NOVO RESOURCES CORP.
MANAGEMENT DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS
January 31, 2015

BACKGROUND

The following management discussion and analysis of the results of operations and financial condition ("MD&A"), prepared as of May 29, 2015, should be read in conjunction with the audited consolidated financial statements of Novo Resources Corp. (the "Company" or "Novo") for the years ended January 31, 2015 and 2014, and accompanying notes thereto. The consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") and this discussion includes the results of the Company's subsidiaries, Novo Resources (USA) Corp., Conglomerate Gold Exploration (B.V.I.) Ltd., Conglomerate Gold Exploration Pty. Ltd., Nullagine Gold Pty. Ltd., Beatons Creek Gold Pty. Ltd., and Grant's Hill Gold Pty. Ltd.

During the year ended January 31, 2015, the Company's critical accounting estimates, significant accounting policies and risk factors have remained substantially unchanged and are still applicable to the Company unless otherwise indicated. All amounts are expressed in Canadian dollars unless noted otherwise.

CAUTIONARY NOTE REGARDING FORWARDING LOOKING STATEMENTS

This MD&A, which contains certain forward-looking statements, are intended to provide readers with a reasonable basis for assessing the financial performance of the Company. All statements, other than statements of historical fact, are forward-looking statements. The words "believe", "expect", "anticipate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "schedule" and similar expressions identify forward looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic and competitive uncertainties and contingencies.

Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to, fluctuations in the currency markets such as Canadian dollar, Australian dollar, and U.S. dollar, fluctuations in the prices of commodities, changes in government legislation, taxation, controls, regulations and political or carries or may carry on business in the future, risks associated with mining or development activities, the speculative nature of exploration and development, including the risk of obtaining necessary licenses and permits, and quantities or grades of reserves. Many of these uncertainties and contingencies can affect the Company's actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company.

Readers are cautioned that forward-looking statements are not guarantees of future performance. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those acknowledged in such statements. The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except to the extent required by applicable laws.

DESCRIPTION OF BUSINESS AND OVERALL PERFORMANCE

Novo Resources Corp. was incorporated on October 28, 2009 pursuant to the provision of the *Business Corporations Act* (British Columbia). The Company is engaged primarily in the business of evaluating, acquiring and exploring natural resource properties.

The Company's common shares commenced trading on the Canadian Securities Exchange (the "CSE") on June 14, 2010. On May 27, 2015, the Company listed on the TSX Venture Exchange (the "TSX-V"). The Company de-listed from the CSE on May 29, 2015. The Company's common shares still trade under the ticker symbol "NVO".

On June 27, 2011, the Company changed its name from Galliard Resources Corp. to Novo Resources Corp. On June 29, 2011, the Company's common shares began trading under the new symbol "NVO."

On April 11, 2013, the Company entered into a sale and purchase agreement with Talga Resources Limited ("Talga Resources"). As consideration for the prospecting licence and title transfer of the P46/1748 and P46/1749 tenements, the Company paid AUD$40,000 plus GST to Talga Resources.

On September 30, 2013, Novo Resources (USA) Corp. ("Novo USA") signed a letter agreement (the "Letter Agreement"), with Marcus Smith ("Mr. Smith") to acquire an undivided 100% interest in and to the Sunday Silence Property (the "Sunday Silence Property"), subject to a 3% net smelter return ("NSR") to Mr. Smith, with an option to buy 50% of the NSR for USD$150,000 at any time. The Sunday Silence Property, located in the Churchill and Mineral Counties of Nevada, USA, is comprised of 126 unpatented mineral claims.

On March 4, 2014, the Company signed a binding terms sheet with Mark Gareth Creasy and entities controlled by him (collectively, the "Creasy Group") pursuant to which the Company will acquire a 70% interest in 103 separate tenements and tenement applications located in the Pilbara region of Western Australia and related mining information (collectively, the "Pilbara Assets"), and will also acquire the shares of CGE not currently owned by the Company (the "Creasy CGE Shares").

On September 17, 2014, the Company terminated the Sunday Silence Property Letter Agreement and returned the mineral claims to Mr. Smith. The Company subsequently wrote off the exploration and evaluation assets relating to the Sunday Silence Property.

On July 17, 2014, the Company gave notice of the acceleration of the expiry of share purchase warrants issued as part of a brokered private placement that closed on December 12, 2012 (the "Warrants"). The Warrants are exercisable at a price of $0.90 per share. Notice of the acceleration of the expiry of the Warrants was mailed to registered holders of the Warrants.

The terms of the Warrants included an acceleration clause such that if the volume weighted average trading price of the Company's common shares on the CSE was $1.20 or higher for at least 20 consecutive trading days, the Company may accelerate the expiry date of the Warrants upon 30 days' notice to the holders (the "Acceleration Clause").

The Company's common shares traded in excess of $1.20 for a considerable period of time up to July 17, 2014, so the acceleration clause was triggered. The new expiry date of the Warrants was August 21, 2014.

98.4% of the 5,795,400 Warrants were exercised, raising gross proceeds of $5,134,860. The remaining Warrants expired on August 21, 2014.

In addition, 87.8% of the 334,524 common share purchase warrants issued to certain agents in the private placement that closed on December 12, 2012 (the "Agents' Warrants") were exercised, raising further gross proceeds of $190,832. The Agents' Warrants were not subject to the same expiry acceleration clause as the Warrants and, as such, the remaining Agents' Warrants expired on December 12, 2014.

On November 7, 2014, Novo USA signed an Exploration Lease and Option to Purchase Agreement (the "Tuscarora Agreement") with Nevada Eagle LLC ("Nevada West") and Platoro West Incorporated ("Platoro") to acquire an undivided 100% interest in and to the Tuscarora Property (the "Tuscarora Property"), subject to a net smelter return on gold ranging from 2-4% based on the average daily price per troy ounce of gold from the New York Commodity Exchange during the period of production, and 2.5% on all other minerals. The Tuscarora Property, located in Elko County, Nevada, USA, is comprised of 23 unpatented lode claims.

On January 23, 2015, the Company entered into a definitive agreement (the "Definitive Agreement") at arm's length with the Creasy Group which supersedes the aforementioned Terms Sheet. The Company requested and Creasy Group agreed to certain modifications to the Terms Sheet (as described below) to be reflected in the Definitive Agreement, resulting in the Company reducing its exploration commitments, thus allowing it to aggressively explore the Beatons Creek Tenements and quickly advance Beatons Creek toward development and/or to pursue other opportunities to consolidate its position in the Nullagine district.

Under the Definitive Agreement, Creasy Group will receive a total of 9,200,000 of the Company's common shares in exchange for the Creasy CGE Shares (the "CGE Share Exchange"), making the Issuer the 100% owner of CGE. This includes a total of 7,060,466 common shares of the Issuer that will be delivered to Creasy Group at the initial closing following receipt of regulatory approvals (which are expected in the ordinary course).

Approximately 23.3% of the Creasy CGE Shares that are currently in escrow will be subsequently exchanged, subject to the satisfaction of the applicable escrow conditions, for 2,139,534 common shares of the Company.

CGE has earned a 70% interest in the gold rights relating to the Nullagine and Marble Bar properties under the JVA's. Nullagine Gold will now become a 70% registered holder of those properties. Accordingly, upon receipt of the regulatory approvals referred to above, the Company will have a secure, fully-vested 70% interest in and to gold rights on those tenements.

The Company has also agreed to enter into a new joint venture with the Creasy Group - the Callina Creek joint venture - on the same terms as the existing JVA's. The new joint venture covers a tenement staked by Nullagine Gold and adjacent to the Company's existing Whim Creek Mining JVA with the Creasy Group.

The Company will also issue common shares (the "N and MB Expense Reimbursement Shares") in reimbursement of exploration expenses incurred by the Creasy Group in connection with the Nullagine and Marble Bar properties (the "Reimbursement"). The Terms Sheet specified the issue of N and MB Expense Reimbursement Shares totalling 5,000,000 of the Company's common shares. However, after offsetting exploration expenses incurred by the Company on the 103 Pilbara tenements (the subject of the Terms Sheet) between signing of the Terms Sheet and the Definitive Agreement, only 3,931,111 Expense Reimbursement Shares will be issued, bringing the total common shares of the Company issuable to Creasy Group to close out the CGE Share Exchange and the Reimbursement to 13,131,111 common shares of the Company. Assuming all of these common shares of the Company are issued, Creasy Group will be the Company's second largest shareholder.

On March 4, 2015, the Government of Western Australia Department of Mines and Petroleum granted prospecting licences P46/1821 and P46/1822 to Grant's Hill Gold Pty Ltd.

On March 26, 2015, the Company signed a sale and purchase agreement (the "Purchase Agreement") with Millennium to secure the Company's right to a 70% interest in the Beatons Creek Tenements covering the Beatons Creek gold-bearing conglomerates and to purchase the remaining 30% interest from Millennium for a purchase price of AU$3.8 million. Pursuant to the Purchase Agreement, Millennium agreed to waive the need for a bankable feasibility study by August 2016 and, as a result, the Company satisfied the conditions of the Farm-in Agreement and was entitled to a 70% interest in the Beatons Creek Tenements as to gold rights upon completion of the transactions under the Purchase Agreement. The Purchase Agreement also provided that Millennium would sell to the Company the remaining 30% in the Beatons Creek Tenements as to gold rights, together with all other rights in the Beatons Creek Tenements held by Millennium.

Transfer of the Beatons Creek Tenements was subject to receipt of approval of the Minister of the Crown in the right of the State of Western Australia. This approval was received on March 31, 2015 and as a result, the Farm-in agreement between the Company and Millennium has come to an end and the Company now holds a 100% interest in the Beatons CreekTenements.

On March 26, 2015, the Company entered into loan agreement with its banking institution for an aggregate amount of $5,000,000. The loan matures on October 31, 2015, bears an interest rate of prime + 1.15%, and is secured by the Company's USD short-term investments totaling USD $5,000,000. Interest is paid on a monthly basis.

Total current assets amount to $10,482,364 (January 31, 2014 - $10,773,478). The slight decrease in total current assets is mainly due exploration expenditures that were offset by the exercise of the Warrants. Non-current assets at January 31, 2015, totaled $12,367,067 (January 31, 2014 - $6,815,505). The increase in non-current assets is mainly due to the Company's expenditures on its mineral properties and an investment in an associate, but it is offset by the impairment of the Company's marketable securities and depreciation of its equipment.

During the year ended January 31, 2015, the Company reported a net loss of $374,100 ($0.01 basic and diluted loss per share) (January 31, 2014 – $2,244,543) (January 31, 2014 - $0.05 basic and diluted loss per share). The decrease in net loss is mainly due to the decrease in the impairment of marketable securities, an increase in interest income, and a one-time foreign exchange gain on the Company's cash holdings denominated in U.S. dollars.

RESULTS OF OPERATIONS

During the year ended January 31, 2015, the Company incurred a net loss of $374,100 compared to a net loss of $2,244,543 for the year ended January 31, 2014. The net loss in the year ended January 31, 2015, relates primarily to an operating loss before other items of $1,154,704 (January 31, 2014 - $1,019,121) and other items gains of $780,604 (January 31, 2014 – loss of $1,225,422). The operating loss before other items was mainly due to consulting fees of $306,504 (January 31, 2014 – $303,613) related to administration, corporate communication, investor relations, computer services and management services provided by directors, officers and consultants of the Company; wages and salaries of $285,885 (January 31, 2014 – $215,084) related to employee payroll; general office and administrative expenses of $242,802 (January 31, 2014 – $166,848) mainly related to general and administrative expenses but also including advertising and promotion, computer & internet expenses, project investigation, telephone expenses, depreciation, professional development, and rent expenses; legal fees of $106,157 (January 31, 2014 – $92,016) related to corporate matters; accounting fees of $83,686 (January 31, 2014 – $122,418) related to the previous year's financial statement audit and tax return services; transfer agent and filing fees of $50,901 (January 31, 2014 – $44,274) related to transfer agent fees, the CSE's monthly listing fees, and other regulatory fees; insurance expense of $30,315 (January 31, 2014 – $27,260) related to directors' and officers' liability insurance coverage; meal and travel expenses of $27,374 (January 31, 2014 – $18,012) related to meals and entertainment and business-related travel expenses; a write-down of the Company's Sunday Silence Property of $21,080 (January 31, 2014 - $nil); and share-based payments of $nil (January 31, 2014 – $29,596) related to the issuance of stock options. During the year ended January 31, 2015, other items include interest income of $112,268 (January 31, 2014 – $74,926); impairment of marketable securities of $102,519 (January 31, 2014 – $719,826) related to the decrease in fair value of the common shares of Evolving Gold Corp., Prosperity Goldfields Corp., and Euromax Resources Ltd.; a foreign exchange gain of $778,833 (January 31, 2014 - $nil) related to the increase in value of the Company's cash holdings denominated in U.S. dollars; a share of losses in an associate of $7,978 (January 31, 2014 - $nil); and a realized loss on the sale of marketable securities of $nil (January 31, 2014 – $580,522).

During the year ended January 31, 2015, the Company recognized an unrealized holding gain of $16,015 (January 31, 2014 – loss of $10,231) in other comprehensive income on the marketable securities (common shares) designated as available-for-sale instruments. The Company also recognized foreign exchange gains on the translation of subsidiaries of $20,785 (January 31, 2014 – loss of $397,798) in other comprehensive income.

During the period from incorporation on October 28, 2009 to January 31, 2015, there were no operating revenues as the Company was still in the acquisition and exploration stage.

Due to the Company being in its early stage of development, management foresees further increases in the Company's expenses during the coming year resulting from its exploration activities. These expenses are contingent upon the Company's ability to fund these projects through private placements and other forms of financing. In the event that the Company does not receive the required funding, management will review all on-going expenditures and take appropriate actions to remedy the funding shortage.

SELECTED ANNUAL INFORMATION

For the years ended January 31, 2015, 2014, and 2013, the consolidated financial statements have been prepared in accordance with IFRS.

Statement of Operations and Deficit Data	**Year Ended January 31, 2015**	**Year Ended January 31, 2014**	**Year Ended January 31, 2013**
Other Income (interest income only)	$112,268	$74,926	$32,260
Net Loss	$(374,100)	$(2,244,543)	$(2,428,043)
Net Loss per common share outstanding - basic and diluted	$(0.01)	$(0.05)	$(0.07)
Dividend	$Nil	$Nil	$Nil
Balance Sheet Data	**Year Ended January 31, 2015**	**Year Ended January 31, 2014**	**Year Ended January 31, 2013**
Total Assets	$22,849,431	$17,588,983	$12,134,389
Non-current Liabilities	$Nil	$Nil	$Nil
Shareholders' Equity	$22,540,601	$17,495,584	$11,835,362

Net Loss

The Company incurred a net loss of $374,100 in the fiscal year ended January 31, 2015, $2,244,543 in the fiscal year ended January 31, 2014, and $2,428,043 in the fiscal year ended January 31, 2013. The significant variance was mainly attributable to foreign exchange gains (2015 – 778,833, 2014 - $nil, 2013 – ($63)), the impairment of marketable securities (2015 – 102,519, 2014 - $719,826, 2013 - $841,632) and share-based payments (2015 - $nil, 2014 - $29,596, 2013 - $583,206). Explanations for the fluctuations in net losses are summarized below by separately identifying five major categories of expenses. The categories are (i) share-based payments (ii) accounting and audit fees (iii) foreign exchange gains, (iv) wages and salaries, and (v) impairment of marketable securities.

Share-based payments

For fiscal 2015, $nil in share-based payments was recorded compared to $29,596 in fiscal 2014 and $583,206 in fiscal 2013. The reason for the decrease was due to the fact that no new options were issued in fiscal 2015 and all options fully vested in fiscals 2014 and 2013.

Accounting and audit fees

During fiscal 2015, the Company recognized accounting and audit expenses of $83,686 compared to $122,418 in fiscal 2014 and $55,153 in fiscal 2013. The need for proper Australian accounting and reporting protocols increased in fiscal 2014 as the Company established its influence in Western Australia. The Company's growth, particularly throughout fiscals 2013 and 2014, also caused accounting fees to increase, especially for the Company's Australian subsidiaries. These amounts decreased for fiscal 2015 as the Company streamlines its accounting processes.

Foreign Exchange Gains/Losses

For the 2015 fiscal year, $778,833 in foreign exchanges gains was recorded compared to $nil in fiscal 2014 and a loss of $63 in fiscal 2013. The Company purchased ten short-term investments denominated in US funds with an aggregate value of USD $5,000,000 during fiscal 2015. A significant foreign exchange gain was recorded in fiscal 2015 on the value of the US funds held by the Company due to favourable foreign exchange rates.

Wages and salaries

During fiscal 2015, the Company recognized wage and salary expenses of $285,885 compared to $215,084 in fiscal 2014 and $121,047 in fiscal 2013. The differences can be explained by the fact that the Company signed employment agreements with three (3) key employees in late fiscal 2012 and increased the benefits available to the employees throughout fiscals 2013, 2014, and 2015.

Impairment of marketable securities

During fiscal 2015, the Company recognized impairment of marketable securities of $102,519 as compared to $719,826 in fiscal 2014 and $841,632 in fiscal 2013. The increase in fiscal 2013 can be explained by the fact that certain of the Company's investments were deemed to be impaired as at January 31, 2013, and written-off as a result. This process was repeated in fiscal 2014, but the investments had reached minimal fair value by the end of fiscal 2015 and there was little left to write-off.

Total Assets

Total assets increased from $12,134,389 as at January 31, 2013, to $17,588,983 as at January 31, 2014, and 22,849,431 as at January 31, 2015. Total assets consist mainly of cash and cash equivalents and exploration and evaluation assets and increased significantly from prior years mainly due to the proceeds raised from the Company's brokered private placement which closed on December 12, 2012, proceeds from the exercise of warrants issued during the Company's private placements which closed on November 30, 2011, and December 12, 2012, as well as exploration expenditures on the Company's mineral properties.

Shareholders' Equity

Total shareholders' equity increased from $11,835,362 as at January 31, 2013, to $17,495,584 as at January 31, 2014, and $22,540,601 as at January 31, 2015. Total shareholders' equity consisted mainly of share capital and increased significantly mainly due to the securities issued from warrant exercises from the private placements of the Company which closed on November 30, 2011 (fiscal year 2012) and December 12, 2012 (fiscal year 2013).

SUMMARY OF QUARTERLY RESULTS

The following table sets out selected unaudited quarterly financial information of the Company for the eight most recently quarters of operation. This information is derived from unaudited quarterly financial statements prepared by management. The financial data for the quarters ended from April 30, 2013, to January 31, 2015, are prepared in accordance with IFRS.

	4th Quarter 2015 January 31, 2015	3rd Quarter 2015 October 31, 2014	2nd Quarter 2015 July 31, 2014	1st Quarter 2015 April 30, 2014	4th Quarter 2014 January 31, 2014	3rd Quarter 2014 October 31, 2013	2nd Quarter 2014 July 31, 2013	1st Quarter 2014 April 30, 2013
Net Sales	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net Income Gain/(Loss)	518,352	(332,879)	(247,367)	(312,206)	(210,670)	(410,793)	(558,425)	(1,064,655)
Basic and Diluted Loss Per Share	$0.01	($0.01)	($0.00)	($0.01)	($0.00)	($0.01)	($0.01)	($0.03)

Overall, office and general expenses, accounting fees, consulting fees, impairment of marketable securities, share-based payments, legal fees, foreign exchanges gains/losses, and wages and salaries were the major components that caused variances in net loss from quarter to quarter.

FOURTH QUARTER

During the three month period ended January 31, 2015, the major expenses of the Company were wages and salaries of $76,474, consulting fees of $74,528, office and general expenses of $41,625, legal fees of $34,612, and transfer agent and filing fees of $13,240. During the three month period ended January 31, 2015, operating expenses were mitigated by non-operating items such as interest income of $17,418, and foreign exchange gains of $778,833.

MINERAL PROPERTIES AND DEFERRED EXPLORATION EXPENDITURES

Millennium Property

On August 2, 2011 (the “Effective Date”), the Company and Beatons Creek Gold Pty Ltd. (“Beatons Creek”), a subsidiary of the Company, entered into a farm-in and joint venture agreement (the “Millennium Agreement”) with Millennium Minerals Ltd. (“Millennium”). As consideration for the farm-in right to earn the 70% interest in and to the Beatons Creek Tenements, the Company issued 1,293,875 common shares to Millennium. In order to earn a 70% interest in the Beatons Creek Tenements, the Company must issue to Millennium such number of common shares of the Company having a value of AUD$500,000, incur expenditures on the Beatons Creek Tenements of not less than AUD$1,000,000 by the second anniversary of the Effective Date, including not less than AUD$500,000 by the first anniversary of the Effective Date, and procuring (at its cost) a bankable feasibility study in respect of the gold rights before the fifth anniversary of the Effective Date. The Company will solely fund all expenditures on the Beatons Creek Tenements required under the *Mining Act 1978* (Western Australia) in relation to gold rights, and Millennium will not be required to fund any such expenditures on the Beatons Creek Tenements during the farm-in period. Millennium will bear costs associated with exploring for and recovering minerals other than gold.

As at January 31, 2015, the Company has completed the following requirements to fulfill its obligation under the Millennium Agreement:

Date	Shares	Exploration Expenditures
Upon signing of the Millennium Agreement	1,293,875 shares (Issued)	-
August 2, 2012	-	\$500,000 AUD (Completed)
August 2, 2013	-	\$500,000 AUD (Completed)
Total	1,293,875 shares (Issued)	\$1,000,000 AUD (Completed)

On December 16, 2011, the Company and Millennium entered into a tribute agreement (the “Tribute Agreement”) with Gravity Gold Pty Ltd. (“Gravity Gold”) by which Gravity Gold is entitled to produce gold from alluvial deposits at the Beatons Creek Tenements. Gravity Gold will pay a 10% production royalty to the Company on all gold production. The Tribute Agreement has a maximum term of three years. The Company is focused on exploring for the bedrock source of this alluvial gold mineralization, and any activities conducted by Gravity Gold during mining of alluvial deposits will not interfere with the Company’s exploration efforts.

Purchase Agreement

On March 26, 2015, the Company signed a sale and purchase agreement (the “Purchase Agreement”) with Millennium to secure the Company’s right to a 70% interest in the Beatons Creek Tenements covering the Beatons Creek gold-bearing conglomerates and to purchase the remaining 30% interest from Millennium for a purchase price of AU\$3.8 million. Pursuant to the Purchase Agreement, Millennium agreed to waive the need for a bankable feasibility study by August 2016 and, as a result, the Company satisfied the conditions of the Farm-in Agreement and was entitled to a 70% interest in the Beatons Creek Tenements as to gold rights upon completion of the transactions under the Purchase Agreement. The Purchase Agreement also provided that Millennium would sell to the Company the remaining 30% in the Beatons Creek Tenements as to gold rights, together with all other rights in the Beatons Creek Tenements held by Millennium.

Transfer of the Beatons Creek Tenements was subject to receipt of approval of the Minister of the Crown in the right of the State of Western Australia. This approval was received on March 31, 2015 and as a result, the Farm-in agreement between the Company and Millennium has come to an end and the Company now holds a 100% interest in the Beatons Creek Tenements.

Paleo-Placer Property

The Company, Conglomerate Gold Exploration Pty Ltd (“CGE”), and Nullagine Gold Pty Ltd (“Nullagine Gold”), entered into four farm-in and joint venture agreements (the “JVA”) dated July 16, 2012 and one deed of variation dated September 7, 2012 with Witx Pty Ltd, Mark Gareth Creasy, Whim Creek Mining Pty Ltd, and Tantalumx Pty Ltd. (collectively the “Creasy Group”) of Western Australia. As consideration for the farm-in right to acquire a 70% interest in all gold rights, the Company must spend AUD\$1 million on exploration expenditure across the Paleo-Placer Property. The Company will solely fund all expenditures on the Paleo-Placer Property. As at January 31, 2015, the Company has fulfilled its obligation to spend AUD\$1 million on exploration expenditure.

CGE will reimburse past exploration expenditure on the Paleo-Placer Property incurred by the Creasy Group, as verified by CGE, up to a maximum of AUD\$5.5 million. The reimbursement is contingent on CGE achieving a listing on a recognized stock exchange (an “IPO”) within 4 years of the execution of the JVA’s. The reimbursement will be paid from net funds raised in an IPO (if completed) and subsequent funding rounds (if completed), capped at 10% of net funds from each round, until the verified expenditure is reimbursed. If CGE has not achieved an IPO within 4 years, the Paleo-Placer Property will be returned to 100% ownership by the Creasy Group at no cost, unless otherwise agreed. If a mining decision is made under any of the JVA’s following a bankable feasibility study but the Creasy Group elects not to participate in mining, its interest in relation to that mining area and the underlying ground will be transferred to Nullagine Gold and converted to a 1% net smelter royalty.

The Company, Conglomerate Gold Exploration (B.V.I.) Ltd ("CGE BVI"), and CGE have also entered into a CGE Shareholders Agreement and a CGE Share Issue Agreement with Yandal Investments Pty Ltd and Mark Gareth Creasy (collectively "Creasy"). Novo initially controls 63.33% of the issued shares in CGE and Creasy controls 36.67%. CGE is entitled to spend (via Nullagine Gold and Beatons Creek Gold) up to a further AUD$3.5 million in aggregate on the Paleo-Placer Property and the Beatons Creek tenements to increase its shareholding in CGE to 81% (and reducing Creasy's interest to 19%), subject to a maximum included expenditure on Beatons Creek tenements of AUD$2 million. Creasy is obliged to use its best endeavours to negotiate a right for Nullagine Gold to participate in an existing adjacent joint venture (the "Adjacent Joint Venture") to which Creasy is a party, including bringing certain ground within that Adjacent Joint Venture. In return, Creasy's and one other party's interests under that joint venture with respect to exploration expenditure will be free carried by Nullagine Gold and CGE will reimburse AUD$125,000 to Creasy. If CGE achieves an IPO it will also issue AUD$50,000 of shares in CGE to a former tenement holder. If Creasy does not satisfy the obligation prior to an IPO of CGE (if completed) then Creasy will forfeit 23.3% of its shareholding in CGE. Prior to an IPO of CGE (if completed) that 23.3% of CGE shares shall have no voting or dividend rights. If the obligation is satisfied then the ground within the Adjacent Joint Venture will be included within the minimum expenditure commitments and additional expenditure entitlements referred above.

The Company has entered into loan agreements with its subsidiaries to fund their obligations under the JVA's. The Company is entitled to be reimbursed up to AUD$500,000 for IPO related costs of CGE (if completed) and stamp duty costs of Nullagine Gold.

Binding Terms Sheet

On March 4, 2014, the Company signed a binding terms sheet with Mark Gareth Creasy and entities controlled by him (collectively, the "Creasy Group") pursuant to which the Company will acquire a 70% interest in 103 separate tenements and tenement applications located in the Pilbara region of Western Australia and related mining information (collectively, the "Pilbara Assets"), and will also acquire the shares of CGE not currently owned by the Company (the "Creasy CGE Shares").

Share Exchange and Settlement Agreement

On January 23, 2015, the Company entered into a definitive agreement (the "Definitive Agreement") at arm's length with the Creasy Group which supersedes the aforementioned Terms Sheet. The Company requested and Creasy Group agreed to certain modifications to the Terms Sheet (as described below) to be reflected in the Definitive Agreement, resulting in the Company reducing its exploration commitments, thus allowing it to aggressively explore the Beatons Creek Tenements and quickly advance Beatons Creek toward development and/or to pursue other opportunities to consolidate its position in the Nullagine district.

Under the Definitive Agreement, Creasy Group will receive a total of 9,200,000 of the Company's common shares in exchange for the Creasy CGE Shares (the "CGE Share Exchange"), making the Issuer the 100% owner of CGE. This includes a total of 7,060,466 common shares of the Issuer that will be delivered to Creasy Group at the initial closing following receipt of regulatory approvals (which are expected in the ordinary course).

Approximately 23.3% of the Creasy CGE Shares that are currently in escrow will be subsequently exchanged, subject to the satisfaction of the applicable escrow conditions, for 2,139,534 common shares of the Company.

CGE has earned a 70% interest in the gold rights relating to the Nullagine and Marble Bar properties under the JVA's. Nullagine Gold will now become a 70% registered holder of those properties. Accordingly, upon receipt of the regulatory approvals referred to above, the Company will have a secure, fully-vested 70% interest in and to gold rights on those tenements.

The Company has also agreed to enter into a new joint venture with the Creasy Group - the Callina Creek joint venture - on the same terms as the existing JVA's. The new joint venture covers a tenement staked by Nullagine Gold and adjacent to the Company's existing Whim Creek Mining JVA with the Creasy Group.

The Company will also issue common shares (the "N and MB Expense Reimbursement Shares") in reimbursement of exploration expenses incurred by the Creasy Group in connection with the Nullagine and Marble Bar properties (the "Reimbursement"). The Terms Sheet specified the issue of N and MB Expense Reimbursement Shares totalling 5,000,000 of the Company's common shares. However, after offsetting exploration expenses incurred by the Company on the 103 Pilbara tenements (the subject of the Terms Sheet) between signing of the Terms Sheet and the Definitive Agreement, only 3,931,111 Expense Reimbursement Shares will be issued, bringing the total common shares of the Company issuable to Creasy Group to close out the CGE Share Exchange and the Reimbursement to 13,131,111 common shares of the Company. Assuming all of these common shares of the Company are issued, Creasy Group will be the Company's second largest shareholder.

Grant's Hill Property

On June 26, 2012, the Company entered into a sale and purchase agreement with Welcome Stranger Mining Ltd. ("Welcome Stranger"). As consideration for the prospecting licence, mining information and title transfer of the P46/1806 tenement, the Company paid AUD$60,000 plus GST to Welcome Stranger.

On April 11, 2013, the Company entered into a sale and purchase agreement with Talga Resources Limited ("Talga Resources"). As consideration for the prospecting licence and title transfer of the P46/1748 and P46/1749 tenements, the Company paid AUD$40,000 plus GST to Talga Resources.

On March 4, 2015, the Government of Western Australia Department of Mines and Petroleum granted prospecting licences P46/1821 and P46/1822 to Grant's Hill Gold Pty Ltd.

Sunday Silence Property

On September 30, 2013, Novo Resources (USA) Corp. ("Novo USA"), one of the Company's wholly-owned subsidiaries, signed a letter agreement (the "Letter Agreement"), with Marcus Smith ("Mr. Smith") to acquire an undivided 100% interest in and to the Sunday Silence Property (the "Sunday Silence Property"), subject to a 3% net smelter return ("NSR") to Mr. Smith, with an option to buy 50% of the NSR for USD$150,000 at any time. The Sunday Silence Property, located in the Churchill and Mineral Counties of Nevada, USA, is comprised of 124 unpatented mineral claims and an additional 12 staked lode mining claims.

On September 17, 2014, the Company terminated the Sunday Silence Property Letter Agreement and returned the mineral claims to Mr. Smith. The Company subsequently wrote off the exploration and evaluation assets relating to the Sunday Silence Property.

Tuscarora Property

On November 7, 2014, Novo USA signed an Exploration Lease and Option to Purchase Agreement (the "Tuscarora Agreement") with Nevada Eagle LLC ("Nevada West") and Platoro West Incorporated ("Platoro") to acquire an undivided 100% interest in and to the Tuscarora Property (the "Tuscarora Property"), subject to a net smelter return on gold ranging from 2-4% based on the average daily price per troy ounce of gold from the New York Commodity Exchange during the period of production, and 2.5% on all other minerals. The Tuscarora Property, located in Elko County, Nevada, USA, is comprised of 23 unpatented lode claims.

The Company has the following future requirements to fulfill its obligations under the Tuscarora Agreement:

Date	**Cash Payments**
Upon signing of the Tuscarora Agreement	$5,000 USD (Paid)
November 7, 2015	$20,000 USD
November 7, 2016	$75,000 USD
Total	$100,000 USD

	Beatons Creek $	Grant's Hill $	Paleo-Placer $	Sunday Silence $	Total $
Balance, January 31, 2013	3,385,948	66,131	1,026,468	-	4,478,547
Acquisition Costs	-	38,880	728	11	39,619
Exploration Expenditures:					
Drilling	221,540	54,866	264,242	-	540,648
Feasibility Study	77,010	-	-	-	77,010
Field Work	83,986	27,171	174,682	5,652	291,491
Fuel	3,551	1,454	9,580	-	14,585
Geology	24,308	5,999	69,285	-	99,592
Legal	9,487	-	117,861	-	127,348
Meals & Travel	60,265	29,975	157,108	438	247,786
Office and General	63,443	23,347	71,870	-	158,660
Reports, Data and Analysis	55,559	36,730	323,868	8,374	424,531
Rock Samples	120,467	51,930	146,459	2,205	321,061
Tenement Administration	22,545	5,049	106,143	-	133,737
Foreign Exchange	(217,785)	(334)	(68,957)	(1)	(287,077)
	524,376	236,187	1,372,141	16,668	2,149,372
Balance, January 31, 2014	**3,910,324**	**341,198**	**2,399,337**	**16,679**	**6,667,538**

	Beatons Creek $	Grant's Hill $	Paleo-Placer $	Sunday Silence $	Tuscarora $	Total $
Balance, January 31, 2014	3,910,324	341,198	2,399,337	16,679	-	6,667,538
Acquisition Costs	-	-	74,025	-	6,359	80,384
Exploration Expenditures:						
Drilling	304,347	77,251	153,899	-	-	535,497
Feasibility Study	-	-	-	-	-	-
Field Work	156,588	37,790	739,662	175	236	934,451
Fuel	10,530	1,773	7,886	-	-	20,189
Geology	183,828	74,401	98,448	-	-	356,677
Legal	28,159	8,027	239,451	-	-	275,637
Meals and Travel	203,002	52,322	316,059	998	784	573,165
Office and General	90,072	24,978	117,631	98	-	232,779
Reports, Data and Analysis	480,170	79,913	802,376	3,708	-	1,366,167
Rock Samples	255,124	63,101	104,438	-	-	422,663
Tenement Administration	76,055	8,926	576,598	-	7,620	669,199
Foreign Exchange	50,519	1,091	37,026	(578)	-	88,058
Write-down of Mineral Property	-	-	-	(21,080)	-	(21,080)
	1,838,394	429,573	3,193,474	(16,679)	8,640	5,453,402
Balance, January 31, 2015	**5,748,718**	**770,771**	**5,666,836**	**-**	**14,999**	**12,201,324**

Exploration Highlights

Beatons Creek Project

Please see the above Mineral Properties and Deferred Exploration Expenditures section for disclosure relating to the Millennium Property, specifically the Company's purchase of a 100% interest in the Beatons Creek Tenements.

Fast-Tracking Beatons Creek toward Production

With the Company's acquisition of a 100% interest in the Beatons Creek Tenements, the Company is now in position to fast-track Beatons Creek toward production. Novo has recently settled on a conceptual mine site layout with only shallow oxidized conglomerates being considered in this mine plan. The Company is contemplating mining at a rate between 1,000-1,500 tonnes per day. Based on very encouraging gravity recoverable gold test work announced in a news release dated December 10, 2014, the Company is looking at a recovering gold entirely or predominantly via gravity processing.

A mill site has been chosen in a location central to the targeted oxide mineralization and a proposed valley tailings storage facility (TSF) is situated about one kilometer northwest of the mill. Lodging and office arrangements are available in Nullagine, thus eliminating the need to build a camp. The Nullagine power station is situated near the main access to site. It is anticipated that, with certain electrical upgrades, power from this plant is potentially available for mine use. Electrical needs will potentially fall between 800 Kw and 1 Mw.

In the latter half of 2014, Novo completed various floral environmental surveys. Final faunal surveys have recently been completed. Various geochemical and hydrological surveys are underway as are drilling and trenching needed to provide data for permitting the TSF.

Advanced metallurgical testing is forthcoming and results are expected to provide a basis for determining a flow sheet for processing. Once in hand, analysis of the cost of building and operating a mill as well as projected metallurgical recoveries can be more formally evaluated to help determine potential economics of the project. Novo also anticipates further evaluating mining methods to better evaluate their costs.

Between February and April, 2015, the Company announced assay results from recent drilling at Beatons Creek. Please see the results table below. Novo drilled approximately 9,000 meters in 327 reverse circulation drill holes in late 2014 as part of its program to define a shallow, oxide resource. Importantly, most significant gold intercepts occur in thoroughly oxidized conglomerate horizons (reefs) within 15 meters of surface. Reefs display good continuity across the target area indicating they can potentially be mined utilizing simple, inexpensive techniques and with reasonable predictability.

To accelerate drill sample processing, Novo worked with Genalysis Laboratories on a way to quicken the analytical process. The solution agreed upon is to take a 1 kg split of raw RC drill cuttings and analyze them using the LeachWell technique, an accelerated CN leach (6 hour leach time). Most of the results reported in the below table were determined by this method.

As a next step, samples containing appreciable gold will now be subjected to a more rigorous analytic protocol including analysis utilizing a 3 kg split subjected to the LeachWell technique (24 hour leach time) and a second analysis subjecting a 3 kg split to screen metallic fire assay. Conducting these latter two analyses on large, 3 kg splits is critical to adequately quantifying gold content in the highly nuggety mineralized material from Beatons Creek.

Reverse Circulation Drill Results - Beatons Creek Oxide Resource Drilling

Hole	From (m)	To (m)	Length (m)	1 kg LeachWell (gpt)	3 kg LeachWell (gpt)	3 kg Screen Metallic Assay (gpt)
BCRC14-001	*37*	*38*	*1*	*0.37*		
BCRC14-002	*No reef encountered*					
BCRC14-003	*No reef encountered*					
BCRC14-004	*23*	*24*	*1*	*0.79*		
BCRC14-005	*No reef encountered*					
BCRC14-006	*No reef encountered*					
BCRC14-007	*No reef encountered*					
BCRC14-008	*No reef encountered*					
BCRC14-009	*15*	*16*	*1*	*1.17*		
BCRC14-010	*No reef encountered*					
BCRC14-011	*12*	*13*	*1*	*0.36*		
BCRC14-012	*15*	*16*	*1*	*0.59*		
BCRC14-013	*36*	*37*	*1*		*1.00*	*0.91*
BCRC14-014	*No reef encountered*					
BCRC14-015	*22*	*23*	*1*	*0.27*		
BCRC14-015A	*22*	*24*	*2*	*0.77*		
BCRC14-016	*43*	*45*	*2*	*0.41*		
BCRC14-017	*39*	*42*	*3*	*0.41*		
BCRC14-018	No reef encountered					
BCRC14-019	*26*	*27*	*1*	*0.42*		
BCRC14-020	*31*	*33*	*2*	*1.68*		
BCRC14-021	*30*	*32*	*2*	*1.00*		
BCRC14-022	*40*	*41*	*1*	*0.62*		
BCRC14-023	*32*	*33*	*1*	*2.11*		
BCRC14-024	*36*	*37*	*1*	*0.36*		
BCRC14-025	*51*	*52*	*1*	*1.55*		
BCRC14-026	*No reef encountered*					
BCRC14-027	*20*	*21*	*1*		*2.57*	
BCRC14-028	*24*	*25*	*1*		*2.40*	
BCRC14-029	*No reef encountered*					
BCRC14-030	*25*	*27*	*2*	*0.38*		
BCRC14-030A	*25*	*27*	*2*	*0.65*		
BCRC14-031	*28*	*31*	*3*	*1.42*		

BCRC14-032	*26*	*27*	*1*	*1.38*
BCRC14-033	*30*	*31*	*1*	*1.83*
BCRC14-034	*27*	*29*	*2*	*0.30*
BCRC14-035	*10*	*11*	*1*	*1.03*
BCRC14-036	*9*	*11*	*2*	*1.00*
BCRC14-037	*11*	*12*	*1*	*1.25*
BCRC14-038	*1*	*3*	*2*	*1.76*
BCRC14-039	*1*	*2*	*1*	*1.90*
BCRC14-040	*3*	*4*	*1*	*0.21*
BCRC14-041	*19*	*20*	*1*	*0.86*
BCRC14-042	*No reef encountered*			
BCRC14-043	*10*	*11*	*1*	*1.12*
BCRC14-044	*22*	*23*	*1*	*1.17*
BCRC14-045	*3*	*4*	*1*	*1.16*
BCRC14-045A	*13*	*14*	*1*	*0.86*
BCRC14-046	*0*	*1*	*1*	*0.94*
BCRC14-047	*No reef encountered*			
BCRC14-048	*12*	*13*	*1*	*0.40*
BCRC14-049	*7*	*9*	*2*	*0.70*
BCRC14-050	*1*	*4*	*3*	*0.64*
BCRC14-051	*0*	*1*	*1*	*1.42*
BCRC14-052	0	1	1	0.63
	8	9	1	0.35
BCRC14-053	No reef encountered			
BCRC14-054	No reef encountered			
BCRC14-055	No reef encountered			
BCRC14-056	9	10	1	0.43
BCRC14-057	*21*	*22*	*1*	*0.51*
BCRC14-058	15	16	1	0.59
BCRC14-059	*8*	*9*	*1*	*0.67*
BCRC14-060	*0*	*2*	*2*	*0.62*
BCRC14-060A	*0*	*3*	*3*	*0.33*
BCRC14-061	*No reef encountered*			
BCRC14-062	*11*	*12*	*1*	*0.37*
BCRC14-063	*0*	*2*	*2*	*0.58*
BCRC14-064	*1*	*2*	*1*	*1.54*
BCRC14-065	*6*	*7*	*1*	*1.71*
BCRC14-066	No reef encountered			
BCRC14-067	3	4	1	0.28
BCRC14-068	16	18	2	0.30

BCRC14-069	0	1	1	0.94
BCRC14-070	9	11	2	0.32
BCRC14-071	2	3	1	0.35
BCRC14-072	7	9	2	0.42
BCRC14-073	*13*	*14*	*1*	*1.69*
BCRC14-074	*12*	*13*	*1*	*0.66*
BCRC14-075	*1*	*2*	*1*	*0.67*
	5	*6*	*1*	*1.13*
	12	*13*	*1*	*1.07*
BCRC14-075A	*2*	*3*	*1*	*2.58*
	6	*7*	*1*	*3.05*
	11	*13*	*2*	*1.57*
	14	*15*	*1*	*3.04*
BCRC14-076	*5*	*6*	*1*	*3.71*
	7	*9*	*2*	*2.04*
BCRC14-077	*No reef encountered*			
BCRC14-078	*9*	*10*	*1*	*1.01*
BCRC14-079	*10*	*12*	*2*	*0.48*
BCRC14-080	*5*	*6*	*1*	*9.09*
BCRC14-081	*15*	*17*	*2*	*0.70*
BCRC14-082	*9*	*11*	*2*	*1.01*
BCRC14-083	*1*	*2*	*1*	*3.36*
	16	*18*	*2*	*1.12*
BCRC14-084	*0*	*1*	*1*	*0.76*
	15	*16*	*1*	*0.92*
BCRC14-085	*8*	*10*	*2*	*1.90*
BCRC14-086	*10*	*12*	*2*	*1.22*
BCRC14-087	*12*	*13*	*1*	*2.19*
BCRC14-088	14	15	1	0.35
BCRC14-089	No reef encountered			
BCRC14-090	1	2	1	0.57
	3	4	1	0.58
BCRC14-090A	3	4	1	0.41
	9	10	1	0.47
BCRC14-091	*10*	*11*	*1*	*0.77*
BCRC14-092	*4*	*6*	*2*	*0.27*
BCRC14-093	*10*	*12*	*2*	*0.35*
BCRC14-094	*No reef encountered*			
BCRC14-095	*No reef encountered*			
BCRC14-096	*No reef encountered*			

BCRC14-097	*0*	*3*	*3*	*2.28*
	8	*10*	*2*	*1.20*
BCRC14-098	*11*	*17*	*6*	*8.77*
including	*14*	*17*	*3*	*16.70*
BCRC14-099	*0*	*1*	*1*	*1.46*
BCRC14-100	*11*	*13*	*2*	*0.98*
BCRC14-101	*4*	*6*	*2*	*1.24*
BCRC14-102	*6*	*7*	*1*	*0.60*
BCRC14-103	*3*	*5*	*2*	*0.67*
BCRC14-104	*2*	*3*	*1*	*0.59*
BCRC14-105	*No reef encountered*			
BCRC14-105A	*No reef encountered*			
BCRC14-106	*8*	*10*	*2*	*0.44*
BCRC14-107	*0*	*2*	*2*	*0.29*
BCRC14-108	*No reef encountered*			
BCRC14-109	*10*	*11*	*1*	*0.38*
BCRC14-110	*5*	*6*	*1*	*0.34*
	7	*8*	*1*	*0.36*
BCRC14-111	*2*	*3*	*1*	*1.79*
BCRC14-112	*11*	*12*	*1*	*0.69*
	17	*18*	*1*	*0.92*
BCRC14-113	*23*	*24*	*1*	*0.56*
BCRC14-114	*25*	*26*	*1*	*1.76*
BCRC14-115	*24*	*25*	*1*	*0.92*
BCRC14-116	*17*	*18*	*1*	*1.33*
BCRC14-117	*9*	*10*	*1*	*11.32*
BCRC14-118	*8*	*9*	*1*	*0.63*
	15	*16*	*1*	*0.73*
BCRC14-119	*0*	*1*	*1*	*0.66*
	8	*9*	*1*	*1.00*
BCRC14-120	*0*	*1*	*1*	*0.75*
BCRC14-120A	*2*	*3*	*1*	*0.63*
BCRC14-121	*0*	*1*	*1*	*0.82*
BCRC14-122	*2*	*3*	*1*	*0.55*
	7	*8*	*1*	*0.72*
BCRC14-123	*21*	*22*	*1*	*0.55*
BCRC14-124	*7*	*8*	*1*	*0.52*
	9	*11*	*2*	*0.48*
BCRC14-125	*6*	*9*	*3*	*2.79*
	22	*23*	*1*	*1.31*

BCRC14-126	*2*	*6*	*4*	*2.27*
	19	*21*	*2*	*1.29*
BCRC14-127	*3*	*4*	*1*	*0.57*
	14	*15*	*1*	*1.03*
BCRC14-128	*2*	*3*	*1*	*1.23*
	4	*5*	*1*	*0.82*
BCRC14-129	*No reef encountered*			
BCRC14-130	*0*	*1*	*1*	*1.18*
	9	*10*	*1*	*1.29*
	13	*14*	*1*	*0.85*
	16	*18*	*2*	*1.11*
BCRC14-131	*0*	*1*	*1*	*0.61*
	5	*6*	*1*	*0.66*
	15	*16*	*1*	*0.61*
BCRC14-132	*7*	*9*	*2*	*1.10*
BCRC14-133	*5*	*6*	*1*	*0.33*
	7	*8*	*1*	*0.35*
BCRC14-134	*1*	*2*	*1*	*0.27*
BCRC14-135	*8*	*10*	*2*	*0.35*
	22	*23*	*1*	*0.62*
BCRC14-135A	*9*	*12*	*3*	*0.52*
BCRC14-136	*5*	*7*	*2*	*0.78*
	21	*22*	*1*	*0.61*
BCRC14-137	*5*	*6*	*1*	*0.29*
	20	*21*	*1*	*0.49*
BCRC14-138	*0*	*1*	*1*	*0.55*
	11	*12*	*1*	*0.44*
BCRC14-139	*4*	*6*	*2*	*3.16*
BCRC14-140	*15*	*16*	*1*	*1.51*
	19	*20*	*1*	*1.53*
BCRC14-141	*0*	*1*	*1*	*1.10*
BCRC14-142	*14*	*15*	*1*	*1.95*
BCRC14-143	*7*	*9*	*2*	*2.45*
BCRC14-144	*4*	*5*	*1*	*1.80*
	22	*23*	*1*	*4.57*
BCRC14-145	*7*	*9*	*2*	*8.12*
BCRC14-146	*3*	*4*	*1*	*0.76*
	12	*14*	*2*	*0.80*
BCRC14-147	*2*	*4*	*2*	*0.90*
	14	*15*	*1*	*0.58*
BCRC14-148	*2*	*5*	*3*	*2.59*

	17	*18*	*1*	*1.03*
BCRC14-149	3	5	2	0.36
	8	9	1	0.46
	13	15	2	0.48
BCRC14-150	3	4	1	0.45
	13	14	1	0.39
BCRC14-150A	3	4	1	0.29
	7	9	2	0.34
	13	14	1	0.39
BCRC14-151	No reef encountered			
BCRC14-152	No reef encountered			
BCRC14-153	*7*	*8*	*1*	*1.79*
	20	*21*	*1*	*1.30*
BCRC14-154	*2*	*3*	*1*	*0.69*
	18	*19*	*1*	*1.50*
BCRC14-155	*1*	*2*	*1*	*0.78*
	14	*15*	*1*	*1.04*
BCRC14-156	*2*	*5*	*3*	*1.35*
	11	*13*	*2*	*0.84*
BCRC14-157	*4*	*5*	*1*	*0.67*
	6	*7*	*1*	*0.87*
	13	*14*	*1*	*1.76*
	15	*17*	*2*	*1.96*
BCRC14-158	*0*	*2*	*2*	*0.76*
	4	*5*	*1*	*6.74*
	10	*12*	*2*	*0.99*
BCRC14-159	*1*	*2*	*1*	*0.45*
BCRC14-160	*5*	*6*	*1*	*1.83*
	15	*16*	*1*	*2.05*
BCRC14-161	*8*	*9*	*1*	*3.12*
	23	*24*	*1*	*2.73*
	26	*27*	*1*	*1.19*
BCRC14-162	*4*	*5*	*1*	*0.71*
	16	*18*	*2*	*1.21*
BCRC14-163	*1*	*2*	*1*	*4.59*
	7	*8*	*1*	*0.58*
	14	*16*	*2*	*1.00*
	18	*19*	*1*	*3.49*
BCRC14-164	*1*	*2*	*1*	*0.78*
	4	*5*	*1*	*0.72*
	6	*8*	*2*	*0.91*

	10	*11*	*1*	*0.84*
BCRC14-165	*3*	*5*	*2*	*0.65*
	20	*21*	*1*	*1.25*
BCRC14-165A	*1*	*3*	*2*	*0.77*
	16	*18*	*2*	*1.48*
BCRC14-166	*0*	*1*	*1*	*0.56*
	3	*4*	*1*	*0.51*
BCRC14-167	*2*	*3*	*1*	*1.30*
	7	*10*	*3*	*1.17*
BCRC14-168	*4*	*7*	*3*	*0.89*
BCRC14-169	*0*	*1*	*1*	*0.74*
	4	*6*	*2*	*1.25*
	10	*11*	*1*	*0.81*
BCRC14-170	*6*	*7*	*1*	*2.89*
	18	*19*	*1*	*1.95*
BCRC14-171	*0*	*4*	*4*	*1.30*
	5	*6*	*1*	*0.82*
	10	*12*	*2*	*1.07*
BCRC14-172	*2*	*3*	*1*	*0.69*
	4	*6*	*2*	*0.75*
BCRC14-173	*3*	*5*	*2*	*1.57*
	11	*12*	*1*	*5.96*
	17	*18*	*1*	*2.02*
BCRC14-174	*6*	*7*	*1*	*1.82*
	11	*13*	*2*	*1.24*
BCRC14-175	*4*	*5*	*1*	*0.45*
BCRC14-176	*14*	*15*	*1*	*0.40*
BCRC14-177	*8*	*9*	*1*	*0.71*
BCRC14-178	*1*	*2*	*1*	*1.16*
	5	*6*	*1*	*1.22*
	11	*13*	*2*	*2.89*
	14	*15*	*1*	*2.78*
BCRC14-179	*9*	*11*	*2*	*1.97*
	12	*14*	*2*	*1.27*
BCRC14-180	*0*	*1*	*1*	*0.50*
	4	*5*	*1*	*0.50*
	6	*8*	*2*	*1.19*
	9	*11*	*2*	*0.68*
	12	*13*	*1*	*0.72*
BCRC14-180A	*1*	*2*	*1*	*1.25*

	5	*9*	*4*	*3.70*
including	*7*	*8*	*1*	*10.47*
	10	*11*	*1*	*1.25*
	12	*13*	*1*	*0.84*
	14	*15*	*1*	*0.93*
BCRC14-181	*0*	*1.5*	*1.5*	*0.76*
	12	*13*	*1*	*2.27*
	17	*18*	*1*	*0.74*
BCRC14-182	*2*	*4*	*2*	*0.67*
	8	*10*	*2*	*1.74*
	11	*14*	*3*	*1.08*
BCRC14-183	*7*	*8*	*1*	*0.53*
BCRC14-184	*2*	*4*	*2*	*0.82*
	5	*7*	*2*	*0.69*
	8	*9*	*1*	*0.55*
BCRC14-184D	*2*	*4*	*2*	*1.31*
	6	*8*	*2*	*0.62*
	9	*10*	*1*	*0.62*
BCRC14-185	*4*	*7*	*3*	*1.13*
BCRC14-186	*1*	*2*	*1*	*0.82*
	9	*11*	*2*	*2.35*
BCRC14-187	*1*	*4*	*3*	*1.41*
	8	*10*	*2*	*2.88*
	15	*16*	*1*	*2.10*
BCRC14-188	*0*	*2*	*2*	*1.09*
	4	*6*	*2*	*2.07*
	7	*8*	*1*	*0.75*
	11	*12*	*1*	*0.55*
	13	*14*	*1*	*0.66*
	17	*19*	*2*	*0.77*
BCRC14-189	*1*	*2*	*1*	*2.91*
	5	*6*	*1*	*0.86*
	10	*12*	*2*	*0.79*
BCRC14-190	*2*	*6*	*4*	*2.80*
including	*2*	*3*	*1*	*8.58*
	15	*16*	*1*	*1.02*
BCRC14-191	*0*	*1*	*1*	*0.57*
	4	*5*	*1*	*0.53*
	10	*11*	*1*	*0.57*
	13	*14*	*1*	*1.00*
BCRC14-192	*3*	*5*	*2*	*1.29*

BCRC14-193	*9*	*10*	*1*	*2.35*
BCRC14-194	*6*	*7*	*1*	*0.66*
BCRC14-195	*No reef encountered*			
BCRC14-195A	*No reef encountered*			
BCRC14-196	*No reef encountered*			
BCRC14-197	*No reef encountered*			
BCRC14-198	*No reef encountered*			
BCRC14-199	*No reef encountered*			
BCRC14-200	*No reef encountered*			
BCRC14-201 thru -218 not driled				
BCRC14-219	1	3	2	0.41
	5	6	1	0.48
BCRC14-220	1	3	2	0.28
BCRC14-221	No reef encountered			
BCRC14-222	18	19	1	0.95
BCRC14-223	8	9	1	0.69
BCRC14-224	2	3	1	0.28
BCRC14-225	No reef encountered			
BCRC14-225A	No reef encountered			
BCRC14-226 thru -231 not driled				
BCRC14-232	0	1	1	0.25
	17	18	1	0.39
	31	32	1	1.32
BCRC14-233	11	13	2	0.35
	15	18	3	0.52
BCRC14-234	9	11	2	0.32
	13	14	1	0.48
BCRC14-235	3	4	1	0.32
	21	23	2	0.54
BCRC14-236	5	6	1	0.39
	13	14	1	0.60
BCRC14-237	No reef encountered			
BCRC14-238	18	19	1	0.33
BCRC14-239	*2*	*3*	*1*	*1.49*
	9	*10*	*1*	*1.29*
	13	*14*	*1*	*1.38*
BCRC14-240	*No reef encountered*			
BCRC14-240A	*No reef encountered*			
BCRC14-241	*21*	*22*	*1*	*0.87*
	25	*27*	*2*	*1.23*

BCRC14-242	*7*	*8*	*1*	*0.98*
	26	*27*	*1*	*3.00*
	28	*29*	*1*	*1.01*
BCRC14-243	*14*	*15*	*1*	*0.49*
	17	*18*	*1*	*0.65*
BCRC14-244	*0*	*1*	*1*	*0.39*
	26	*28*	*2*	*0.55*
BCRC14-245	*19*	*20*	*1*	*0.51*
BCRC14-246	*21*	*22*	*1*	*0.65*
BCRC14-247	*9*	*10*	*1*	*0.36*
BCRC14-248	*18*	*20*	*2*	*0.83*
BCRC14-249	*No reef encountered*			
BCRC14-250	*No reef encountered*			
BCRC14-251	*No reef encountered*			
BCRC14-252	*No reef encountered*			
BCRC14-253	*No reef encountered*			
BCRC14-254	*No reef encountered*			
BCRC14-255	*No reef encountered*			
BCRC14-255A	*8*	*9*	*1*	*0.99*
BCRC14-256	*No reef encountered*			
BCRC14-257	*No reef encountered*			
BCRC14-258	*No reef encountered*			
BCRC14-259	*5*	*6*	*1*	*0.61*
BCRC14-260	*No reef encountered*			
BCRC14-261	*No reef encountered*			
BCRC14-262	*1*	*3*	*2*	*0.91*
BCRC14-263	*3*	*6*	*3*	*0.79*
BCRC14-264	*No reef encountered*			
BCRC14-265	*32*	*35*	*3*	*2.37*
BCRC14-266	*33*	*34*	*1*	*2.84*
	48	*55*	*7*	*1.92*
including	*48*	*51*	*3*	*3.54*
BCRC14-267	*No reef encountered*			
BCRC14-268	*No reef encountered*			
BCRC14-269	*2*	*3*	*1*	*1.32*
BCRC14-270	*0*	*1*	*1*	*0.48*
BCRC14-270A	*0*	*1*	*1*	*0.45*
BCRC14-271	*0*	*1*	*1*	*0.39*
BCRC14-272	*20*	*21*	*1*	*5.74*
BCRC14-273	*8*	*9*	*1*	*0.53*

BCRC14-274	*2*	*3*	*1*	*1.59*
	10	*11*	*1*	*0.64*
BCRC14-275	*3*	*11*	*8*	*0.32*
BCRC14-276	*10*	*11*	*1*	*0.60*
BCRC14-277	*0*	*1*	*1*	*0.77*
BCRC14-278	*12*	*13*	*1*	*0.39*
BCRC14-279	*8*	*9*	*1*	*0.32*
BCRC14-280	*13*	*14*	*1*	*0.52*
BCRC14-281	*3*	*4*	*1*	*0.92*
	9	*10*	*1*	*0.61*
BCRC14-282	*5*	*7*	*2*	*2.35*
BCRC14-283	0	1	1	0.96
	5	6	1	0.42
	15	17	2	1.04
	23	26	3	3.40
including	23	24	1	6.56
	27	28	1	1.47
BCRC14-284	0	1	1	0.69
	5	6	1	1.35
	23	24	1	27.79
BCRC14-285	2	3	1	0.47
	7	9	2	0.35
	25	27	2	6.92
including	25	26	1	12.76
	33	37	4	1.05
BCRC14-285A	*7*	*8*	*1*	*0.50*
	25	*26*	*1*	*1.82*
	34	*36*	*2*	*2.29*
	38	*39*	*1*	*2.86*
BCRC14-286	*9*	*11*	*2*	*1.08*
	27	*28*	*1*	*4.91*
	35	*37*	*2*	*4.05*
BCRC14-287	*3*	*6*	*3*	*1.05*
	21	*22*	*1*	*2.53*
	28	*30*	*2*	*1.85*
BCRC14-288	*6*	*7*	*1*	*1.39*
BCRC14-289	*8*	*11*	*3*	*0.82*
	15	*16*	*1*	*1.81*
BCRC14-290	*23*	*24*	*1*	*2.72*
BCRC14-291	*8*	*9*	*1*	*1.70*
	10	*17*	*7*	*3.55*

including	*10*	*11*	*1*	*20.41*
	38	*39*	*1*	*1.74*
BCRC14-292	*8*	*11*	*3*	*0.88*
	20	*21*	*1*	*1.01*
BCRC14-293	*16*	*17*	*1*	*40.07*
	19	*23*	*4*	*0.76*
BCRC14-294	*6*	*7*	*1*	*0.51*
	13	*14*	*1*	*0.61*
	25	*28*	*3*	*1.66*
BCRC14-295	*2*	*3*	*1*	*1.38*
	6	*8*	*2*	*0.59*
	20	*22*	*2*	*2.75*
BCRC14-296	*8*	*11*	*3*	*3.51*
	16	*19*	*3*	*0.73*
BCRC14-297	*No reef encountered*			
BCRC14-298	10	12	2	0.30
	16	17	1	0.33
BCRC14-299	No reef encountered			
BCRC14-300	No reef encountered			
BCRC14-300A	No reef encountered			
BCRC14-301	0	2	2	1.49
BCRC14-302	No reef encountered			
BCRC14-303	4	5	1	0.37
BCRC14-304	0	3	3	1.38
BCRC14-305	0	1	1	0.88
	10	11	1	4.67
BCRC14-306	2	5	3	8.19
	14	15	1	2.10
BCRC14-307	5	6	1	32.31
	17	18	1	1.67
	22	24	2	3.60
BCRC14-308	18	20	2	3.23
BCRC14-309	1	2	1	0.51
	7	8	1	3.09
	16	18	2	3.06
BCRC14-310	5	6	1	1.37
	8	10	2	3.49
BCRC14-311	13	14	1	4.75
	20	21	1	0.69
	22	23	1	2.72
BCRC14-312	0	1	1	1.23

	2	3	1	0.83
BCRC14-313	1	3	2	0.63
	24	25	1	0.95
BCRC14-314	1	2	1	0.59
	4	6	2	1.61
	7	10	3	0.75
BCRC14-315	5	6	1	0.58
	8	9	1	1.24
	15	16	1	0.62
BCRC14-315A	6	7	1	0.31
	8	9	1	0.64
	14	16	2	1.59
BCRC14-316	10	11	1	0.86
	12	13	1	2.01
BCRC14-317	0	2	2	0.91
	3	7	4	1.65
	8	10	2	0.48
BCRC14-318	0	5	5	3.44
including	2	4	2	7.69
BCRC14-319	3	4	1	0.84
	6	7	1	0.52
	8	9	1	0.49
	10	11	1	0.63
BCRC14-320	13	17	4	3.05
including	16	17	1	9.30
BCRC14-321	13	15	2	0.95
	22	23	1	1.40
BCRC14-322	*23*	*25*	*2*	*3.98*
	28	*30*	*2*	*0.89*
BCRC14-323	*1*	*2*	*1*	*0.57*
	13	*14*	*1*	*6.61*
BCRC14-324	5	6	1	0.56
BCRC14-325	9	10	1	0.39
BCRC14-326	6	8	2	0.30
	34	35	1	4.60
BCRC14-327	No reef encountered			
BCRC14-228 not driled				
BCRC14-329	11	12	1	0.83
	43	44	1	4.68
BCRC14-330	21	24	3	0.67
BCRC14-231 thru -334 not driled				
BCRC14-335	No reef encountered			

BCRC14-336	No reef encountered			
BCRC14-337	11	13	2	0.44
BCRC14-338	13	15	2	0.71
BCRC14-339	0	2	2	0.43

All samples analyzed utilizing 1 kg LeachWell wil be re-analyzed utilizing 3 kg LeachWell and 3 kg Metallic Screen Assay

In late April, 2015, the Company announced assay results from costean (trench) bulk samples at Beatons Creek collected in October and November, 2014 and more recently in March and April, 2015. Please see the results table below.

Beatons Creek Costean LeachWell Gold Results

Costean Number	True Reef Thickness (m)	Au (gpt)
BCC14-002	*0.80*	*0.98*
BCC14-004	*0.60*	*0.55*
BCC14-008	*1.50*	*0.90*
BCC14-009	*1.65*	*0.77*
BCC14-010	*0.50*	*0.57*
BCC14-011	0.72	1.37
BCC14-012	*0.90*	*0.96*
BCC14-013	*1.00*	*2.52*
BCC14-014	*0.85*	*0.43*
BCC14-015	*0.90*	*0.31*
BCC14-016	*0.86*	*0.48*
BCC14-017	*0.80*	*1.39*
BCC14-018	*0.80*	*0.40*
BCC14-020	*0.70*	*0.47*
BCC14-033	2.00	3.22
BCC14-035	1.00	25.53
BCC14-036	1.00	2.72
BCC14-037	1.00	2.69
BCC14-038	1.00	4.05
BCC14-039	1.00	4.26
BCC14-071	2.00	5.15
BCC14-072	2.60	4.74
BCC14-100	1.00	6.65
BCC14-101	1.50	1.54
BCC14-102	1.00	0.99
BCC14-103	0.80	0.70
BCC14-104	2.00	6.22

BCC14-107	1.00	0.46
BCC14-109	1.60	2.09
BCC14-115	2.00	1.06
BCC14-116	3.80	2.94
BCC14-117	0.60	1.34
BCC14-118	0.75	0.44
BCC14-119	0.70	1.58
BCC14-120	2.00	1.01
BCC14-126	0.50	0.46
BCC14-127	1.80	0.90
BCC14-128	1.00	0.65
BCC14-129	2.00	0.55
BCC14-130	2.00	0.58
BCC14-131	1.60	0.71
BCC14-133	0.90	0.57
BCC14-134	1.00	0.87
BCC14-135	1.00	1.56
BCC14-136	0.80	0.57
BCC14-137	0.80	0.83
BCC14-138	1.00	5.17
BCC14-139	1.80	0.71
BCC14-140	1.00	1.00
BCC14-141	1.00	0.49
BCC14-142	0.90	0.57
BCC14-143	0.70	2.26
BCC14-144	0.60	0.75
BCC14-145	0.80	2.62
BCC14-146	0.50	1.03
BCC14-147	1.00	1.43
BCC14-148	0.70	1.60
BCC14-149	0.60	0.69
BCC14-152	0.60	0.54
BCC14-153	0.50	1.09
BCC14-200	*0.92*	*1.09*
BCC14-201	*1.80*	*1.40*
BCC14-202	*1.00*	*1.33*
BCC14-203	*1.90*	*0.73*
BCC14-204	*0.80*	*2.26*
BCC14-205	*0.80*	*4.30*
BCC14-208	*0.60*	*0.93*
BCC14-209	*1.00*	*0.43*

BCC14-211	*0.90*	*3.05*
BCC14-212	*0.80*	*0.49*
BCC14-213	*0.65*	*1.57*
BCC14-214	*0.80*	*2.26*
BCC14-215	*2.00*	*0.79*
BCC14-216	*0.80*	*2.88*
BCC14-217	*1.80*	*0.93*
BCC14-218	*0.60*	*7.13*
BCC14-219	*0.90*	*6.17*
BCC14-220	*0.90*	*1.26*
BCC14-222	*1.90*	*0.59*
BCC14-223	*0.90*	*3.29*
BCC14-224	*0.95*	*3.23*
BCC14-225	*0.90*	*7.21*
BCC14-226	*0.60*	*6.01*
BCC14-227	*0.70*	*0.60*
BCC14-228	*1.80*	*1.34*
BCC14-229	*1.00*	*1.77*
BCC14-230	*1.00*	*0.53*
BCC14-231	*1.00*	*0.66*
BCC14-232	*0.80*	*0.81*
BCC14-233	*1.00*	*1.14*
BCC14-234	*1.00*	*1.64*
BCC14-235	0.90	1.24
BCC14-236	0.80	1.97
BCC14-239	1.80	0.57
BCC14-241	0.80	0.74
BCC14-242	0.75	0.65
BCC14-244	*1.00*	*1.35*
BCC14-247	*0.90*	*0.55*
BCC14-248	*0.90*	*0.57*
BCC14-249	*1.90*	*1.20*
BCC14-254	1.00	0.36
BCC14-259	0.80	1.10
BCC14-263	1.00	0.54
BCC14-264	1.00	0.63
BCC14-267	1.00	0.54
BCC14-272	1.00	0.84
BCC14-273	1.00	0.68
BCC14-274	0.80	0.77
BCC14-275	1.50	0.48

BCC14-276	0.75	0.35
BCC14-277	0.90	5.25
BCC14-278	0.90	0.36
BCC14-282	1.70	0.89
BCC14-284	0.80	0.40
BCC14-285	2.00	0.41
BCC14-286	1.60	1.93
BCC14-287	1.00	1.77
BCC14-289	1.00	0.91
BCC14-290	1.00	0.77
BCC14-298	2.00	0.51
BCC14-299	1.80	0.81
BCC14-300	1.00	1.37
BCC14-301	0.80	0.94
BCC14-302	0.50	1.22
BCC14-307	0.50	1.71
BCC14-308	1.00	1.32
BCC14-309	1.00	1.22
BCC14-310	1.00	0.71
BCC14-314	1.60	3.33
BCC14-315	2.00	0.82
BCC14-316	2.00	2.36
BCC14-317	0.80	0.40
BCC14-318	1.00	0.86
BCC14-319	1.00	1.15
BCC14-321	1.00	1.85
BCC14-323	1.60	0.87
BCC14-326	1.00	0.73
BCC14-327	1.00	0.40
BCC14-328	3.80	5.46
BCC14-329	1.00	0.50
BCC14-330	1.00	0.75
BCC14-331	1.00	0.41
BCC14-335	0.50	5.76
BCC14-336	0.75	1.17
BCC14-337	0.80	0.91
BCC14-338	2.00	0.64
BCC14-341	1.70	4.61
BCC14-342	1.00	0.56
BCC14-343	1.00	0.85
BCC14-344	1.90	1.73

BCC14-345	1.80	1.78
BCC14-347	1.00	1.93
BCC14-348	1.00	1.76
BCC14-353	1.00	1.17
BCC14-354	0.90	4.12
BCC14-355	1.00	0.62
BCC14-356	1.00	0.77
BCC14-357	2.00	0.87
BCC14-358	0.85	0.43
BCC14-359	0.90	0.45
BCC14-360	0.65	2.17
BCC14-361	0.70	0.80
BCC14-363	1.00	2.17
BCC14-364	0.90	0.86
BCC14-367	0.60	5.75
BCC14-369	0.50	2.33
BCC14-370	0.80	0.72
BCC14-371	0.90	4.36
BCC14-410	1.50	2.27
BCC14-411	1.00	1.13
BCC14-413	1.00	1.31
BCC14-416	1.80	3.13
BCC14-417	1.90	0.90
BCC14-418	1.60	2.25
BCC14-419	0.80	1.86
BCC14-420	0.90	3.90
BCC14-422	1.00	1.20
BCC14-423	1.00	0.68
BCC14-425	1.00	0.78
BCC14-430	0.85	0.66
BCC14-431	1.00	1.38
BCC14-432	0.90	0.44
BCC14-435	1.00	2.56
BCC14-436	1.80	0.40
BCC14-437	0.80	0.80
BCC14-440-L	1.80	3.36
BCC14-441	2.00	0.66
BCC14-442	1.00	0.85
BCC14-444	1.00	1.55
BCC14-447	1.00	0.40
BCC14-448	0.60	1.04

BCC14-450	0.60	4.49
BCC14-451	0.60	1.15
BCC14-451	0.40	8.10
BCC14-453-K	1.40	0.68
BCC14-458	1.00	1.15
BCC14-459	2.50	1.43
BCC14-460	1.00	0.73
BCC14-460	1.00	1.19
BCC14-461	1.40	1.26
BCC14-463	1.00	0.67
BCC14-464	0.80	3.48
BCC14-465	1.00	0.83
BCC14-467	1.00	5.25
BCC14-471	1.00	0.50
BCC14-474	1.00	0.51
BCC14-476	2.00	1.67
BCC14-477	3.00	0.92
BCC14-480	1.00	0.59
BCC14-483	1.00	0.73
BCC14-484	1.40	1.35
BCC14-486	1.00	4.29
BCC14-486-K	0.90	3.77
BCC14-489	1.00	0.67
BCC14-494	1.00	0.59
BCC14-506	2.00	4.92
BCC14-507	1.90	7.60
BCC14-508	2.90	4.03
BCC14-509	2.00	8.58
BCC14-510	1.80	4.33
BCC14-511	2.00	2.83
BCC14-512	4.00	2.05
BCC14-513	2.80	0.72
BCC14-514	2.00	0.88
BCC14-522	2.00	1.18
BCC14-524	0.40	0.41
BCC14-532	0.70	0.90
BCC14-545	0.80	0.89
BCC14-546	0.60	2.87
BCC14-549	1.00	0.37
BCC14-551	1.00	2.44
BCC14-557	0.80	0.83

BCC14-558	1.40	1.93
BCC14-559	1.50	3.59
BCC14-561	*0.80*	*3.65*
BCC14-564	*0.90*	*4.82*
BCC14-565	*1.00*	*10.21*
BCC14-566	*0.50*	*7.70*
BCC14-570	*1.00*	*1.08*
BCC14-571	*0.60*	*0.93*
BCC14-573	*1.00*	*4.74*
BCC14-574	*0.90*	*2.73*
BCC14-575	*0.90*	*7.47*
BCC14-576	*0.90*	*5.86*
BCC14-577	*0.80*	*6.84*
BCC14-578	*0.80*	*4.84*
BCC14-579	*1.00*	*9.79*
BCC14-580	*0.80*	*5.12*
BCC14-581	*1.00*	*0.40*
BCC14-584	*0.80*	*1.45*
BCC14-585	*0.80*	*0.70*
BCC14-586	*0.80*	*1.74*
BCC14-589	*1.50*	*9.72*
BCC14-590	*0.40*	*3.51*
BCC14-591	*0.60*	*3.30*
BCC14-592	*0.50*	*8.20*
BCC14-601	1.40	1.19
BCC14-602	1.00	1.52
BCC14-609	1.00	1.23
BCC14-610	0.80	0.72
BCC14-616	*1.00*	*2.87*
BCC14-618	0.60	0.36
BCC14-619	1.80	3.86
BCC14-620	1.00	12.79
BCC14-621	1.50	9.75
BCC14-622	1.00	0.47
BCC14-623	0.70	11.24
BCC14-624	0.90	1.71
BCC14-628	0.60	17.98
BCC14-629	1.00	23.96
BCC14-630	0.60	18.03
BCC15-002	1.00	0.31
BCC15-003	1.00	0.34

BCC15-004	0.80	1.16
BCC15-005	0.70	2.52
BCC15-006	0.60	0.59
BCC15-007	0.50	1.21
BCC15-008	0.50	1.53
BCC15-009	1.80	1.58
BCC15-010	1.60	0.84
BCC15-011	1.10	2.11
BCC15-012	0.70	2.34
BCC15-013	0.60	0.33
BCC15-014	1.00	0.60
BCC15-015	0.70	0.93
BCC15-016	1.20	1.03
BCC15-017	0.70	4.80
BCC15-018	1.60	5.76
BCC15-019	0.80	1.59
BCC15-020	0.70	3.97
BCC15-021	1.20	3.34
BCC15-022	0.60	8.15
BCC15-023	0.70	6.77
BCC15-024	0.60	14.02
BCC15-025	1.30	2.55
BCC15-026	0.70	0.55
BCC15-027	0.60	3.27
BCC15-028	1.00	3.81
BCC15-029	1.00	1.77
BCC15-030	1.00	19.74
BCC15-031	0.60	11.69
BCC15-032	0.40	2.61
BCC15-033	0.90	8.66
BCC15-034	0.80	16.45
BCC15-036	0.80	9.17
BCC15-037	0.70	2.61
BCC15-038	0.90	0.98
BCC15-039	1.00	8.84
BCC15-040	0.50	1.34
BCC15-041	1.00	9.00
BCC15-042	0.80	3.42
BCC15-043	1.00	28.50
BCC15-044	0.45	4.94
BCC15-045	1.00	4.21

BCC15-046	0.80	6.93
BCC15-047	0.80	0.68
BCC15-048	0.70	2.47
BCC15-049	0.70	1.91
BCC15-050	0.60	7.77
BCC15-051	0.75	5.18
BCC15-052	0.90	4.09
BCC15-053	0.60	6.31
BCC15-054	0.80	0.91
BCC15-055	0.80	2.50
BCC15-056	0.70	1.75
BCC15-057	0.70	1.37
BCC15-058	0.90	2.53
BCC15-059	1.00	2.06
BCC15-060	0.50	0.65
BCC15-061	1.00	3.00
BCC15-062	0.90	3.65
BCC15-063	1.40	8.78
BCC15-064	0.60	0.54
BCC15-065	1.30	2.16
BCC15-066	1.00	2.89
BCC15-067	0.90	2.39
BCC15-068	0.80	3.45
BCC15-069	0.80	2.41
BCC15-070	0.65	0.91
BCC15-071	0.80	5.12
BCC15-072	1.40	4.17
BCC15-073	1.00	1.36
BCC15-074	0.60	1.08
BCC15-075	0.90	5.40
BCC15-077	0.90	1.75
BCC15-078	0.70	1.05
BCC15-079	0.80	3.48
BCC15-080	1.00	4.79
BCC15-081	1.60	3.47
BCC15-082	0.60	27.38
BCC15-087	0.90	0.91
BCC15-088	0.80	3.84
BCC15-089	1.00	6.68
BCC15-090	1.00	7.75
BCC15-091	0.60	0.48

BCC15-092	0.90	4.07
BCC15-094	1.20	6.68
BCC15-095	0.85	8.14
BCC15-096	1.00	69.01

Comparison of Costean Sampling and Reverse Circulation Drilling

Costean samples were taken using pneumatic hammers from thoroughly oxidized gold-bearing reef material exposed in shallow, approximately one-meter wide trenches dug using an excavator or by hand. Costean samples can be considered bulk samples given their large size (45-60 kg). Because costean samples are collected from the top to bottom of a gold-bearing conglomerate horizon over widths of around one meter, they can be considered representative of what is exposed in the trench.

In contrast, reverse circulation drill holes are much narrower (5 ¼“ (0.133 m) diameter), resulting samples are smaller (17-20 kg), and samples are collected on one-meter intervals that may include both gold-bearing reef as well as barren wall rock material thus resulting in diluted grades.

Through various studies of gold-bearing conglomerates from Beatons Creek, Novo has determined the vast majority of gold occurs as coarse grains scattered in sandy and silty matrix material residing between boulders and cobbles that make up the framework of these conglomerates. Due to the erratic distribution of matrix material from place-to-place, results from costean samples and drill holes are expected to be markedly different.

The Importance of Sample Size

In addition to the highly variable distribution of gold-bearing matrix material within conglomerates, gold mineralization is also nuggety. For this reason, Novo has implemented sampling protocols for both reverse circulation drill and costean sampling by which large samples are collected and processed for analysis.

Gold deposits displaying little or no nugget effect might require collection of small, 3-4 kg samples of drill cuttings, or approximately 10% of the material that comes from a one-meter interval from a 5 ¼“ (0.133 m) diameter drill hole. At Beatons Creek, Novo determined that 50% of the drill cuttings (17-20 kg) must be collected to achieve acceptable variability. For costeans, a sample size of at least 40 kg is required.

Following processing (crushing and pulverizing), analysis is conducted on a very large, 3 kg split of pulverized material. Novo is primarily utilizing the LeachWell technique, a 6-hour accelerated CN leach and mass spectrometry for gold analysis.

Mining Concept

Novo has begun to evaluate cost effective mining techniques for its upcoming feasibility study of shallow, oxidized, gold-bearing conglomerates. Conventional mining requires drilling and blasting, both of which contribute much to overall mining costs. Recent earthworks conducted as part of Novo’s drilling and trenching program have provided valuable insight into the behaviour of rock at Beatons Creek. Due to the soft, heavily weathered nature of these rocks and the tendency for matrix material to break away from boulder clasts, it appears that drilling and blasting will not be required. This could prove to be a significant cost savings.

Due to the hilly topography at Beatons Creek, it is envisioned that overburden material can be disposed of in low areas adjacent to mining sites. This will eliminate the need to haul waste material, another potential savings to overall mining costs.

Using simple equipment such as an excavator with a flat edged bucket, gold bearing conglomerates can be selectively mined thus reducing dilution and, thus, helping maintain higher grades. Costs of this type of mining are anticipated to be low.

Novo is planning to seek permits to undertake mining of small-scale benches as part of its feasibility level work. By doing so, the Company hopes to gather further information needed to evaluate the effectiveness of these mining techniques as well as their costs. This work is expected to take place in July once all assay results have returned.

Deep Drill Test

In early March, 2015, the Company announced assay results from the first ever deep diamond drill hole, ND14DD-1, to test down-dip extensions of gold-bearing conglomerates at its Beatons Creek gold project. Please see the results table below. In December 2014, Novo announced completion of a 963.4 m deep vertical diamond core hole drilled in an area approximately 3 km southwest of Grant's Hill. This hole encountered siliciclastic rocks dominated by sandstone and pebble conglomerates with lesser shale and cobble conglomerates belonging to the Hardy Formation, the same rock unit that hosts gold-bearing conglomerates at Beatons Creek. Detailed logging carried out since publication of that news release determined that a section from approximately 529-572 meters displayed several pyritic pebble conglomerate horizons (reefs) believed to represent a distal facies of the gold-bearing conglomerates found further northeast.

Several gold-bearing intercepts are present in the interval of interest. In particular, four reefs contain gold values ranging from 0.38 to 0.50 grams per tonne (gpt) Au over lengths ranging from 0.47 to 1.54 meters (please see Summary of Gold Intercepts table below). The down-hole position of these gold intercepts corresponds well to a horizon of high grade gold-bearing reefs encountered in two historic and three recent drill holes completed by the Company approximately 2.5 km northeast. These five holes each encountered one or more gold-bearing reefs with grades ranging from 7 to 31.5 gpt Au. Higher grades may relate to proximity near a major fault thought to control sedimentation at the time of deposition of the gold-bearing conglomerate beds.

Summary of Gold Intercepts in ND14DD-1

Hole	From (m)	To (m)	Length (m)	Au (gpt)
ND14DD-1	562.59	563.06	0.47	0.50
	563.96	565.50	1.54	0.42
	566.68	567.95	1.27	0.47
	569.96	570.46	0.50	0.38

Partial funding for this drill hole came from a $200,000 grant from the Western Australian Mines Department. Novo is highly appreciative of the support that it has been given by the Western Australian Mines Department.

Creasy Definitive Agreement

In late January, the Company announced that it has entered into a definitive agreement (the "Definitive Agreement") with Mark Gareth Creasy and entities controlled by him (collectively, the "Creasy Group") relating to the binding terms sheet signed on March 4, 2014 (the "Terms Sheet") and discussed in a news release dated the same date.

Novo requested and Creasy Group agreed to certain modifications to the Terms Sheet to be reflected in the Definitive Agreement, resulting in Novo reducing its exploration commitments, thus allowing it to aggressively pursue completion of a feasibility study for its Beatons Creek project. By reducing its future exploration expenditure commitments, Novo now has the ability to quickly advance Beatons Creek toward development and/or to pursue other opportunities to consolidate its position in the Nullagine district.

Under the Definitive Agreement, Creasy Group will receive a total of 9,200,000 Novo common shares (the "Creasy CGE Shares") in exchange for all shares it owns in Conglomerate Gold Exploration Pty. Ltd. ("CGE") (the "CGE Share Exchange"), making Novo the 100% owner of CGE. This includes a total of 7,060,466 Novo common shares that will be delivered to Creasy Group at the initial closing following receipt of regulatory approvals (which are expected in the ordinary course). Approximately 23.3% of the Creasy CGE Shares that are currently in escrow will be subsequently exchanged, subject to the satisfaction of the applicable escrow conditions, for 2,139,534 common shares of Novo.

CGE has joint ventures with the Creasy Group under which it has earned a 70% interest in the gold rights relating to the Nullagine and Marble Bar properties. Nullagine Gold Pty. Ltd., a wholly-owned subsidiary of CGE, will now become a 70% registered holder of those properties. Accordingly, upon receipt of the regulatory approvals referred to above, Novo will have a secure, fully-vested 70% interest in and to gold rights on those tenements. Novo has also agreed to enter into a new joint venture with the Creasy Group - the Callina Creek joint venture - on the same terms as the existing four joint ventures. The new joint venture covers a tenement staked by Nullagine Gold Pty. Ltd. and adjacent to Novo's existing Whim Creek Mining joint venture with the Creasy Group.

Novo will also issue common shares (the "N and MB Expense Reimbursement Shares") in reimbursement of exploration expenses incurred by the Creasy Group in connection with the Nullagine and Marble Bar properties (the "Reimbursement"). The Terms Sheet specified the issue of N and MB Expense Reimbursement Shares totaling 5,000,000 Novo common shares. However, after offsetting exploration expenses incurred by Novo on the 103 Pilbara tenements (the subject of the Terms Sheet) between signing of the Terms Sheet and the Definitive Agreement, only 3,931,111 Expense Reimbursement Shares will be issued, bringing the total Novo common shares issuable to Creasy Group to close out the CGE Share Exchange and the Reimbursement to 13,131,111 Novo common shares.

Assuming all of these Novo common shares are issued, Creasy Group will be Novo's second largest shareholder behind Newmont Mining Corp which holds 17,760,000 common shares. In several news releases issued in the second half of 2014, Novo made clear its intent to aggressively pursue an oxide, gravity-recoverable gold mining operation at its Beatons Creek project. Management thinks it is in the best interest of shareholders to reach cash-flow as quickly as possible and perceives Beatons Creek as an exceptional opportunity to do so. As part of this shift in emphasis, Novo has elected not to proceed with the purchase of 103 additional Pilbara tenements from the Creasy Group as referred to in the Terms Sheet. By foregoing this part of the transaction, Novo will save approximately AU$4.2 million in 2015 that would have been needed to meet minimum exploration expenditures and pay rents and rates for these large land holdings. As Novo will no longer be responsible for these exploration expenditures, Novo now has the ability to quickly advance Beatons Creek toward development and/or to pursue other opportunities to consolidate its position in the Nullagine district.

Marble Bar Project

During BLEG follow up exploration in August and September, 2014, a new gold-bearing conglomerate was discovered near Virgin Creek in the Marble Bar sub-basin. This conglomerate is part of the Hardy Formation, outcrops for approximately 600 meters on strike, is shallowly dipping, and up to 2 m thick. Screen metallic fire assay results from a suite of 20 spot rock chip samples grade between 0.02-5.44 gpt Au. The Company plans more extensive sampling in 2015.

A planned diamond drill core hole at Contact Creek in the Marble Bar sub-basin has been delayed due to limited drill water availability. Although the Company had identified a source of water, early hot, dry weather caused this source to rapidly dissipate before drilling could commence. The remote location of this drill site precludes trucking water. The Company plans to re-apply for a new drilling grant with the Western Australian Mines Department in 2015.

FINANCING ACTIVITIES

During the years ended January 31, 2015 and 2014, the only shares issued related to the exercise of share purchase warrants and stock options.

LIQUIDITY AND CAPITAL RESOURCES

As at January 31, 2015, the Company had a cash and cash equivalents balance of $10,158,594 compared to $10,607,297 as at January 31, 2014. The Company had working capital as at January 31, 2015, of $10,173,534 compared to working capital of $10,680,079 as at January 31, 2014. The decrease in working capital is mainly due to the Company's expenditures on its mineral properties.

Cash used in operating activities during the year ended January 31, 2015, was $1,258,935 (January 31, 2014 – $1,121,669). The decrease over the year relates mainly to non-cash adjustments to foreign exchange, impairment of marketable securities, and realized loss on marketable securities.

Cash used for investing activities during the year ended January 31, 2015, was $5,350,918 (January 31, 2014 - $1,848,065). The Company's principal investing activity is the acquisition and exploration of its resource properties. During the year ended January 31, 2015, the Company incurred $5,349,338 (January 31, 2014 - $2,342,469) on its resource properties. The Company also incurred $113,848 as an investment in an associate during the year ended January 31, 2015 (January 31, 2014 - $nil). A loss of $7,978 was also recorded against the investment in an associate during the year ended January 31, 2015 (January 31, 2014 - $nil).

Cash provided by financing activities during the year ended January 31, 2015, was $5,382,317 (January 31, 2014 - $8,283,198), which relates to the exercise of options and warrants.

As at the date of this MD&A, the contractual obligations of the Company are the Millennium Agreement, the JVA's, and the Share Exchange and Settlement Agreement signed between the Company and the Creasy Group. Reference should be made to the section titled: Exploration and Evaluation Assets.

OFF BALANCE SHEET TRANSACTIONS

There are currently no off balance sheet arrangements which could have a material effect on current or future results of operations, or the financial condition of the Company.

RELATED PARTY TRANSACTIONS

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. Certain of these entities transacted with the Company during the year.

(a) *Key Management Personnel Disclosures*

During the years ended January 31, 2015 and 2014, the following amounts were incurred with respect to the Chief Executive Officer, the Chief Financial Officer and directors of the Company:

	January 31, 2015 $	January 31, 2014 $
Consulting services	164,000	168,000
Wages and salaries	111,764	89,833
Wages and salaries included in exploration and evaluation assets	66,148	76,149
Share-based payments	-	26,499
	341,912	360,481

(b) *Other Related Party Disclosures*

During the years ended January 31, 2015 and 2014, the following amounts were incurred with respect to consulting services provided by a corporation controlled by the Chief Financial Officer and geological services provided by a significant shareholder of the Company:

	January 31, 2015 $	January 31, 2014 $
Consulting services	120,000	120,000
Geological services	370,773	-
	490,773	120,000

PROPOSED TRANSACTIONS

The Company does not currently have any proposed transactions approved by the Board of Directors. All current transactions are fully disclosed in the consolidated financial statements for the year ended January 31, 2015.

CRITICAL ACCOUNTING ESTIMATES

These consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as at fair value through profit or loss (“FVTPL”), loans and receivables, and available-for-sale that have been measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The areas involving a higher degree of judgment of complexity or where assumptions and estimates are significant to the financial statements are disclosed below in Note 2.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized during the period in which the estimate is revised if the revision affects only that period or during the period of the revision and further periods if the review affects both current and future periods.

A detailed summary of all the Company's critical accounting estimates is included in Note 2 – Significant Accounting Policies to the January 31, 2015, consolidated financial statements.

CHANGES IN ACCOUNTING POLICIES

A detailed summary of all the Company's changes in accounting policies is included in Note 2 – Significant Accounting Policies to the January 31, 2015, consolidated financial statements.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

a) **Fair value**

The Company's financial instruments include cash and cash equivalents, interest receivable, marketable securities (warrants and common shares), and accounts payable and accrued liabilities. IFRS 7 establishes a fair value hierarchy for financial instruments measured at fair value that reflects the significance of inputs in making fair value measurements as follows:

- Level 1 – applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.
- Level 2 – applies to assets or liabilities for which there are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly such as quoted prices for similar assets or liabilities in active markets or indirectly such as quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions.
- Level 3 – applies to assets or liabilities for which there are unobservable market data.

The recorded amounts of cash and cash equivalents, interest receivable and accounts payable and accrued liabilities approximate their respective fair values due to the short-term nature.

Marketable securities (common shares) are measured using Level 1 inputs. The fair values of marketable securities (common shares) are measured at the closing market price obtained from the exchange.

Marketable securities (warrants) are measured using Level 3 inputs. The fair values of marketable securities (warrants) are based on management's assessment of realizable value.

The Company did not have any financial instruments in level 2. There were no transfers between Levels during the year.

a) Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash and cash equivalents. The Company limits its exposure to credit loss by placing its cash and cash equivalents with high credit quality financial institutions. The carrying amount of financial assets represents the maximum credit exposure.

b) Foreign Exchange Rate Risk

The Company has operations in Canada, Australia, and the United States subject to foreign currency fluctuations. The Company's operating expenses are incurred in Canadian, Australian and the United States dollar, and the fluctuation of the Canadian dollar in relation to these other currencies will have an impact upon the profitability of the Company and may also affect the value of the Company's assets and the amount of shareholders' equity. The Company's exposure to foreign currency risk arises primarily on fluctuations between the Canadian dollar, US dollar, and the Australian dollar.

The Company has not entered into any derivative instruments to manage foreign exchange fluctuations.

At January 31, 2015 and 2014, the Company's Australian and US dollar denominated monetary assets and monetary liabilities are as follows:

Australian Monetary assets ($ AUD)		January 31, 2015		January 31, 2014
Cash and cash equivalents	$	647,183	$	176,237
Accounts payable and accrued liabilities	$	275,729	$	73,612

US Monetary assets ($USD)		January 31, 2015		January 31, 2014
Cash and cash equivalents	$	5,017,479	$	17,742
Accounts payable and accrued liabilities	$	23,152	$	2,287

The exposure to foreign exchange rate risk is as follows:

Australian Monetary assets ($AUD)		AUD		10% Fluctuation Impact		CAD
Cash and cash equivalents	$	647,183	$	64,718	$	63,877
Accounts payable and accrued liabilities	$	275,729	$	27,573	$	27,214

US Monetary assets ($ USD)		USD	10% Fluctuation Impact	CAD
Cash and cash equivalents	$	5,017,479	501,748	638,073
Accounts payable and accrued liabilities	$	23,152	2,315	2,944

c) Liquidity Risk

Liquidity risk is managed by ensuring sufficient financial resources are available to meet obligations associated with financial liabilities. All of the Company's financial liabilities are classified as current and the Company has a practice of paying their outstanding payables within 30 days.

d) Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and evaluation activities is subject to risks associated with fluctuations in the market price of commodities.

As at January 31, 2015, the Company owns common shares and share purchase warrants included in marketable securities. By holding these marketable securities, the Company is inherently exposed to various risk factors including market price risk.

e) Interest Risk

Interest rate risk is the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has interest-bearing assets in relation to cash at banks and GIC's carried at floating interest rates with reference to the market. The Company's operating cash flows are substantially independent of changes in market interest rates. The Company has not used any financial instrument to hedge potential fluctuations in interest rates.

The exposure to interest rates for the Company is considered minimal. The Company has no interest-bearing borrowings.

DISCLOSURE OF OUTSTANDING SHARE DATA

The following information relates to share data of the Company as at the date of this MD&A:

Share capital

As at the date of this MD&A, the Company has 61,847,220** issued and outstanding common shares.

Fully diluted securities

Type of Security	Number	Exercise Price	Expiry Date
Stock options	250,000	$0.20	June 10, 2020
Stock options	100,000	$0.20	August 12, 2020
Stock options	910,000	$0.45	February 20, 2017
Total	**1,260,000**		

**These do not include 6,646,047 common shares currently in escrow with the Company's legal counsel and issued in preparation for the closing of an asset acquisition which had not yet occurred as of the date of this MD&A. Please see the Company's news releases dated March 4, 2014, and January 27, 2015, as well as section 6 of the Company's CSE Form 9 filed under the Company's profile on the CSE website (http://www.cnsx.ca/CNSX/Home.aspx) on February 2, 2015, for more details.

ADDITIONAL DISCLOSURE FOR JUNIOR ISSUERS

The Company has incurred the following material cost components:

	Year Ended January 31, 2015	Year Ended January 31, 2014
	$	$
Accounting Fee	83,686	122,418
Consulting Fee	306,504	303,613
Legal Fees	106,157	92,016
Office & General	242,802	166,848
Share-based Payment	-	29,596
Wages & Salaries	285,885	215,084
Exploration and Evaluation Assets	12,201,324	6,667,538

During the year ended January 31, 2015, $83,686 (January 31, 2014 - $122,418) in accounting fees was paid in relation to the previous year's financial statement audit and tax return services in Canada, Australia and the US.

During the year ended January 31, 2015, consulting fees totalling $306,504 (January 31, 2014 - $303,613) were mainly paid to directors, officers and consultants of the Company to provide corporate communication, administrative, investor relations, computer services, and management services to the Company. The transactions were conducted in the normal course of operations, on commercial terms established and agreed to by the related parties, and were recorded at the exchange amount.

Legal fees during the year ended January 31, 2015, totaling $106,157 (January 31, 2014 - $92,016) related to general corporate affairs.

General office administrative expenses during the year ended January 31, 2015, totaling $242,802 (January 31, 2014 - $166,848), were mainly related to the purchase of geological computer software and general office supplies but also included advertising and promotion, filing fees, computer & internet expenses, project investigation, telephone expenses, depreciation, professional development, and rent expenses.

During the year ended January 31, 2015, $nil in share-based payments was expensed (January 31, 2014 – $29,596), a non-cash charge, being the estimated fair value of the stock options vested in the period. The Company used the Black-Scholes option pricing model for all fair value calculations.

During the year ended January 31, 2015, $285,885 (January 31, 2014 - $215,084) in wages and salaries was paid to employees for providing management, geological and administrative services to the Company.

During the year ended January 31, 2015, exploration and evaluation expenditures totalling $12,201,324 (January 31, 2014 - $6,667,538) related to the Millennium, Paleo-Placer, Grant's Hill, and Sunday Silence properties. Reference should be made to the section titled: Mineral Properties and Deferred Exploration expenditures.

As at the year ended January 31, 2015, the Company capitalized exploration and development costs of $12,201,324 (January 31, 2014 - $6,667,538). Reference should be made to the section titled: Exploration and Evaluation Assets.

RISK AND UNCERTAINTIES

The Company is engaged in the exploration and development of mineral properties. These activities involve a high degree of risk which, even with a combination of experience, knowledge and careful evaluation, may not be overcome. Consequently, no assurance can be given that commercial quantities of minerals will be successfully found or produced.

The Company has no history of profitable operations and its present business is at an early stage. As such, the Company is subject to many common risks to new and developing enterprises, including under-capitalization, cash shortages and limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Company will be successful in achieving a positive return on shareholders' investment.

The Company has no source of operating cash flow and no assurance that additional funding will be available to it for further exploration and development of its projects when required. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of its properties.

The Company's property interests are located in remote, undeveloped areas and the availability of infrastructure such as surface access, skilled labour, fuel and power at an economic cost, cannot be assured. These are integral requirements for exploration, development and production facilities on mineral properties. Power may need to be generated on site.
The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

The Company competes with other junior mineral exploration companies, some of which have greater financial resources and technical facilities. The business of mineral exploration and extraction involves a high degree of risks and few properties that are explored are ultimately developed into production. In addition to specific risks disclosed throughout this discussion, other risks facing the Company include reliance on third parties, environmental and insurance risks, statutory and regulatory requirements, metal prices and foreign currency fluctuations, share price volatility and title risks.

ADDITIONAL INFORMATION

Additional information about the Company is available for viewing on SEDAR at www.sedar.com.