relating to the Offering.

### Use of Net Proceeds

	<u>Amount</u>
Exploration Expenditures at the North Bullfrog and Mother Lode Properties	
Resource Expansion Drilling (42,000 m)	\$10,000,000
New Discovery Drilling (7,000 m)	\$2,300,000
Metallurgical Studies	\$1,500,000
Mining and Development Studies	\$600,000
Corporate general and administration, land and permits	\$6,620,000
<b>TOTAL</b>	<b>\$21,020,000</b>

The Company expects to use the net proceeds over a period of approximately 20 months to accelerate resource expansion at both the MLP and NBP, by spending approximately \$10,000,000 on drilling activities. This work includes approximately 12,000 m of core and 30,000 m of RC drilling, taking place over approximately a 12 to 15 month period of time. In addition, the Company will spend approximately \$2,300,000 on its ongoing “New Discovery” drilling program that is testing a series of high priority surface targets for the discovery of new ore deposits. This drilling program includes approximately 1,000 m of core and 6,000 m of RC drilling taking place over a period of approximately 12 to 15 months. The Company will also use the funding to advance the MLP and NBP processing and mining characterization to define an optimized development plan with approximately \$1,500,000 of spending on advance metallurgical testing and design work for both the sulfide and oxide mineralization to more accurately define the process flow sheet and facility design criteria and approximately \$600,000 on mining studies to further advance the overall project development design and financial requirements.

Working capital and general corporate expenditures cover costs over a period of approximately 20 months for land payments (approximately \$1,000,000), personnel (approximately \$2,800,000) and the office, general corporate, land and permitting operating expenses (\$2,820,000).

Progress accounting of expenditures against the use of proceeds on a quarterly basis is listed as follows:

Company Cost Center	Total Proceeds (\$ M)	Expended (\$ M) (October 1, 2019 – May 31, 2020)	Expended (\$ M) (June 1, 2020 – November 30, 2020)	Cumulative Expenditure (\$ M) (October 1, 2019 – November 30, 2020)
Exploration Expenditures at the North Bullfrog and Mother Lode Properties				
Resource Expansion Drilling	\$ 10.00	\$ 4.05	\$ 3.05	\$ 7.10
New Discovery Drilling	\$ 2.30	\$ 2.10	\$ 2.38	\$ 4.48
Metallurgical Studies	\$ 1.50	\$ 0.80	\$ 0.71	\$ 1.51
Mining and Development Studies	\$ 0.60	\$ 0.26	\$ 0.22	\$ 0.48

Corporate general and administration, land & permits	\$ 6.62	\$ 3.43	\$ 2.83	\$ 6.26
<b>TOTAL</b>	<b>\$ 21.02</b>	<b>\$ 10.64</b>	<b>\$ 9.19</b>	<b>\$ 19.83</b>

Expenditures correlate with progress and time for the budgeted amounts for the period October 1, 2019 – November 30, 2020. Corporate general and administration, land and permits expenditures were impacted by scheduled timing of expenditures and financial fees due to the offering.

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

Jeffrey A. Pontius (CPG 11044), a qualified person as defined by NI 43-101, has supervised the preparation of the scientific and technical information that forms the basis for the disclosure in this Report on Form 10-Q (other than the Mother Lode Mineral Resource estimate) and has reviewed and approved the disclosure herein. Mr. Pontius is not independent of the Company, as he is the Chief Executive Officer and President and holds common shares and incentive stock options in Corvus.

Carl E. Brechtel (Colorado PE 23212, Nevada PE 008744 and Registered Member 353000 of SME), a qualified person as defined by NI 43-101, has coordinated execution of the technical work and has reviewed and approved the disclosure in this Report on Form 10-Q related thereto. Mr. Brechtel is not independent of the Company, as he is the Chief Administrative Officer effective January 1, 2021 (formerly the Chief Operating Officer) and holds Common Shares and incentive stock options in Corvus.

The work program at the NBP and the MLP was designed and supervised by Mark Reischman, Corvus' 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. Quality control is monitored by the insertion of blind certified standard reference materials and blanks into each sample shipment. All resource sample shipments are sealed and shipped to American Assay Laboratories in Reno, Nevada, for preparation and assaying.

Assaying for the NBP and the MLP holes has been performed by American Assay Laboratories ("AAL") in Sparks, Nevada. Corvus has no business relationship with AAL beyond being a customer for analytical services. The Sparks laboratory is Standards Council of Canada, Ottawa, Ontario Accredited Laboratory No. 536 and conforms with requirements of CAN-P-1579, CAN-P-4E (ISO/IEC 17025:2005).

Check assaying has been performed by Bureau Veritas North America ("BV", formerly Inspectorate America Corporation), in Sparks Nevada and Vancouver, Canada, and ALS Minerals Laboratories ("ALS Minerals"), in Sparks, Nevada. Corvus has no business relationship with BV or ALS Minerals beyond being a customer for analytical services. The BV laboratory is Accredited Laboratory No. 720 and conforms to requirements of CAN-P-1579, CAN-P-4E (ISO 9001:2008) and ALS is Accredited Laboratory No. 660 and conforms to requirements of CAN-P-1579, CAN-P-4E (ISO/IEC 17025:2005).

Mr. Scott E. Wilson, CPG (10965), Registered Member of SME (4025107) and President of Resource Development Associates Inc., is an independent consulting geologist specializing in Mineral Reserve and Mineral Resource calculation reporting, mining project analysis and due diligence evaluations. He has acted as the Qualified Person, as defined in NI 43-101, for the Mineral Resource estimate and the Technical Reports. Mr. Wilson has over 29 years of experience in surface mining, resource estimation and strategic mine planning. Mr. Wilson and Resource Development Associates Inc. are independent of the Company under NI 43-101. Mr. Wilson, a Qualified Person, has verified the data underlying the information disclosed herein by reviewing the reports of AAL and all procedures undertaken for QA/QC. All matters were consistent and accurate accordingly to his professional judgment. There were no limitations on the verification process.

For additional information on the NBP and MLP, including information relating to exploration, data verification and the Mineral Resource estimates, see the Technical Reports, which are available under Corvus' SEDAR profile at [www.sedar.com](http://www.sedar.com) and EDGAR profile at [www.sec.gov](http://www.sec.gov). The Technical Reports are referred to herein for informational purposes only and is not incorporated herein by reference. The Technical Reports 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**

#### **Six months ended November 30, 2020 Compared to Six months ended November 30, 2019**

For the six months ended November 30, 2020, the Company had a net loss of \$11,636,631 compared to a net loss of \$6,382,325 in the comparative period of the prior year. Included in net loss was \$1,769,660 (2019 - \$1,601,894) in stock-based compensation charges which is a result of stock options granted during the period and previously granted stock options which



vested during the period. Stock-based compensation in the current period comprised of stock options granted on July 31, 2017, November 19, 2018, April 9, 2019, June 13, 2019, October 11, 2019 and February 3, 2020 which vested during the period. The prior period comparative had stock-based compensation arising from stock options granted on July 31, 2017, November 19, 2018, April 9, 2019, June 13, 2019 and October 11, 2019 which vested during the comparative period of the prior year. The increase in loss of \$5,254,306 in the six month period of the current year was due to a combination of factors discussed below.

The primary factor for the increase in the net loss was the exploration expenditures of \$7,145,669 incurred in the current period compared to \$2,594,946 in the comparative period of the prior year. The exploration activities of the Company increased mainly due to an increase of \$4,528,224 incurred in exploration expenditures in the current period compared with the comparative period of the prior year as the Company secured further financing in October 2019 and partly due to increased stock-based compensation charges of \$159,517 during the current period compared to \$137,018 in the comparative period of the prior year.

Consulting fees increased to \$1,039,046 (2019 - \$935,159) mainly due to an increase in stock-based compensation charges of \$836,588 during the current period compared to \$750,840 in the comparative period of the prior year and an increase in consulting fees to the CFO as a result of amendment to her consulting agreement.

Insurance expenses increased to \$123,431 (2019 - \$110,156) mainly due to an increase in insurance premium.

Investor relations expenses increased to \$1,056,405 (2019 - \$904,050) mainly due to an increase in virtual advertising activities and an increase in stock-based compensation charges of \$251,635 during the current period compared to \$217,654 in the comparative period of the prior year. The increase in investor relations expenses was offset by a decrease in investor relations fees and investor relations-related travels in the current period due to COVID-19 travel restrictions and as a result, a shift from in-person meetings to virtual meetings and activities. Travel expenses decreased to \$53,612 (2019 - \$168,596).

Office expenses increased to \$66,570 (2019 - \$53,320) mainly due to the migration to the cloud server as a result of the global pandemic.

Professional fees increased to \$275,814 (2019 - \$150,617) mainly due to an increase in the audit-related and legal fees as the Company prepared for a transition in its filing status, and an increase in stock-based compensation charges of \$14,505 during the current period compared to \$12,003 in the comparative period of the prior year.

Regulatory expenses increased to \$212,892 (2019 - \$112,959) mainly due to the entry fee to the Nasdaq Capital Markets as the Company commenced trading as of market open on August 12, 2020.

Wages and benefits increased to \$1,379,701 (2019 - \$1,281,227) mainly due to an increase in pension benefits, an increase in employee expenses due to expenses associated with stock option exercises during the current period, and an increase in stock-based compensation charges of \$507,415 during the current period compared to \$484,379 in the comparative period of the prior year.

Other expense categories that reflected only moderate change period over period were administration expenses of \$212 (2019 - \$214), depreciation expenses of \$32,959 (2019 - \$27,747) and rent expenses of \$8,754 (2019 - \$15,906).

Other items amounted to a loss of \$241,566 compared to \$27,428 in the prior period. There was an increase in foreign exchange loss of \$296,996 (2019 - \$105,386), which was the result of factors outside of the Company's control and an increase in interest income of \$55,430 (2019 - \$77,958) as a result of more investment in cashable GIC's during the current period net of interest expenses.

### **Three months ended November 30, 2020 Compared to Three months ended November 30, 2019**

For the three months ended November 30, 2020, the Company had a net loss of \$5,126,027 compared to a net loss of \$3,446,919 in the comparative period of the prior year. Included in net loss was \$852,620 (2019 - \$806,137) in stock-based compensation charges which is a result of stock options granted during the period and previously granted stock options which vested during the period. Stock-based compensation in the current period comprised of stock options granted on November 19, 2018, April 9, 2019, June 13, 2019, October 11, 2019 and February 3, 2020 which vested during the period. The prior period comparative had stock-based compensation arising from stock options granted on July 31, 2017, November 19, 2018, April 9, 2019, June 13, 2019 and October 11, 2019 which vested during the comparative period of the prior year. The increase in loss of \$1,679,108 in the three month period of the current year was due to a combination of factors discussed below.

The primary factor for the increase in the net loss was the exploration expenditures of \$2,712,435 incurred in the current period compared to \$1,200,791 in the comparative period of the prior year. The exploration activities of the Company increased

mainly due to an increase of \$1,503,518 incurred in the exploration in the current period compared with the comparative period of the prior year as the Company secured further financing in October 2019 and partly due to increased stock-based compensation charges of \$77,177 during the current period compared to \$69,051 in the comparative period of the prior year.

Consulting fees increased to \$536,082 (2019 - \$492,052) mainly due to an increase in stock-based compensation charges of \$403,847 during the current period compared to \$377,416 in the comparative period of the prior year and an increase in consulting fees to the CFO as a result of amendment to her consulting agreement.

Investor relations expenses increased to \$739,979 (2019 - \$569,537) mainly due to an increase in advertising activities and an increase in stock-based compensation charges of \$120,502 during the current period compared to \$110,811 in the comparative period of the prior year. The increase in investor relations expenses was offset by a decrease in investor relations fees and investor relations-related travels in the current period due to COVID-19 travel restrictions and as a result, a shift from in-person meetings to virtual meetings and activities. Travel expenses decreased to \$38,136 (2019 - \$125,205).

Professional fees increased to \$117,629 (2019 - \$73,528) mainly due to an increase in the audit-related and legal fees as the Company prepared for a transition in its filing status, and an increase in stock-based compensation charges of \$6,999 during the current period compared to \$6,084 in the comparative period of the prior year.

Wages and benefits increased to \$873,248 (2019 - \$831,420) mainly due to an increase in employee expenses due to expenses associated with stock option exercises during the current period and an increase in stock-based compensation charges of \$244,095 during the current period compared to \$242,775 in the comparative period of the prior year.

Other expense categories that reflected only moderate change period over period were administration expenses of \$106 (2019 - \$107), depreciation expenses of \$18,678 (2019 - \$18,716), insurance expenses of \$60,872 (2019 - \$54,458), office expenses of \$28,637 (2019 - \$26,588), regulatory expenses of \$58,580 (2019 - \$51,872) and rent expenses of \$1,351 (2019 - \$1,765).

Other items amounted to an income of \$59,706 compared to a loss of \$880 in the prior period. There was an increase in foreign exchange gain of \$43,180 (2019 – loss of \$62,772), which was the result of factors outside of the Company's control and a decrease in interest income of \$16,526 (2019 - \$61,892) as a result of less investment in cashable GIC's during the current period net of interest expenses.

## **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 condensed interim consolidated financial statements have been prepared on a going concern basis, which presume the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. The Company's ability to continue as a going concern is dependent upon achieving profitable operations and/or obtaining additional financing.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future within one year from the date the condensed interim consolidated financial statements are issued. There is substantial doubt upon the Company's ability to continue as going concern, as explained in the following paragraphs.

The Company has sustained significant losses from operations, has negative cash flows and has an ongoing requirement for capital investment to explore its mineral properties. Based on its current plans, budgeted expenditures, and cash requirements, the Company does not have sufficient cash to finance its current plans for the 12 months from the date the condensed interim consolidated financial statement are issued.

The Company reported cash and cash equivalents of \$7,049,285 as at November 30, 2020 compared to \$14,913,158 as at May 31, 2020. The change in cash position was the net result of \$9,277,277 used for operating activities, \$26,087 used for lease liabilities payments, \$103,819 used for capitalized acquisition costs, and \$1,910,950 received from exercise of stock options during the period ended November 30, 2020.

As at November 30, 2020, the Company had working capital of \$6,388,051 compared to working capital of \$14,568,048 as at May 31, 2020.

The Company expects that it will operate at a loss for the foreseeable future and believes the current cash and cash equivalents will not be sufficient for it to maintain its currently held properties, fund its planned exploration, and fund its currently anticipated general and administrative costs for at least the next 12 months from the date of this report. In any event, the Company will be required to raise additional funds, again through public or private equity financings in the future 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, if warranted, development activities at the NBP and the MLP on its currently anticipated scheduling.

Despite the Company's success to date in raising significant equity financing to fund its operations, there is significant uncertainty that the Company will be able to secure any additional financing in the current or future equity markets. See "Risk Factors – We will require additional financing to fund exploration and, if warranted, development and production". Failure to obtain additional financing could have a material adverse effect on our financial condition and results of operation and could cast uncertainty on our ability to continue as a going concern. 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 financing has been completed and management knows what funds will be available for these purposes. Due to this uncertainty, if the Company is unable to secure additional financing, it may be required to reduce all discretionary activities at the NBP and the Mother Lode Property to preserve its working capital to fund anticipated non-discretionary expenditures in the future.

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 13, 2020, under "Certain United States Federal Income Tax Considerations".

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

Not applicable.

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

#### **Disclosure Controls and Procedures**

As of November 30, 2020 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 November 30, 2020, the Company's disclosure controls and procedures were effective in ensuring that: (i) information required to be disclosed in reports filed or submitted to

the SEC under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in applicable rules and forms and (ii) material information required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, in a manner that allows for accurate and timely decisions regarding required disclosures.

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

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

There were no changes in internal control over financial reporting during the period ended November 30, 2020 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 Annual Report on Form 10-K as filed with the SEC on August 13, 2020.

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

#### **Unregistered Sales of Equity Securities**

Other than as reported below, all sales of unregistered equity securities during the period covered by this report were previously reported on Form 8-K.

On October 29, 2020, the Company issued 25,000 common shares in connection with the lease on the Mayflower property (see note 3(a)(ii)(1) to the Financial Statements), with a fair value of \$75,750. The common shares were issued in reliance on the exemption from registration pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended (the “Securities Act”) on the basis of representations of eligibility and suitability made to the Company by the investor in the lease agreement.

#### **Repurchase of Securities**

None.

### **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 six months period ended November 30, 2020 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.