

GeoNovus Media Corp. (formerly GeoNovus Minerals Corp.)

Management Discussion and Analysis

For The Three and Nine Months Ended May 31, 2015

July 30, 2015

The following discussion and analysis should be read in conjunction with the unaudited condensed consolidated interim financial statements for the three and nine months ended May 31, 2015 and 2014 and the audited consolidated financial statements for the years ended August 31, 2014 and 2013. All monetary amounts, unless otherwise indicated, are expressed in Canadian dollars. Additional regulatory filings for GeoNovus Media Corp. (formerly GeoNovus Minerals Corp.) ("GeoNovus" or the "Company") can be found on the SEDAR website at www.sedar.com. The Company's website can be found at www.geonovusminerals.com.

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Overview and Change of Business

GeoNovus Media Corp. (formerly GeoNovus Minerals Corp.) was incorporated on October 11, 2011 under the laws of the Business Corporation Act (BC, Canada).

During April 2015, the Company received approval from the Canadian Securities Exchange for its Fundamental Change of business, which has also been overwhelmingly approved by the shareholders of the corporation by way of a shareholder consent resolution, and closed the acquisition of the assets of Canadian music publisher Greenstock Publishing Ltd. ("Greenstock").

The Fundamental Change changed the Company's primary focus from resource exploration to the Media and Entertainment Industry. The Company has identified opportunities throughout North America and feels it is poised to capitalize on these opportunities very quickly.

In connection with the business change, effective April 15th, 2015, the Company has effected a name change to GeoNovus Media Corp. The symbol "GNM" remains unchanged.

During the nine months period ended May 31, 2015, the Company consolidated its share capital, options and warrants on a ten to one basis. These statements reflect the share consolidation retroactively.

The corporation has filed a new listing statement on the CSE website that provides detailed disclosure of the corporation's new business and related risk factors.

Forward-Looking Statements

In making and providing the forward-looking information included in this MD&A the Company's assumptions may include among other things: (i) assumptions about the price of metals; (ii) that there are no material delays in the optimisation of operations at the exploration and evaluation assets; (iii) assumptions about operating costs and expenditures; (iv) assumptions about future production and recovery; (v) that there is no unanticipated fluctuation in foreign exchange rates; and (vi) that there is no material deterioration in general economic conditions. Although management believes that the assumptions made and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate. By its nature, forward-looking information is based on assumptions and involves known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements, or results, to be

materially different from future results, performance or achievements expressed or implied by such forward-looking information. Such risks, uncertainties and other factors include among other things the following: (i) decreases in the price of base metals; (ii) the risk that the Company will continue to have negative operating cash flow; (iii) the risk that additional financing will not be obtained as and when required; (iv) material increases in operating costs; (v) adverse fluctuations in foreign exchange rates; and (vi) environmental risks and changes in environmental legislation.

This MD&A (See "Risks and Uncertainties") and the Company's annual information form contain information on risks, uncertainties and other factors relating to the forward-looking information. Although the Company has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in the forward-looking information, there may be other factors that cause actual results, performances, achievements or events not to be anticipated, estimated or intended. Also, many of the factors are beyond the Company's control. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to reissue or update forward looking information as a result of new information or events after the date of this MD&A except as may be required by law. All forward-looking information disclosed in this document is qualified by this cautionary statement.

Overall Performance

For the nine months ended May 31, 2015, the Company had a net loss of \$1,043,950 compared with a net loss of \$770,500 for the prior year. While the Company did incur increases in consulting fees, shareholder communication and promotion, transfer agent and filing fees and interest expense, all other expense categories decreased.

New Directors

Tim Marlowe

On December 17, 2014 the Company appointed Academy Award-winning film producer Tim Marlowe to its Board of Directors.

Mr. Marlowe has worked on over 40 motion pictures, nine of which he produced, and in 2014 was the executive producer for "The Lady in Number 6" which won him an Academy Award. Mr. Marlowe has worked with many A-list actors such as Martin Sheen and Steven Seagal, and in the past 18 months he has worked with Vinnie Jones (Gone in 60 Seconds), Vern Troyer (Austin Powers-Mini Me), Jesse Bradford (Swimfan), Mena Suvari (American Beauty and American Pie), Locklyn Munroe (Night at the Roxbury and Unforgiven), Hailey Duff (Napoleon Dynamite) and Natasha Henstridge (Species).

In 2015 Mr. Marlowe is slated to work with Jennifer Garner (Dallas Buyers Club), director D.J. Caruso (Disturbia, I Am Number 4 and Eagle Eye) as well as Jean Claude Van Damme (Time Cop). Mr. Marlowe brings years of expertise in moviemaking magic and a significant Hollywood Rolodex to the GeoNovus team.

Joe Wowk

On January 5, 2015, the Company announced that music veteran and current CEO of Greenstock Records, Joe Wowk, has joined the GeoNovus Board of Directors.

Joe Wowk brings 30 years of music industry experience to the GeoNovus team and his affiliation with Greenstock Publishing brings a solid asset to the Company. To his credits, Joe has performed in over 5,000 live shows to date with artists such as Sweeney Todd, Prism, Toronto, Chrissy Steele, and Darby Mills. In addition, Mr. Wowk has toured with stadium acts such as Bryan Adams, Jethro Tull, Kim Mitchell, Trooper, and many more.

Joe holds artist endorsements with Radial Engineering, Tonebone Guitar Pedals, Primacoustics and Millennia Preamps. Mr. Wowk has won “The Best in the West” guitar contest two years in a row, and is an experienced, award winning recording artist. operating “Stonefinger Studios” out of Greater Vancouver.

Richard Rainey

On April 16, 2015, the Company announced that it has appointed Richard Rainey to its Board of Directors.

Richard Rainey is a commercial lawyer experienced in the business of music, and was a founder of Realia Music Ltd., an early online licensor of music for film and television. His current practice is focused on business acquisitions and licensing matters.

Born in Belfast, Northern Ireland, Richard is a graduate of Simon Fraser University, and The University of British Columbia and was called to the British Columbia Bar in 1992. Richard practiced business and securities law in Vancouver with Douglas, Symes & Brissenden, and with Heenan Blaikie. Since 2014 Richard has been Counsel to Drysdale Bacon McStravick LLP.

Richard is a former member of the Simon Fraser University Senate, the Board of Governors of the Children’s Foundation of British Columbia, and the Board of Governors of the Meadowridge School Society. Richard has also previously served on the Advisory Planning Commission to the City of Burnaby, is a regular instructor in corporate law with the Professional Legal Training Course (the British Columbia bar admission course), and has instructed in the areas of licensing law with the People’s Law School.

Gabriel Napora

On May 11, 2015, the Company announced that it has appointed Gabriel Napora to its Board of Directors.

Gabriel is the owner of Triton Films Inc. and Indian VFX company Tiyabella Visual Effects.

Mr. Napora has recently produced the Martin Sheen film “Badge of Honor” and the Danny Trejo film “Juarez 2045”. “Chappie”, a Sony feature, was based on a short film Gabriel produced with Neill Blomkamp (Director of “District 9”). He currently has projects in progress with Paramount, Warner Brothers and Lions Gate Entertainment. Gabriel’s work is known for visually striking, heavy visual effects films.

New Advisory Board Members

Martin Kramer

On January 7, 2015, the Company announced that it has appointed Martin Kramer to its Advisory Board.

Martin Kramer has been in the music business for over 50 years. He’s worked and toured the world with such acts as The Rolling Stones, Ringo Starr, Joe Cocker, The Monkees and many more. He’s personally managed, toured or represented such Artists as The Guess Who, Bachman Turner Overdrive, Nick Gilder, Randy Bachman and Burton Cummings.

Originally from Winnipeg, Marty Kramer is best known for working with Burton Cummings for 27 years. He was later recruited by Randy Bachman and worked for Bachman Turner Overdrive and then The Randy Bachman Band for almost a decade.

Marty was responsible for managing multiple stages at Expo '86 and Music '91. He's in his 30th year of managing The Legends Of Rock and Roll, a touring show that presents the world's best tribute artists in theatres across the country. He also co-hosts a live radio show podcast called Let's Talk Rock with Colin and Marty which is available on iTunes.

Marty is a true tour manager to the stars and will be starring in his own made-for SuperChannel television special due to resume filming in 2015. Marty brings years of valuable experience to GeoNovus and has access to the biggest names in the music industry.

Colin Wiebe

On April 14, 2015, the Company announced that it has appointed Colin Wiebe to its Board of Directors.

On April 27, 2015, the Company announced that it has appointed Colin Wiebe as the Company's President.

Mr. Wiebe has over 25 years' experience as a Creative Director and marketing professional. Colin began as a graphic artist and illustrator for the Vancouver Sun and The Province newspapers. He quickly became the Creative Director of advertising for both papers working on projects such as the Vancouver Sun Run, The Province Golf Classic, The Molson Indy plus continuous promotions for the BC Lions and the Vancouver Canucks and many more. He worked with the Pacific Press team, which pioneered the digital advertising methods adopted by many major daily newspapers around the world. Colin founded Fastcreative.com, the world's first virtual marketing department, and has worked with a variety of clients ranging from pro audio, insurance, digital online advertising, banks, entertainment, public companies, non-profits and many others. Colin is an experienced copywriter, designer and direct marketing specialist and brings his unique knowledge of web development, lead generation and marketing strategies to the GeoNovus Team.

Colin is also very well known as a musician. He has 4 nationally released albums and toured the world with Canadian legend Randy Bachman (Bachman Turner Overdrive and The Guess Who) for over 17 years singing all the Guess Who material and playing guitar and keyboards. Colin still performs at corporate and fundraising events and is the Musical Director for the Legends of Rock'n'Roll.

Patrick Muldoon

On April 23, 2015, the Company announced that it appointed Patrick Muldoon, to its Celebrity Advisory Board. Patrick Muldoon is a powerful Hollywood veteran who brings significant credibility, connections and industry experience to GeoNovus Media.

Best known for his role as Austin Reed on "Days of Our Lives", Patrick spent three years at NBC winning the Soap Opera Digest award for best new actor. Earlier in his career, he appeared on "Who's the Boss?" with Tony Danza and "Silk Stalkings" with Rob Estes.

Being one of the most visible faces from the soaps, he caught the attention of Spelling Entertainment, which led to a season on "Melrose Place" which helped to land the part of Zander Barkalow in Paul Verhoeven's "Starship Troopers" with Casper Van Dien.

He's appeared in a host of independent films including the Sundance contestant "Wicked" with Julia Stiles, and Frank Darabont's "Black Cat Run". In 2011 he returned to "Days of Our Lives" for another year. He has since starred in "All About Christmas Eve" with Haylie Duff for 'Lifetime', "Holiday Road Trip" with Ashley Scott and George Hamilton, "In the Dark" with Elisabeth Röhm for 'Lifetime.' He is a development executive at Eclectic Pictures where he has lent his producing skills to such projects as "Lovelace" starring Amanda Seyfried and "September of Shiraz" starring Selma Hayek and Adrian Brody. He is also an independent producer on many upcoming projects including "Badge of Honor"

where he stars with Martin Sheen, & Mena Suvari -“Fast Texas” also with Ms. Seyfried and producing Karen Mccullah’s (Legally Blonde, The Ugly Truth) upcoming comedy “The Bachelorette Party.” Patrick brings GNM a wealth of industry knowledge and wide audience. He wrote and sang the title song in “Powder Blue” with Jessica Biel with his band “The Sleeping Masses” and will be of great value to the Company assisting in the music publishing areas for film and television as well.

Brayden R. Sutton

On April 27, 2015, the Company announced the appointment of Mr. Brayden R. Sutton to its Advisory Board. Mr. Sutton is a creative and “outside the box” entrepreneur with a strong passion for film and music. He thrives on creating exceptional client relationships and is very experienced in bringing small to medium-sized businesses into profitability using awareness campaigns and community building to drive revenue.

Mr. Sutton is a capital markets expert with 15 years of proven investing and business-building success. He has led various initiatives and teams in IT, media and finance and has been involved with numerous public offerings, IPOs and M&A.

Shannon Pearson

On July 27, 2015, the Company announced the appointment of Shannon Pearson to its Advisory Board. As a member of the Advisory Board Shannon will advise the company on communication to the public as well as on daily operations as the Company continues to grow.

Shannon Pearson is an expert facilitator with outstanding communication skills. Her professional experience started with some of the best training in the financial industry through Royal Bank, creating a strong foundation from which she moved to Canaccord Capital and built a successful business as an investment advisor. With over 20 years of business experience Shannon has spent these years in roles contributing to, or directly in the financial industry from which she made a strategic exit in 2006.

Her experience in the financial industry has positioned Shannon to take on roles as a strategist in many industries. She has produced outstanding successes for her clients regardless of their stage in the growth cycle. Her ability to create a powerful balance between strategic vision and practical application has lead Shannon to serve companies in industries such as retail, media, manufacturing, industrial services, technology, and many more.

Music Publishing

During the period ended May 31, 2015, the Company signed a definitive agreement to acquire all of the assets from a related company, Greenstock Publishing LTD. (“Greenstock”), a Canadian music publisher for 1,000,000 shares (issued). Greenstock owns 50% of the music publishing for the band, Franklins Dealers. The Greenstock business model is based on creating and acquiring music catalogues to place into major motion pictures. Greenstock is related as the CEO of Greenstock is also a director of GeoNovus. The assets purchased consisted of intangible music publishing rights.

New Responsive, Mobile-Friendly Website and Integrated Social Media Platform

On April 20, 2015, the Company has officially launched a newly designed, mobile-friendly corporate website.

Modeling profitable entertainment companies such as LionsGate Entertainment and Relativity Media, the Company is following in their footsteps by launching a responsive website that is aligned with the company’s new strategic vision and will grow quickly as new content is created and curated.

The website design, interface, email marketing integration, images and copy were done very affordably in-house, reflecting GNM's expertise in corporate communication and digital marketing strategies. The Company's new website is connected to multiple social media accounts and is a reflection of GNM's commitment to becoming a social resource for the entertainment community.

The Company web site was made with user experience at the forefront of its priorities and leverages a wonderfully responsive, SEO friendly, Wordpress interface. The website displays a visually clean parallax layout, with easy-to-navigate functionality. Parallax website layouts take advantage of dynamic animations which can scroll in a vertical or horizontal pattern while animating page elements at the same time. Parallax interfaces work especially well on tablets making it much easier to navigate than a "typical" website design

The Company site is fully responsive and looks great on even the smallest mobile devices. Google's latest updates favour a site's mobile friendliness which will play a key role in the way it is ranked. In the last Google test, the Company website was given the "Awesome! This page is mobile-friendly" seal of approval. Websites that are not optimized for mobile devices will continue to move lower on Google's search pages.

The GNM site has been tested with the security test engine, Sucuri which found zero issues with the website. The site is fully translatable and has 32 built-in language translations.

Production of short film "THE FUTURE" Intended for submission for the 2015 Academy Award

On May 4, 2015, the Company and Triton Films Inc. are to begin pre-production of a new short film intended for Oscar™ contention called 'THE FUTURE'.

The visually ground-breaking sci-fi short for the Company, will be produced by Oscar™ winning Executive Producer Tim Marlowe (GNM Director) and Gabriel Napora (GNM Advisory Board) of Triton Films and will feature the latest in visual effects technology.

The Company and Triton Films are currently casting A-list talent for this short film and finalizing locations and crew. Upon completion the short will be submitted to Hollywood for contention at the 2016 Academy Awards.

Agreement With Infinity Media To Produce 6 Movie Titles Within 24 Months

On May 13, 2015, the Company has partnered with Infinity Media to produce six major feature films within the next 24 months.

Infinity Media has produced films with A-list actors such as Martin Sheen and Mena Suvari ("American Beauty", and "American Pie"). In the last eighteen months Infinity Media has worked with Vinnie Jones, ("Gone in 60 Seconds"), Vern Troyer ("Austin Powers"- Mini Me), Jesse Bradford ("Swimfan"), , Lochlyn Munro ("Night at the Roxy", "Unforgiven"), Hailey Duff ("Napoleon Dynamite"), Natasha Henstridge ("Species") and other well known talent.

Lions Gate Releases "Absolution" Starring Steven Seagal. Produced By Tim Marlowe, Geonovus Now Entitled To Share Potential Revenue

On May 14, 2015, the Company is excited to announce the new Steven Seagal movie "Absolution" will be the first of six feature films that GNM (as part of the Company's agreement with Infinity Media) will be entitled to share in the net revenues of. Produced by Tim Marlowe, "Absolution", will be officially released and distributed by Lions Gate on May 15, 2015 in Theatres and On Demand.

The Company's interest in the revenue of "Absolution" derives from a Production Revenue Participation Agreement (the "Participation Agreement") with Infinity Media and its principal, Academy Award® winning

producer, Timothy Marlowe. In addition to his role with Infinity Media, Mr. Marlowe is a director of the Company. Under the terms of the Participation Agreement, the Company is entitled to receive five percent of the revenue earned by Infinity Media from “Absolution”, and from five subsequent feature films from which Infinity Media is entitled to share revenue. The five subsequent films will be determined by Infinity Media pursuant to the terms of the Participation Agreement. In consideration for the acquisition of the participation rights under the Participation Agreement, the Company has agreed to issue up to 17 million shares from treasury to Infinity.

There can be no assurance that “Absolution” or any of the other films which the Company will have an interest in under the Participation Agreement will generate revenues for Infinity Media and the Company.

GeoNovus Media Announces Selection of Script for Next Short Film Production Intended for Submission to 2016 Academy Awards®

On May 28, 2015, the Company is excited to announce the selection of the script “SPOKEN WORD” written by award-winning director Ilan Srulovicz, as the next short film slated to be produced with the intention of submitting to the 2016 Oscars®

The Company has slated the short film to begin production in August and will be produced by Tim Marlowe and Gabriel Napora (GNM board members). The film will be directed by the writer, Ilan Srulovicz, (Grit 2015, I Hate Ned 2011) and shot in Los Angeles. The project is currently in the casting stage and the Company is seeking to attach A-list talent.

“SPOKEN WORD” is a drama about an African American judge faced with a moral conflict who must overcome prejudice in his search for redemption.

Participation Agreement With Gabriel Napora For Revenue Share Of Six Film Titles

On June 18, 2015, the Company has signed a Participation Agreement with producer Gabriel Napora (Triton Films) that it will entitle The Company to share in the net revenues of six upcoming film titles within the next 24 months.

The Company is excited to enter into this agreement with Gabriel Napora (a GNM board member) and Triton Films, to share in the net profits of six upcoming films over the next 24 months.

Mr. Napora has recently produced the Martin Sheen film “Badge of Honor” and the Danny Trejo film “Juarez 2045”. The Sony box office hit “Chappie” starring Hugh Jackman and Sigourney Weaver was based on a short film Gabriel produced with Neill Blomkamp (Director of “District 9”). Gabriel’s work is known for visually striking, heavy visual effects films and he currently has projects in progress with major film studios

Mr. Napora and The Company will determine the six films pursuant to the terms of the Participation Agreement. In consideration for the acquisition of the participation rights under the Participation Agreement, the Company has agreed to issue up to 1.7 million shares from treasury to Gabriel Napora.

Medical Marijuana, Industrial Hemp and Cannabinoid Science Industries

On May 21, 2014, the Company announced that it has entered into a non-disclosure agreement with a private BC company which has applied with Health Canada to become an MMRP licensed producer of medical marijuana.

Under the agreement, the Company will begin its due diligence process in furtherance of a potential business relationship with the private company, which will include a site visit to its active medical

marijuana production facility, currently producing under its MMAP licence. At this time, management anticipates that the due diligence process will complete on or before June 15th, 2014.

This development is in line with the Company's previous announcement on May 13, 2014, that the Company has decided to analyze the medical marijuana and industrial hemp industries for opportunities to create shareholder value.

At this point in time, there are no assurances or guarantees that a new project with the private company, or otherwise, will be concluded in the future. The Company will provide further updates as they develop.

On June 26, 2014, the Company announced that it has signed a letter agreement with a Uruguay "SA" company actively working in multiple areas of the medical marijuana, industrial hemp and cannabinoid science industries. Pursuant to the letter agreement, the Uruguay "SA" company, an arm's length party, will give GeoNovus exclusive rights to acquire and or participate in its multiple active marijuana and hemp based business ventures in Uruguay. Uruguay recently became the first country in the world to legalize the sale, cultivation, distribution and consumption of cannabis (marijuana). GeoNovus is currently evaluating multiple business opportunities in Uruguay including:

- Medical marijuana growing facilities in Uruguay
- Cannabinoid sciences and product development (CBD/THC)
- New cannabis medicine trials
- Industrial hemp

GeoNovus president Mike England states, "this letter agreement gives GeoNovus potential to hand pick the best marijuana, hemp and cannabinoid opportunities in Uruguay. We are conducting extensive due diligence in conjunction with our Uruguay SA partner to determine the highest priority target businesses. Not only has our Uruguay SA partner engaged government officials and Uruguay universities but Uruguay as a country offers one of if not the best operating environments in the world for marijuana and hemp cultivation, distribution and research."

The completion of transactions between GeoNovus and the Uruguay SA company is dependent on the satisfaction of a number of conditions, including GeoNovus' satisfactory due diligence of the Uruguay SA company, its business and operations; the negotiation and completion of a formal agreement; and obtaining any and all necessary prior approvals from third parties. As such, at this time there can be no assurance or guarantee that GeoNovus and the Uruguay SA company will complete any such transactions, though GeoNovus has been granted exclusive rights from the Uruguay SA company to do so pursuant to the letter agreement.

GeoNovus signed a definitive agreement to acquire assets of a Uruguayan company on September 18, 2014. Subsequent to that a number of advisors were announced on September 23, 2014. On October 30th the Company announced plans to establish a hemp farm. Investor interest as well as finances have since hampered the Company's ability to proceed.

On October 23, 2014, the Company put out a news release on www.sedar.com announcing that it has signed a definitive agreement with Affinor Growers Inc. ("AFI" or "Affinor") to exclusively licence Affinor's vertical growing technology for agricultural use, research purposes and distribution in Uruguay and in the city of Langley, British Columbia, Canada. This automated, software-driven technology is unique for its ability to grow grade A1, non-GMO crops year-round without chemicals or pesticides, getting maximum yield out of available square footage. This proven technology is specifically designed to help address issues of global food security and food shortage and will give GeoNovus access to ongoing royalties and revenues in a multi-billion dollar agricultural market place.

The vertical growing technology GeoNovus is licensing is a fully sustainable and complete indoor agricultural solution developed over 12 years with R&D based on predecessor systems, prototypes, and significant third party validation. GeoNovus will be utilizing and re-selling technology aimed at

year round farming systems with controlled precision farming techniques. Crop varieties chosen for best suitability with the GeoNovus and Affinor VDL system include leafy greens, strawberries and marijuana. A proprietary mechanical pollination system allows food to be grown indoors, year round regardless of seasonality, with near zero water waste.

GeoNovus president & CEO Mike England states, "Our exclusive licensing agreement gives GeoNovus access to one of the world's most advanced vertical farming systems and puts the Company in a position to tap into the multi-billion dollar agricultural market place. This technology compliments our current Uruguayan operations and opens new opportunities within British Columbia. We are actively working to timely advance our Uruguayan operations and anticipate the completion of several Company milestones shortly as well as the integration and testing of this vertical farming technology in our Uruguay facilities."

Affinor Growers Chairman Nick Brusatore states, "We are very excited to be partnering with GeoNovus and providing them with an exclusive license for our vertical growing technology in Uruguay and in Langley, BC. Not only does this give Affinor a potential royalty stream from GeoNovus' future vertical growing operations but will also provide valuable testing and data from world class scientific facilities in Uruguay while opening-up the Mercosur region for future business."

Under the terms of this agreement, GeoNovus is acquiring exclusive licensing and access to Affinor's vertical growing technology for use in Uruguay and in the city of Langley, British Columbia Canada, by issuing 1,200,000 common shares of its capital to the Licensor as follows: (i) an initial amount of 600,000 Shares as soon as is commercially practicable (issued), and (ii) the remaining 600,000 Shares on or before that date which is 6 months from the date of the Agreement.

Langley Land

On October 29, 2014, the Company announced on www.sedar.com that it has signed a letter of intent ("LOI") with R.E.H Fish Farm Ltd. ("REH") to acquire a 100% interest in 20 acres of agricultural land in Langley, British Columbia, to become the site of GeoNovus' proposed Vertical Growing Greenhouse utilizing Affinor Growers Inc. (AFI –CSE) vertical growing technology in an exclusive licensing agreement announced October 23, 2014. This LOI includes 20 acres of land zoned for agriculture use and ready to begin construction of the new vertical growing facility as well as 2 existing fresh water – land based aquaculture licenses, granted by Fisheries and Oceans Canada that could provide a second source of revenue streams from this agreement.

On December 9, 2014, the Company announced that it has determined to not proceed with the acquisition of land in Langley.

Operating Activities

Shakespeare, Ontario, Canada

In October 2013, the Company entered into an option agreement to acquire the Corona Project claims which consists of 95 contiguous mining claims covering roughly 1,520 hectares, located in the Baldwin and Shakespeare Townships, Sudbury Mining Division, Ontario. The Corona Project claims include the historic Shakespeare Gold Mine, located three kilometers northeast of Webbwood, Ontario. The Shakespeare Gold Mine has operated intermittently since 1905 and produced 2,062 ounces of gold from 8,590 tons of material between 1905 and 1907.

The historic mine is situated in northeast-trending folded ~2.4 billion-year old Huronian Supergroup, intruded by the ~2.21 billion-year old Nipising diabase dikes and sills, and the ~1.1 billion-year old northwest-trending Keweenawian diabase dikes. The Murray Fault is a regional structure that strikes ENE and passes 300 meters north of the mine. The mineralized zone is broadly concordant with the schistose Matinenda Formation, consisting of quartzite and greywacke that also trends ENE and dips steeply to the south. Historic sampling in the mine area reported 1.12-1.85 ounces per ton over an

average width of one meter (see *Ontario Geological Survey Mineral Deposits Circular 18, 1979, part 2, 294p.*). The Corona Project claim package was assembled to enclose the ENE-trending Matinenda Formation that hosts mineralization, including the down-dip projection of the ore zone at the Shakespeare Mine. A collection of in-house reports and data included in the acquisition are presently undergoing review, and will be used to guide exploration in the immediate future.

In February 2014, the Company announced that it had received drill permits for a planned work program on the Corona project claims.

On April 16, 2014 the Company put out a news release on www.sedar.com announcing initial drilling has intersected mineralized rock at its Corona gold project, located three kilometres northeast of Webbwood, Ont. Initial drilling focused at the historic Shakespeare gold mine, which has operated intermittently since 1905 and produced 2,062 ounces of gold from 8,590 tons of material between 1905 and 1907. The first drill hole was positioned near the Shakespeare workings and intersected intense quartz veining with sulphide stringers that is similar to that described for historic gold mineralization in the underground workings at Shakespeare (Ontario Geological Survey mineral deposits circular 18, 1979, part 2, page 294).

Drill hole C14-01 was collared roughly 45 metres south-southeast of the historic Shakespeare mine shaft and oriented at 310-degree azimuth and minus-45-degree inclination to intersect the down-dip projection of the ore zone, with a total depth of 101 metres. The drill encountered interbedded schist and quartzite with significant intervals of the latter exhibiting intense silicification, sericite/chlorite alteration and dense quartz veining. Sulphides consisting of chalcopyrite, pyrite and pyrrhotite are also present along veins as vein stringers and as disseminations adjacent to the veining. A detailed description of C14-01 will be provided as assays are received, which are expected in the coming weeks.

For the April 16, 2014 news release on www.sedar.com, Dr. Tom E. McCandless, P. Geo., was the qualified person for this project as defined by NI 43-101.

On August 7, 2014, the Company put out a news release on www.sedar.com announcing highly encouraging results from the first three holes of its ongoing drilling program at the Corona project in northern Ontario, which total 371.0 metres. Results for the three holes are tabulated below, with the highest gold intersection having been encountered in hole C14-02, with 15.3g/t Au over 4.0 metres, including 48.8g/t Au over 1.0 metre.

Table 1. Drill Hole Location Data

Hole ID	Easting	Northing	Azimuth	Dip	Total Depth (m)
C14-01	433808	5126904	310	-45.0	101.0
C14-02	433808	5126904	310	-70.0	151.0
C14-03	433809	5126904	352	-48.5	119.0

Table 2. Summary of Significant Assay Data

Hole ID	From (m)	To (m)	Interval Length (m)	Au (g/t)
C14-01	68.5	71.5	3.0	1.97
including	70.0	71.0	1.0	4.90
C14-02	106.0	110.0	4.0	15.34
including	108.0	109.0	1.0	48.80
C14-03	63.0	69.5	6.5	0.80

**Intervals are drill hole lengths unless otherwise mentioned.*

One drill rig has been mobilized to test gold mineralization near the historic Shakespeare Mine shaft. The drilling campaign has confirmed down-dip gold mineralization at depths believed to be previously untested over the history of the Shakespeare Mine and mineralization appears to be open both along strike and at depth. Drilling results also suggest that gold mineralization is correlated with zones of high chargeability, which are situated along strike several hundred metres in both directions, most of which still remain to be tested.

The drill program is ongoing with the main objective being to target the narrow, ENE-striking Matinenda Formation which was the source of ore for the historic Shakespeare Mine. Drilling is presently focused to target zones of high chargeability, and to intersect the apparent down-dip and along-strike extension of mineralization observed at the Shakespeare Mine.

Drilling Summary

All drill holes encountered interbedded schist and quartzite with significant intervals of the latter exhibiting intense silicification, sericite/chlorite alteration and dense quartz veining. Sulphides consisting of chalcopyrite, pyrite and pyrrhotite are also present along veins, as vein stringers, and as disseminations adjacent to the veining.

C14-01: Encountered strong sulphide mineralization from 56.0-71.4m. The strongest gold anomalies are associated with elevated chalcopyrite and broad, vitreous grey quartz veining within a strongly silicified, moderately sericitized schistose quartzite.

C14-02: Encountered intense veining and sulphide mineralization from 97.5-110.0m and intense fracturing and cataclasite from 108.5-110.0m. The strongest gold anomalies are associated with elevated chalcopyrite and broad grey quartz veining adjacent to the upper margin of a narrow cataclastized zone beginning at 109.0m.

C14-03: Encountered strong sulphide mineralization from 67.0-84.0m. The strongest gold anomalies are associated with moderate silicification and sericitization and locally elevated sulphide mineralization.

Geonovus has instituted a quality assurance and quality control ("QA-QC") program for the Corona Project drill core sampling, with each fire assay furnace batch of 20 samples including one certified reference material (standard) and one blank sample. Quality control guidelines and ongoing QAQC monitoring are being carried out by Geonovus personnel.

The technical contents of this release were approved by Marvin Mitchell, P. Eng, a director of GeoNovus Minerals Corp. and qualified person as defined by National Instrument 43-101.

In September 2014 a final drill and reconnaissance program was completed. The Company will announce results once attained.

On December 9, 2014, the Company announced on www.sedar.com that the Company's geologists continue to assess 2014 drill results and other data to determine upcoming programs.

Scotia Property, British Columbia

Pursuant to an assignment agreement dated June 9, 2005 between the Company and Ialta Industries Ltd. ("Ialta"), The Company acquired Ialta's interest in an existing option agreement dated April 12, 2005 between Ialta and Doublestar Resources Ltd. ("Doublestar"). Under the Doublestar Option Agreement, the Company acquired an exclusive option to acquire a 50% working interest in and to two mining claims covering an area of 2,939.33 hectares located in the Scotia River area approximately 42km south of Prince Rupert, British Columbia, in the Skeena Mining Division of British Columbia.

On May 15, 2007, the Company entered into a purchase agreement which was amended on August 14, 2007, with Doublestar to acquire a 100% interest, subject to a 2.0% NSR, in the Scotia Property, including the two mining claims which were the subject of the Doublestar Option Agreement. The Option Agreement was superseded by the Purchase Agreement.

The financial terms of both the option and purchase agreement are disclosed in the notes to the consolidated financial statements for the year ended August 31, 2013.

The Scotia Property is a zinc/lead/silver prospect, consisting of seven mining claims lying approximately 29 km from tidewater, covering 12,310 acres located in the Scotia River area. Infrastructure in the area is good, with all of the main valleys in the area accessible by logging roads.

The Albere Zone at the Scotia Deposit was discovered by Texas Gulf Sulphur in 1958 during a regional reconnaissance program. Bishop Resources Inc. ("Bishop") entered into an option agreement in 1996 with Falconbridge to acquire 100% interest in the Scotia Property subject to certain terms and conditions. In 1997, a drill program was conducted by Arnex Resources Ltd ("Arnex") for Bishop at the Albere Zone.

Disseminated, semi-massive and massive base metal sulphide intersections were encountered in nine of the ten holes drilled. The most substantial intersection was in drill hole S-37-97 which encountered 26.7 meters grading 9.0% Zinc, 1.2% Lead, 21.5 g/t Silver, 0.3 g/t Gold and 0.2% Copper. Mineralized intersections greater than 15 meters in length were also intersected in two additional holes. The overall decline in the mining market in the late 1990's led to the cessation of all exploration activities on the project by Bishop, and the project had lain dormant until the Company resumed work in 2005.

During 2005 and 2006, Arnex conducted exploration programs on the Scotia Property on behalf of the Company. The objectives of the 2005 field exploration program were to: resample selected drill core intervals from stored drill core to verify past analytical and assay results from the 1997 drill program; and prospect and sample a gossanous area outcropping in cliff faces east of the Albere Zone. In 2006, a grid soil geochemical program was completed. In November 2006, John Berry Associates conducted a remote sensing interpretation study on the property. A number of maps were produced using ASTER imagery, and were used to interpret lithology, structure, alteration and to identify exploration targets.

A NI 43-101 compliant technical report for the Scotia Property, dated November 2, 2007 was prepared by Arne O. Birkeland, P. Eng., of Arnex Resources Ltd. Mr. Birkeland is an independent engineering consultant, and the qualified person for the purposes of NI 43-101.

During the 2005 field season, Arnex selected mineralized core intervals from six of the 1997 drill program holes for sampling. The samples were analyzed by Acme Labs Ltd. Geochemical analysis of the samples using a multi-element ICPES technique was completed. Many of the samples returned over-limit values of >10,000 ppm for zinc and lead. During April 2008, pulps from the over-limit samples were assayed by Acme utilizing Aqua-Regia digestion and Group 7AR ICP-ES finish. The assay results of the 2008 resampling include 21.65 metres of 10.16% Zinc, 1.14% Lead and 17.7 g/t Silver at a depth of approximately 21 metres. There is general agreement between the 1997 high-grade intercepts and the 2008 data.

A helicopter-borne multi-parameter geophysical survey was conducted by Aeroquest Limited during August 2008. A total of 562.5 line-kilometres were flown using Aeroquest's AeroTEM II time domain EM and cesium magnetometer and gamma ray Spectrometer system. The airborne geophysical survey identified a distinctive anomaly associated with the drilled portion of the Albere Zone. The airborne survey established similar additional anomalies on strike, and adjacent to, the Albere Zone and elsewhere regionally on the property.

The sulphide mineralization on the Scotia property is syngenetic and focused on the limbs of a property wide antiform, of which only one limb has been previously explored. A summer field program was carried out in 2009 to conduct sampling on the underexplored "East Limb" zone of the antiform and to sample areas of interest identified through geophysical surveys conducted in 2008. Twelve rock-chip samples were collected in a mineralized area of approximately 100 meters by 30 meters wide and identified in outcrop by the presence of Fe-oxides replacing sulfides. Twenty-five soil samples were also collected along lines roughly perpendicular to the mineralized stratigraphy, at 25 meter spacings except in locations where sampling was compromised by surface conditions.

In January 2010, the Company announced that it had received a National Instrument NI 43-101 Technical Report for its Scotia Property. Resource modeling conducted in 2009 focused on previous drill results from the Albere Zone. The Resource model established a vertical range of sub-economic to economic grades of mineralization of 95 meters, and a horizontal range of 205 meters. The high grade "core" area widened to about 30 meters about 190 meters north of the outcropping main showing. The thickest drill intercept in the Albere Zone recorded 26.7 meters grading 9.0% zinc, 1.2% lead, 21.5 g/t silver and 0.3 g/t gold.

A Resource Estimate was calculated for the Albere Zone by Giroux Consultants Ltd., based on forty-two drill holes totaling 4,343 meters. The results from a 1997 drilling program comprised most of the data used in the modeling, with much of the core re-assayed in 2008 to confirm earlier results. Ordinary kriging was used to interpolate blocks based on mineralization content. Based on a 1% Zn cut-off, the Measured plus Indicated Resource within the 3-D mineralized shell totals 802,000 tonnes grading 4.9% Zn, 13.9 g/t Ag, and 0.2 g/t Au with an additional 702,000 tonnes grading 4.5% Zn, 13.7 g/t Ag and 0.2 g/t Au classed as Inferred. No economic parameters were defined by the Resource Estimate as to an appropriate cut-off for various types of mining. Arne Birkeland, P.Eng. and Gary Giroux, P.Eng. are co-authors of the NI 43-101 Technical Report and are responsible for its contents. The resource modeling was conducted under the direction of Giroux Consultants.

In July 2010, the Company entered into an option agreement with Hawkeye Gold & Diamond Inc. ("Hawkeye") whereby Hawkeye could earn up to 60% interest in the Scotia Property. Hawkeye could earn a 51% interest by paying \$210,000, issuing 1,000,000 shares over a three year period and by incurring \$1,200,000 in work program expenditures over a four year period. Hawkeye could earn an additional 9% for a total of 60% by incurring \$500,000 per year in property expenditures until a positive bankable feasibility study was completed and by issuing 500,000 shares of Hawkeye within 15 days upon completion and delivery of the bankable feasibility study to the Company. In September 2010, the Company received \$25,000 cash and 200,000 common shares of Hawkeye valued at \$37,000 pursuant to the option agreement.

In September 2010, Hawkeye commenced its 2010 work program at the Scotia property. The 2010 field exploration program consisted of a geochemical survey targeted on selected airborne anomalies similar to the anomaly generated by the Albere zone. A total of 64 rock chip, 136 moss mat – active stream sediment and 67 soil samples were taken. Samples were flown by helicopter to Prince Rupert and transported by truck and delivered to Acme labs processing facility on Powell Street, Vancouver for analysis.

In July 2011, Hawkeye reported that virtually all airborne anomalies sampled returned geochemically anomalous or elevated values for the various sample types taken and values of over 1,000 ppm Zn were encountered from "in place" rock chip sampling in the general vicinity of the Albere Zone. Hawkeye stated that additional prospecting and follow-up geochemical sampling was warranted to attempt to discover clustered VMS occurrences similar to the Albere Zone that may be present on the property.

As at August 31, 2011, Hawkeye was in default of the terms of the option agreement. Hawkeye was not able to rectify the default within the required timeframe and as a result, the Hawkeye option agreement was terminated.

In fiscal 2012, the Company engaged Palmer Environmental Group Inc. to conduct a surficial terrain assessment and mapping of the Scotia property for the purpose of optimizing the soil and stream sediment sampling programs and thereby increasing the efficiency and effectiveness of any future exploration program. The work was completed and presented to the Company in October 2012. Given the Company's current cash position, work on the Scotia property will be limited until additional funds become available.

The Company has allowed certain peripheral claims, which were originally acquired as potential infrastructure areas, to lapse.

Paul D. Gray, P.Geo., is the qualified person for this project as defined by NI 43-101.

The Company has entered into an agreement with Glenmark Capital Corp. whereby Glenmark can earn a 100-per-cent interest in the Scotia zinc-silver project, which covers an area of about 4,040 hectares in the Skeena mining division, about 40 kilometres southeast of Prince Rupert in west-central British Columbia, Canada. Glenmark can earn a 100-per-cent interest by paying in stages \$375,000 and completing \$750,000 in exploration expenditures over 36 months. The 100-per-cent interest is subject to an underlying 2-per-cent net smelter return royalty payable to Doublestar Resources Ltd., with an additional 1/2-per-cent NSR payable to GeoNovus, of which 1 per cent can be purchased by Glenmark for \$1-million. This transaction is subject to TSX Venture Exchange approval.

During the year ended August 31, 2014, the Company wrote the exploration and evaluation assets down to \$375,000, representing the earn-in amount pursuant to the agreement with Glenmark.

In May 13, 2015, the Company amended an agreement with Glenmark Capital Corp. (see PR dated December 9, 2014) whereby Glenmark will now own 100% of the Scotia Project, located in B.C. GeoNovus will receive one million shares of Glenmark subject to TSX Venture approval.

Glenmark Capital Corp.'s strategy is to acquire advanced resource projects and early-stage exploration opportunities to provide respectively intrinsic share value and blue sky potential to its shareholders. Glenmark has two interests in uranium projects in the Athabasca basin of Canada, including the high prospective Ford Lake property, 11KM northwest of the Key Lake Mine and the Key Lake Road Project. Glenmark's exploration project portfolio includes over 6500 hectares in the most prospective uranium corridor in the world, the Eastern Athabasca Basin region of Saskatchewan.

Results of Operations

The results of operations reflect the overhead costs incurred to provide an administrative infrastructure to manage the acquisition, exploration, and financing activities of the Company. General and administrative costs can be expected to increase or decrease in relation to the changes in activity required as property acquisitions and exploration continue. As at May 31 2015, the Company had not recorded any significant revenues from its mineral exploration and development projects.

Revenues

Due to the Company's status as an exploration and development stage mineral resource company, and a lack of commercial production from its properties, the Company currently does not have significant revenues from its operations.

General and Administrative Expenses

For the nine months period ended May 31, 2015, the Company had a net loss of \$1,043,950 compared with a net loss of \$770,500 for the period in the prior year. During the nine months period ended May 31, 2015, the Company incurred:

- consulting fees of \$351,101 (2014 – \$102,768). The increase is due to fees related to new projects in the current period.

- forgiveness of debt of \$75,340 (2014 - \$Nil). The increase is due to debt settlement owing to related parties and trade creditors through the issuance of common share in the current period.
- loss on sale of exploration and evaluation assets of \$190,000 (2014 - \$Nil). The increase is due to amended agreement pursuant to sale of exploration and evaluation assets.
- professional fees of \$93,865 (2014 - \$18,400). The increase is due to higher legal fees relating to legal work on the agreements.
- share-based compensation of \$114,235 (2014 - \$39,220). The increase is due to more options granted during the current period.
- shareholder communications and promotion of \$73,283 (2014 - \$39,434). The increase was primarily due to increased promotion activities.
- write-off of exploration and evaluation assets of \$27,889 (2014 - \$393,382). Please refer to Note 13 of the May 31, 2015 condensed consolidated interim financial statements on www.sedar.com for details.
- write-off of asset purchase agreement of \$137,133 (2014 - \$Nil). Please refer to Note 11 of the May 31, 2015 condensed consolidated interim financial statements on www.sedar.com for details.
- Unrealized gain on marketable securities of \$30,000 (2014 - \$Nil). Please refer to Note 9 11 of the May 31, 2015 condensed consolidated interim financial statements on www.sedar.com for details.

For the three months period ended May 31, 2015, the Company had a net loss of \$221,423 compared with a net loss of \$75,329 for the period in the prior year. During the three months period ended May 31, 2015, the Company incurred:

- consulting fees a \$110,340 (2014 – \$7,500). The increase is due to fees related to new projects in the current period.
- forgiveness of debt of \$40,745 (2014 - \$Nil). The increase is due to debt settlement owing to related parties and trade creditors through the issuance of common share in the current period.
- loss on sale of exploration and evaluation assets of \$190,000 (2014 - \$Nil). The increase is due to amended agreement pursuant to sale of exploration and evaluation assets.
- professional fees of \$10,534 (2014 – recovery of \$8,643). The increase is due to higher legal fees relating to legal work on the agreements.
- share-based compensation of \$32,177 (2014 - \$9,700). The increase is due to more options granted during the current period.
- Unrealized gain on marketable securities of \$30,000. Please refer to Note 9 11 of the May 31, 2015 condensed consolidated interim financial statements on www.sedar.com for details.

Summary of Quarterly Results

The following table sets out selected quarterly information available within the last eight quarters.

Three Months Ended	May 31, 2015	February 28, 2015	November 30, 2014	August 31, 2014
	\$	\$	\$	\$
Revenue (interest income)	-	-	-	-
Exploration and evaluation assets	329,284	629,284	579,234	589,399
Loss and Comprehensive loss	(340,109)	(221,423)	(482,418)	(1,935,474)
Loss per Common Share	(0.04)	(0.04)	(0.08)	(0.54)
Three Months Ended	May 31, 2014	February 28, 2014	November 30, 2013	August 31, 2013
	\$	\$	\$	\$
Revenue (interest income)	-	-	-	-
Exploration and evaluation assets	1,838,721	1,822,084	1,702,680	2,094,986
Loss and Comprehensive loss	(75,329)	(125,854)	(538,003)	(119,927)
Loss per Common Share	(0.02)	(0.04)	(0.19)	(0.06)

Fluctuations in exploration and evaluation assets and loss are primarily due to exploration and evaluation impairments from period to period.

Liquidity and Capital Resources

The Company's cash position was \$3,085 at May 31, 2015 compared to \$774 at August 31, 2014. The Company had a working capital of \$39,399 at May 31, 2015 compared with working capital deficiency of \$464,370 at August 31, 2014.

During the period ended May 31, 2015, cash flow activities consisted of:

- i) cash flows spent on operating activities of \$396,830 (2014 - \$648,110). Please refer to the statement of loss and statement of cash flows on the condensed consolidated interim financial statements for the nine months period ended May 31, 2015 on www.sedar.com for details.
- ii) cash flows received from financing activities of \$466,915 (2014 - \$645,056). The cash flows are primarily a result of proceeds from private placements of \$459,260.
- iii) cash flows spent on investing activities of \$67,774 (2014 - \$13,287), primarily on exploration and evaluation expenditures and proceeds received for the sale of exploration and evaluation expenditures.

During the period from September 1, 2014 to July 30, 2015, the Company:

- i) completed its non-brokered private placement of 1,154,500 units at a price of \$0.50 per unit for gross proceeds of \$577,250, of which \$60,000 was exchanged for accounts payable, \$272,500 related to subscriptions received in advance and \$50,000 related to prepaid consulting services. Each unit is comprised of one common share and one share purchase warrant of the Company. Each warrant will entitle the holder to purchase one share at a price of \$1.00 per share purchase warrant until September 3, 2016, subject to an acceleration clause. In connection to the Offering, the Company issued a total of 3,480 finder's warrants to purchase up to 3,480 shares at a price of \$1.00 per share for a period of 12 months, subject to the acceleration clause. In addition, the Company paid cash commissions to the finders totaling \$1,740. All securities issued pursuant to the private placement are subject to a hold period expiring on January 4, 2015
- ii) issued 48,000 common shares pursuant to the exercise of options for gross proceeds of \$24,000. Accordingly, the Company transferred \$5,051 to capital stock from share-based payments reserve.
- iii) issued 242,832 shares (valued at \$97,133) pursuant to the terms of the asset purchase agreement.
- vi) issued 700,000 shares (valued at \$350,000) pursuant to the terms of the asset purchase agreement.
- v) completed a shares for debt agreement totaling \$102,801 with arm's length creditors through the issuance of 90,000 common shares.
- vi) closed a 1,545,000 units non-brokered private placement at a price of \$0.20 per unit for gross proceeds of \$309,000. Each unit consists of one common share and one half purchase warrant. Each full warrant entitles the holder to purchase one share at a price of \$0.50 until April 8, 2016.
- vii) issued 1,000,000 shares (valued at \$450,000) pursuant to the terms of acquisition of all of the assets from a related company, Greenstock Publishing Ltd (Note 11).
- viii) agreed to settle debt in the amount of \$102,801 owing to related parties and trade creditors through the issuance of 90,000 common share.
- ix) agreed to settle debt in the amount of \$13,300 owing to trade creditors through the issuance of 45,000 common share.

x) issued 3,400,000 shares to related parties pursuant to the terms of Revenue Participation Agreement.

Related Party Transactions

Related parties include the Board of Directors, Executive Officers and any companies owned or controlled by them.

During the period ended May 31, 2015, the Company:

- i) paid or accrued office, rent and miscellaneous costs of \$92,500 (2014 - \$120,375) to a corporation controlled by the former CEO of the Company. At May 31, 2015, the Company owed \$27,950 to the corporation.
- ii) paid or accrued management fees of \$24,000 (2014 - \$36,000) to a company controlled by the former CEO of the Company. Management fees consisted of fees attributable to former CEO and current CFO services.
- iii) paid or accrued professional fees of \$Nil (2014- \$24,500) to the former CFO of the Company.
- iv) paid or accrued consulting fees of \$48,688 (2014 - \$Nil) to directors or companies owned by directors.
- v) issued 2,650,000 stock options to officers and directors with a fair value of \$45,766.

Off Balance Sheet Arrangements

The Company is not a party to any off balance sheet arrangements or transactions.

Changes in Accounting Policies and Future Accounting Changes

Please refer to Note 4 of the condensed consolidated interim financial statements for the period ended May 31, 2015 on www.sedar.com for a complete description of changes in accounting policies and future accounting changes.

Financial Instruments

The Company is required to disclose information about the fair value of its financial assets and liabilities. Fair value estimates are made at the statement of financial position date, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

The carrying amounts of cash, receivables, accounts payable and accrued liabilities on the consolidated statement of financial position approximate fair market value because of the limited term of these instruments.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfil its payment obligations. The Company's credit risk is primarily attributable to receivables. The receivables relate to sales tax due from

the Federal Government of Canada and amounts due from related parties. The Company has no significant concentration of credit risk arising from operations. Management expects that repayment of the receivable from related parties will occur, however, it does anticipate that the repayment term will be longer than desirable.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure it has a planning and budgeting process in place to determine the funds required to support its ongoing operations and capital expenditures. The Company ensures that sufficient funds are raised from private placements to meet its operating requirements, after taking into account existing cash and expected exercise of share purchase warrants and options. The Company requires additional equity financing to fund its planned work programs and operating expenditures. Management believes that it will be successful in raising the necessary funds however, given the current market conditions, management believes that the raising of the required funds will take longer than is normal and will be at prices that may be less than desirable. There are no assurances that additional funds will be available on terms acceptable to the Company or at all.

Interest risk

The Company has cash balances and no interest-bearing debt therefore, interest rate risk is minimal.

Foreign currency risk

The Company's functional and presentation currency is the Canadian dollar. Certain expenditures are transacted in foreign currencies. As a result, the Company is exposed to fluctuations in these foreign currencies relative to the Canadian dollar. Management does not hedge its foreign exchange risk. A 1% change in foreign exchange rates between the Canadian and US dollar at May 31, 2015 would not have a material impact on the Company's financial statements.

Commodity price risk

Commodity price risk could adversely affect the Company. In particular, the Company's future profitability and viability of development depends upon the world market price. A decline in the market price of commodities may also require the Company to reduce its mineral resources, which would have a material and adverse effect on the Company's value. As at May 31, 2015, the Company is not in production. As a result, commodity price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

Sensitivity analysis

Based on management's knowledge and experience of the financial markets, the Company does not expect any material movements in the underlying market risk variables over the next three months that will result in a material impact to its financial statements.

Contingencies

There are no contingent liabilities.

Management's Responsibility for Financial Statements

The information provided in this report, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgements and have been properly reflected in the financial statements.

Risks and Uncertainties

The Company's financial condition, results of operation and business are subject to risks. The following are identified as the main risk factors:

Financing

The Company is reliant upon equity financing in order to continue its operations because it is in the business of mineral exploration and does not derive any income from its mineral assets. There is no guarantee that future sources of funding will be available to the Company. If the Company is not able to raise additional funding in the future, it will be unable to carry out its operations and may lose its interests in its mineral properties.

General Resource Exploration Risks and Competitive Conditions

The resource exploration industry is an inherently risky business with large capital expenditures and volatile commodity markets. The marketability of any resource discovered may be affected by numerous factors that are beyond the Company's control and which cannot be predicted, such as market fluctuations, costs to develop, infrastructure and processing equipment, and changes to government regulations, including those relating to royalties, allowable production, importing and exporting of minerals, and environmental protection. This industry is intensely competitive and there is no guarantee that, even if commercial quantities are discovered, a profitable market will exist for their sale. The Company competes with other junior exploration companies for the acquisition of mineral properties as well as for the engagement of qualified contractors. Commodity prices can fluctuate widely, and they are determined in markets over which the Company has no influence.

Governmental Regulation

Regulatory standards continue to change, making the review process longer, more complex and therefore more expensive. Exploration and development on the Company's properties is affected by government regulations relating to such matters as environmental protection, health, safety and labour, mining law reform, water use, land use, land claims of local people, restrictions on production, price control, tax increases, maintenance of claims and tenure. There is no assurance that future changes in such regulations couldn't result in additional expenses and capital expenditures, decreasing availability of capital, competition, reserve uncertainty, title risks, and delays in operations. The Company relies on the expertise and commitment of its management team, advisors, and contractors to ensure compliance with current laws.

Permits and Licenses

The operations of the Company are subject to a numerous laws and regulations governing protection of the environment, protection of historic and archaeological sites, waste disposal, protection of endangered species and other matters. The Company is required to have a number of licenses and permits from various governmental authorities to carry out its activities. These permits relate to virtually every aspect of the Company's exploration activities. Obtaining permits can be a complex, time-consuming process. There can be no assurance that the Company will be able to obtain the necessary permits on acceptable terms, in a timely manner or at all. The cost of delays associated with obtaining permits or complying with the permits could halt, materially delay or restrict the Company from continuing or proceeding with existing or future operations.

Disclosure Controls and Procedures

TSX Venture listed companies are not required to provide representations in the annual filings relating to the establishment and maintenance of Disclosure controls and procedures ("DC&P") and Internal controls over financial reporting ("ICFR"), as defined in National Instrument 52-109. In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation, and (b) a process to provide reasonable assurance regarding the reliability of

financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's IFRS. The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding the absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitation on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in National Instrument 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Other MD&A Requirements

As at the date of this MD&A, the Company had 12,224,263 common shares issued and outstanding.

As at the date of this MD&A, the following incentive stock options were outstanding:

Expiry Date	Exercise price	Number of Options Outstanding
September 29, 2015	\$0.50	70,000
October 1, 2015	0.50	57,000
January 5, 2017	0.50	120,000
January 30, 2017	0.50	60,000
April 6, 2017	0.50	30,000
April 16, 2017	0.50	150,000
June 19, 2017	1.00	20,000
December 27, 2017	1.00	15,000
January 31, 2018	1.00	15,000
September 26, 2018	0.50	50,000
February 11, 2019	1.00	30,000
April 3, 2019	0.50	65,000
		682,000

As at the date of this MD&A, warrants were outstanding enabling holders to acquire shares as follows:

Expiry Date	Exercise Price	Number of warrants
August 29, 2015	\$ 1.00	120,000
September 3, 2015	1.00	3,480
September 23, 2014	0.75	
	then	515,000
September 23, 2015	1.00	
December 20, 2015	0.75	320,000
December 20, 2015	1.00	2,000
December 30, 2015	0.75	100,000
February 6, 2016	0.75	200,000
April 8, 2016	0.75	157,450
August 8, 2016	0.50	772,500
September 3, 2016	1.00	1,154,500
		3,344,930

Board Resignation

The Company announced on January 5, 2015, that Marvin Mitchell resigned from its board. The Company thanks Mr. Mitchell for his years of service and wishes him well in his future endeavours.

The Company announced on February 17, 2015, that Bruce Duncan resigned from its board. The Company thanks Mr. Duncan for his years of service and wishes him well in his future endeavours.

The Company announced on April 13, 2015 the resignation of Mr. Paul Gray. The company wishes to thank Mr. Gray for his significant contributions over the years and wish him every success in his future endeavours.

The Company announced on April 14, 2015 the resignation of Mr. Mike England. The company wishes to thank Mr. England for his significant contributions over the years and wish him every success in his future endeavours.