

CORVUS GOLD INC.
(An Exploration Stage Company)

FORM 51-102F1
MANAGEMENT DISCUSSION & ANALYSIS

October 8, 2010

Introduction

This Management Discussion & Analysis (“MD&A”) for Corvus Gold Inc. (the “Company” or “Corvus”) for the three months ended August 31, 2010 has been prepared by management, in accordance with the requirements of National Instrument 51-102, as of October 8, 2010 and should be read in conjunction with the audited consolidated financial statements of the Nevada and Other Alaska Business of International Tower Hill Mines Ltd. (“ITH”) for the years ended May 31, 2009 and 2008 and the unaudited consolidated financial statements of the Nevada and Other Alaska Business of ITH for the year ended May 31, 2010. Except where otherwise noted, all dollar amounts are stated in Canadian dollars.

Caution Regarding Forward Looking Statements

This MD&A contains forward-looking statements and forward-looking information (collectively, “forward-looking statements”) within the meaning of applicable Canadian and US securities legislation. These statements relate to future events or the future activities or performance of the Company. All statements, other than statements of historical fact are forward-looking statements. Information concerning mineral resource estimates also may be deemed to be forward-looking statements in that it reflects a prediction of the mineralization that would be encountered if a mineral deposit were developed and mined. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or which by their nature refer to future events. These forward looking statements include, but are not limited to, statements concerning:

- the Company’s strategies and objectives, both generally and in respect of its specific mineral properties;
- the timing of decisions regarding the timing and costs of exploration programs with respect to, and the issuance of the necessary permits and authorizations required for, the Company’s exploration programs including the Chisna and North Bullfrog projects;
- the Company’s estimates of the quality and quantity of the resources at its mineral properties;
- the timing and cost of planned exploration programs of the Company and its joint venture partners (as applicable), and the timing of the receipt of results therefrom;
- the Company’s future cash requirements;
- general business and economic conditions;
- the Company’s ability to meet its financial obligations as they come due, and to be able to raise the necessary funds to continue operations;
- the Company’s expectation that its respective joint venture partners will contribute the required expenditures, and make the required payments and share issuances (if applicable) as necessary

to earn an interest in certain of the Company's mineral properties in accordance with existing option/joint venture agreements;

- the Company's expectation that it will be able to add additional mineral projects of merit to its assets; and
- the Company's expectation that it will be able to build itself into a non-operator gold producer with significant carried interests and royalty exposure.

Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Inherent in forward looking statements are risks and uncertainties beyond the Company's ability to predict or control, including, but not limited to, risks related to the Company's inability to identify one or more economic deposits on its properties, variations in the nature, quality and quantity of any mineral deposits that may be located, variations in the market price of any mineral products the Company may produce or plan to produce, the Company's inability to obtain any necessary permits, consents or authorizations required for its activities, to produce minerals from its properties successfully or profitably, to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies, and other risks identified herein under "Risk Factors".

The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results are likely to differ, and may differ materially, from those expressed or implied by forward looking statements contained in this MD&A. Such statements are based on a number of assumptions which may prove incorrect, including, but not limited to, assumptions about:

- general business and economic conditions;
- the timing of the receipt of regulatory and governmental approvals, permits and authorizations necessary to implement and carry on the Company's planned exploration programs and those of its joint venture partners (where applicable);
- conditions in the financial markets generally, and with respect to the prospects for junior gold exploration companies specifically;
- the Company's ability to secure the necessary consulting, drilling and related services and supplies on favourable terms;
- the Company's ability to attract and retain key staff;
- the accuracy of the Company's resource estimates (including with respect to size and grade) and the geological, operational and price assumptions on which these are based;
- the nature and location of the Company's mineral exploration projects, and the timing of the ability to commence and complete the planned exploration programs;
- the anticipated terms of the consents, permits and authorizations necessary to carry out the planned exploration programs and the Company's ability to comply with such terms on a cost-effective basis;
- the ongoing relations of the Company with its joint venture partners and regulators;

- that the metallurgy and recovery characteristics of samples from certain of the Company's mineral properties are reflective of the deposit as a whole; and
- the ability of the Company's joint venture partners to raise the funding required for them to satisfy the requirements to earn interests in the Company's properties, as applicable.

These forward looking statements are made as of the date hereof and the Company does not intend and does not assume any obligation, to update these forward looking statements, except as required by applicable law. For the reasons set forth above, investors should not attribute undue certainty to or place undue reliance on forward-looking statements.

Historical results of operations and trends that may be inferred from the following discussion and analysis may not necessarily indicate future results from operations. In particular, the current state of the global securities markets may cause significant reductions in the price of the Company's securities and render it difficult or impossible for the Company to raise the funds necessary to continue operations. See "Risk Factors – Insufficient Financial Resources/Share Price Volatility".

Caution Regarding Adjacent or Similar Mineral Properties

This MD&A contains information with respect to adjacent or similar mineral properties in respect of which the Company has no interest or rights to explore or mine. The Company advises US investors that the mining guidelines of the US Securities and Exchange Commission (the "SEC") set forth in the SEC's Industry Guide 7 ("SEC Industry Guide 7") strictly prohibit information of this type in documents filed with the SEC. Readers are cautioned that the Company has no interest in or right to acquire any interest in any such properties, and that mineral deposits on adjacent or similar properties, and any production therefore or economics with respect thereto, are not indicative of mineral deposits on the Company's properties or the potential production from, or cost or economics of, any future mining of any of the Company's mineral properties.

Cautionary Note to US Investors Concerning Reserve and Resource Estimates

National Instrument 43-101 Standards of Disclosure of Mineral Projects ("NI 43-101") is a rule developed by the Canadian Securities Administrators which establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. Unless otherwise indicated, all reserve and resource estimates contained in or incorporated by reference in this MD&A have been prepared in accordance with NI 43-101 and the guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum (the "CIM") Standards on Mineral Resource and Mineral Reserves, adopted by the CIM Council on November 14, 2004 (the "CIM Standards") as they may be amended from time to time by the CIM.

United States investors are cautioned that the requirements and terminology of NI 43-101 and the CIM Standards differ significantly from the requirements and terminology set forth in SEC Industry Guide 7. Accordingly, the Company's disclosures regarding mineralization may not be comparable to similar information disclosed by companies subject to SEC Industry Guide 7. Without limiting the foregoing, while the terms "mineral resources", "inferred mineral resources", "indicated mineral resources" and "measured mineral resources" are recognized and required by NI 43-101 and the CIM Standards, they are not recognized by the SEC and are not permitted to be used in documents filed with the SEC by companies subject to SEC Industry Guide 7. Mineral resources which are not mineral reserves do not have demonstrated economic viability, and US investors are cautioned not to assume that all or any part of a mineral resource will ever be converted into reserves. Further, inferred resources have a great amount of uncertainty as to their existence and as to whether they can be mined legally or

economically. It cannot be assumed that all or any part of the inferred resources will ever be upgraded to a higher resource category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of a feasibility study or pre-feasibility study, except in rare cases. The SEC normally only permits issuers to report mineralization that does not constitute SEC Industry Guide 7 compliant “reserves” as in-place tonnage and grade without reference to unit amounts. The term “contained ounces” is not permitted under the rules of SEC Industry Guide 7. In addition, the NI 43-101 and CIM Standards definition of a “reserve” differs from the definition in SEC Industry Guide 7. In SEC Industry Guide 7, a mineral reserve is defined as a part of a mineral deposit which could be economically and legally extracted or produced at the time the mineral reserve determination is made, and a “final” or “bankable” feasibility study is required to report reserves, the three-year historical price is used in any reserve or cash flow analysis of designated reserves and the primary environmental analysis or report must be filed with the appropriate governmental authority.

Accordingly, information contained in this MD&A contains descriptions of the Company’s mineral deposits that may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements under the United States federal securities laws and the rules and regulations thereunder.

All of the Company's public disclosure filings, including its most recent material change reports, press releases and other information, may be accessed via www.sedar.com and readers are urged to review these materials, including the technical reports filed with respect to the Company’s mineral properties.

Acquisition of Assets from International Tower Hill Mines Ltd.

On August 26, 2010, ITH completed an arrangement (the “Arrangement”) pursuant to a Plan of Arrangement under the Business Corporation Act (B.C.) among ITH, its shareholders and the Company (“Plan of Arrangement”). As part of the Arrangement, ITH transferred its existing Alaska (other than the Livengood project) and Nevada assets (“Nevada and Other Alaska Business”) to the Company.

Under the Arrangement, each shareholder of ITH received one common share of the Company for every two ITH common shares held as at the effective date of the Arrangement as a return of capital and exchanged each existing common share of ITH for a “new” common share of ITH. As part of the Arrangement, ITH transferred its wholly-owned subsidiaries, Raven Gold Alaska Inc. (“Raven Gold”), incorporated in Alaska, and Talon Gold Nevada Inc. (“Talon Nevada”), incorporated in Nevada, to the Company. Following this transfer and related transactions, there was an indirect spin-out of certain of ITH’s mineral properties, being the Chisna, West Pogo, Terra and LMS properties in Alaska, and the North Bullfrog property in Nevada (the “Spin-out Properties”), (together, the “Nevada and Other Alaska Business”).

The Company’s unaudited interim consolidated financial statements reflect the balance sheets, statements of operations, comprehensive loss and deficit and cash flows of the Nevada and Other Alaska Business as if the Company had existed in its present form during the periods reported. The statements of operations, comprehensive loss and deficit for the periods ended August 31, 2010 and 2009, include an allocation of ITH’s general and administrative expenses incurred in each of these periods. The allocation of general and administrative expenses was calculated on the basis of the ratio of costs incurred on the Spin-out Properties in each period presented as compared to the costs incurred on all mineral properties of ITH in each of these periods. The financial statements for the Company have been presented under the continuity of interests basis of accounting with balance sheet amounts based on the amounts recorded by ITH. Management of the Company cautions readers of the financial statements that the allocation of expenses does not necessarily reflect future general and administrative expenses.

Current Business Activities

General

The spin-out transaction pursuant to the Arrangement was approved by the shareholders of ITH on August 12, 2010, and the final order of the Supreme Court of British Columbia approving the Plan of Arrangement necessary to implement the transaction was received on August 20, 2010. The effective date of the spin-out transaction was August 26, 2010 and that the common shares of Corvus commenced trading on the TSX on August 30, 2010. Under the terms of the transaction, ITH retained all assets relating to the Livengood gold project in Alaska, together with approximately \$33 million in working capital. Corvus received all of ITH's other existing Alaska and Nevada assets, together with approximately \$3.3 million in working capital.

Corvus will initially hold the four advanced to early stage projects in Alaska (Chisna, Terra, LMS and West Pogo) and the North Bullfrog project in Nevada. The primary focus of the Company will be to leverage its exploration expertise to discover major new gold deposits. Furthermore, the Company intends to try and build itself into a non-operator gold producer with significant carried interests and royalty exposure. To meet this objective, the four Alaskan projects transferred to Corvus are subject to joint ventures arranged by ITH. For its services in arranging such joint ventures, ITH will receive any option payments (in cash and/or shares) made by the joint venture partners. The Company will receive the benefit of all exploration expenditures required to be made by such partners in order to earn their respective interests. The Company also received from ITH a 100% interest in the North Bullfrog project in Nevada, which has a number of high priority, bulk tonnage and high-grade vein targets to be addressed with a 10,000 metre drill program scheduled to be carried out by the Company in Fall 2010. The Company anticipates adding quality projects to its portfolio to which it can add significant value through exploration.

Alaska Properties

Terra Project Option-Joint Venture

ITH executed a letter of intent, effective February 26, 2010 ("Terra LOI") to enter into a joint venture with American Mining Corporation ("AMC"), a private Nevada corporation, on the Terra Gold Project in Alaska. On May 17, 2010, AMC assigned its interest in the Terra Project LOI to Terra Mining Corporation, a company incorporated under the laws of British Columbia ("TMC"). On September 15, 2010, Raven Gold Alaska Inc. (a wholly owned subsidiary of the Company) ("Raven Gold") entered into a formal joint venture agreement with Terra Gold Corporation ("Terra Gold"), a subsidiary of TMC, to advance the Terra property. Terra Gold has proposed an aggressive program in 2011 to advance the project toward a possible production decision, which the Company has been advised is anticipated to consist of additional diamond drilling and the collection and processing of a bulk sample to evaluate the recovery characteristics of the mineralization.

The Terra property consists of 236 State of Alaska Mining Claims (approximately 130 km²), of which 5 are held under lease from an individual and the balance are owned 100% by Raven Gold. High-grade gold mineralization was discovered in low-sulphidation epithermal veins at Terra in 1998. The project was advanced by drilling in 2005 by AngloGold Ashanti (U.S.A.) Exploration Inc. ("AngloGold") and in 2006 and 2007 by ITH.

Drilling and surface sampling of the Ben Vein at Terra has defined high-grade gold mineralization over a strike distance of over 2 kilometres, with additional high-grade veins known over a total of 5 kilometres of strike (Figure 1). The Ben Vein mineralization is continuous down dip to the limits of drilling (approximately 350 metres vertically) without noticeable change in grade (Table 1). A number

of other mineral occurrences have been identified on the property but have not yet been tested by drilling.

Work by ITH resulted in the completion of a NI 43-101 compliant estimated Inferred Resource of 428,000 tonnes at a grade of 12.2 g/t gold (168,000 contained gold ounces) and 23.1 g/t silver (318,000 contained silver ounces), at a cutoff grade of 5.0 g/t gold, on the Ben Vein, and the resource remains open along strike and down dip. The Ben Vein will be the immediate focus of the 2011 work program proposed by Terra Gold.

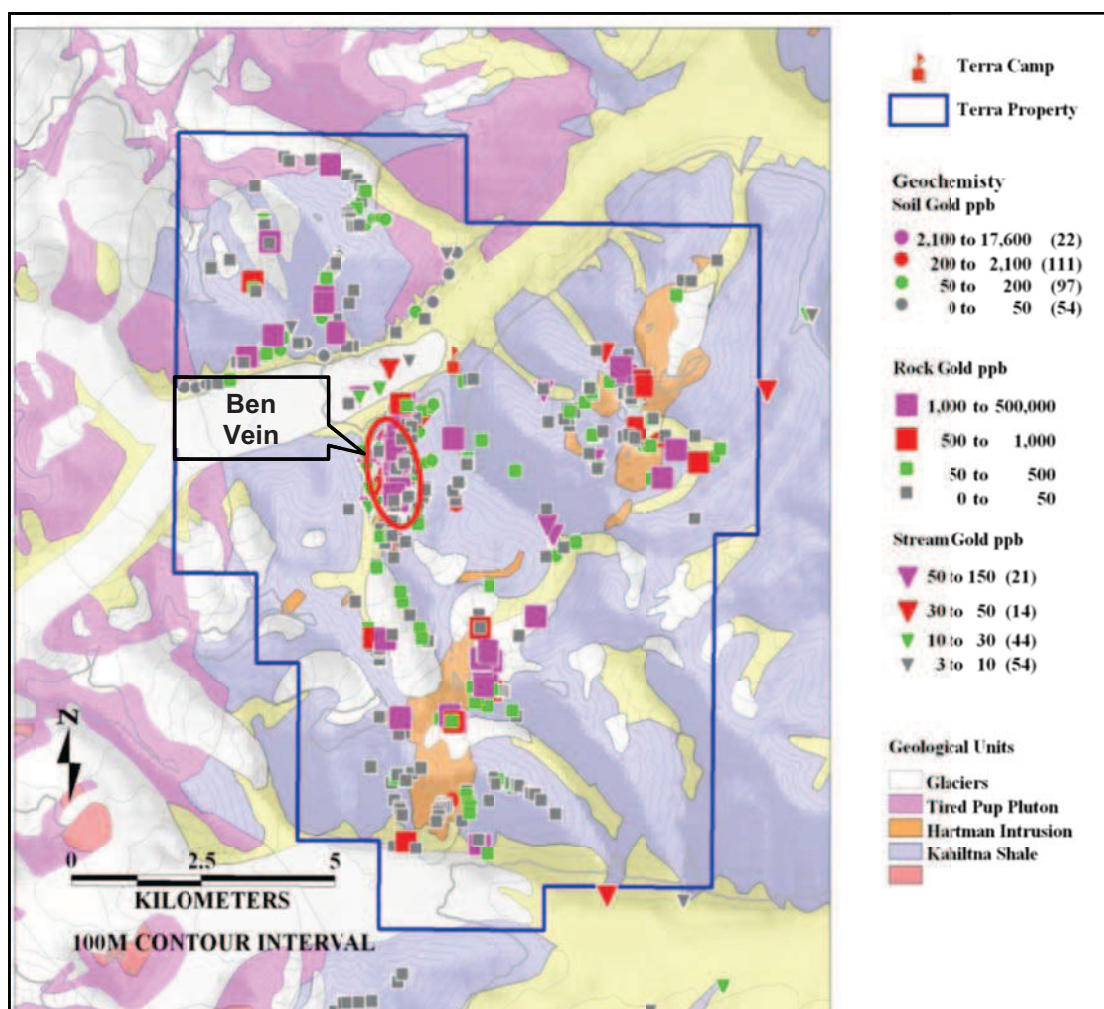


Figure 1: Terra project area map showing major geologic units and surface gold mineralization. The Ben Vein system is highlighted in the center of the map, and will be the focus of the 2011 program.

*Table 1
Ben Vein Deposit – Summary of all Drill Holes in the Deposit
(true thickness calculated for each interval, over all Ag-Au ratio is 2-1)*

Hole #	From (metres)	To (metres)	True Thickness (metres)	Gold (g/t)
TR-05-01	7.47	8.53	0.81	140.75
TR-05-02	12.04	13.87	0.65	4.66
TR-05-03	31.85	33.53	0.54	11.19
TR-05-04	110.34	111.25	0.83	6.61

Hole #	From (metres)	To (metres)	True Thickness (metres)	Gold (g/t)
TR-05-11	105.77	110.95	3.83	10.19
TR-05-12	190.2	193.24	1.40	8.79
TR-06-16	118.17	122.38	3.78	4.40
TR-06-17	128.69	132.89	3.02	22.24
TR-07-18	146.94	149.35	1.38	2.90
TR-07-19	144.53	148.5	3.11	1.75
TR-07-20	125.7	134.72	6.62	4.05
TR-07-21	176.12	177	0.47	3.08
TR-07-22	153.92	157.33	2.05	10.44
TR-07-23	173.4	176.83	2.64	3.69
TR-07-24	198.28	201.47	2.65	3.70
TR-07-25	162.15	163.04	0.66	16.00
TR-07-26	62.01	64.22	2.50	12.00
TR-07-27	99.22	103.34	2.10	17.81
TR-07-28	109.51	113.23	2.10	8.24
TR-07-31	132.9	142.4	5.50	6.26

The joint venture agreement, dated effective September 15th, 2010, provides that Terra Gold will have an initial 51% interest in the Terra Property, subject to Terra Gold funding an aggregate of USD 6,000,000 in direct exploration and development expenditures on or before December 31, 2013, with the initial USD 1,000,000 being required prior to December 31, 2011. As part of the funding, Terra Gold will pay Raven Gold an aggregate of USD 200,000 (USD 100,000 in each of years 1 and 2) as payment for the camp and equipment previously constructed by ITH and acquired by Raven Gold under the Plan of Arrangement. In addition, Terra is required to pay to ITH, the former holder of the Terra property, an aggregate of USD 300,000 (of which USD 50,000 has been paid and an additional USD 100,000 is due on or before December 31, 2011) in stages to December 31, 2012, and Terra Gold/TMC are required to deliver to ITH an aggregate of 750,000 common shares of TMC prior to December 31, 2012, with the initial 250,000 common shares due on or before September 15, 2011. In addition Terra Gold has granted Raven Gold a sliding scale “Net Smelter Royalty” (NSR) between 0.5% and 5% on all precious metal production for the Terra property and a 1% NSR royalty on all base metal production. If Terra Gold fails to fund any portion of the initial first year commitment and eventual three year commitment, or if the required payments and shares are not paid/delivered to ITH, Raven Gold will be entitled to terminate the agreement and retain 100% of the property.

After it has completed its initial USD 6,000,000 contribution, Terra Gold will have the option to increase its interest in the project by 29% (to 80% total) by funding an additional USD 3,050,000 of development work. To exercise such option, Terra Gold/TMC will be required to pay ITH an additional USD 150,000 and deliver an additional 250,000 common shares of TMC. Following Terra Gold having completed its initial contribution (if it does not elect to acquire an additional 29% interest) or having earned an 80% interest (if it does), each party will be required to contribute its *pro rata* shares of further expenditures. Should the interest of Raven Gold be diluted below 10% as a consequence of it not funding its proportionate share of the joint venture expenditures, the residual interest of Raven Gold interest will be converted to an additional property wide 1% NSR royalty on all metals produced.

The Company does not anticipate that Terra Gold will carry out any work on the Terra property until the Spring of 2011 at the earliest.

LMS Project Option-Joint Venture

The LMS claim block is located in the Goodpaster mining district and consists of 92 Alaska mining claims covering 61 square kilometres. The prospect is believed to be an intrusion-related vein system, with similarities to the Pogo deposit operated by Sumitomo Metal Mining Pogo LLC that was discovered in the mid-1990s. The gold mineralization in the LMS claim block occurs with strongly silicified and brecciated zones that are associated with a low-angle shear zone within, and marginal to schist units.

On March 24, 2010 ITH entered into a binding letter of intent with First Star Resources Inc. (“First Star”), a public company listed on the TSX Venture Exchange (“TSXV”) and headquartered in Vancouver, B.C., in connection with the LMS property (“LMS LOI”). Under the terms of the LMS LOI, First Star has the ability to earn an initial 55% interest, and a second option to earn a further 45%, for a total 100% interest. To earn the 55% interest First Star is required to pay ITH USD 280,000 (ITH has received USD 10,000) and expend USD 3,500,000 on exploration through the joint venture with Raven Gold. To acquire a 100% ownership, First Star is required to fund the joint venture with Raven Gold through to an advanced exploration stage by spending a further USD 3,000,000 prior to December 31, 2015, or by producing, filing and having accepted by the TSXV a NI 43-101 compliant inferred resource of 2,000,000 ounces of gold using a 0.5 g/t cut-off grade, whichever costs less. An NSR royalty of 3% or 4% on gold/silver and 1% on all other products will be payable to Raven Gold. The royalty can be reduced by 1% upon First Star paying Raven Gold USD 3,000,000.

In pursuance of the LMS LOI, Raven Gold and First Star USA Inc. (a subsidiary of First Star) (“First Star US”) have entered into an earn-in agreement dated August 16, 2010.

First Star US is presently carrying out an initial work program on the LMS property, and the Company anticipates receiving the results from such program in due course.

West Pogo Project Option-Joint Venture

The West Pogo prospect is located in the Goodpaster mining district, Alaska, and represents a high-grade intrusion-related vein system gold target. The West Pogo claim block consists of 96 State of Alaska mining claims covering 18.9 square kilometres. The claims are immediately to the west of the Pogo Mine and can be accessed from the mine road. The gold mineralization discovered to date is related to high-temperature quartz veins like those at the Pogo mine with similar trace-element values. The dominant structures on the property are east-west shear zones related to northwest and northeast trending fault zones. New gold discoveries along the west margin of the Pogo mine property are encouraging for the West Pogo project’s potential.

On March 24, 2010, ITH entered into a binding letter of intent with First Star in connection with the West Pogo property (“WP LOI”). Under the terms of the WP LOI, First Star has to ability to earn an initial 55% interest, and a second option to earn a further 45%, for a total 100% interest. To earn the 55% interest First Star is required to pay ITH USD 250,000 (ITH has received USD 10,000) and expend USD 2,800,000 on exploration through the joint venture with Raven Gold. To acquire a 100% ownership, First Star is required to fund the joint venture with Raven Gold through to an advanced exploration stage by spending a further USD 2,000,000 prior to December 31, 2015, or by producing, filing and having accepted by the TSXV a NI43-101 compliant inferred resource of 1,000,000 ounces of gold using a 0.5 g/t cut-off grade, whichever costs less. An NSR royalty of 3% or 4% on gold/silver and 1% on all other products will be payable to Raven Gold. The royalty can be reduced by 1% upon First Star paying Raven Gold USD 3,000,000.

In pursuance of the WP LOI, Raven and First Star US have entered into an earn-in agreement dated August 16, 2010.

First Star US will not be carrying out a work program at the West Pogo property until 2011.

Chisna Project – Option-Joint Venture with Ocean Park Ventures Corp. (“OPV”)

The Chisna Project is a joint venture (“JV”) between Raven Gold and Ocean Park Alaska Corp. (“Ocean Park US”), a subsidiary of Ocean Park Ventures Corp. (“OPV”), a public company headquartered in Vancouver, BC whose common shares trade on the TSXV. The JV was formed in March, 2010 and the initial interests of Ocean Park US and Raven Gold in the JV are 51% and 49% respectively. Raven Gold’s initial contribution to the JV will be its interest in the Chisna Project. Ocean Park US’s contribution to the JV will be funding for the JV totalling USD 20,000,000 over five years, of which USD 5,000,000 must be provided during the first year. This first year amount is reduced to USD 2,000,000 if, at any time during such year, the London PM gold fix price and the LME closing copper price are each below USD 700/oz and USD 1.70/lb, respectively, for a period of 10 consecutive trading days. If Ocean Park US fails to fund any portion of the initial USD 5,000,000 (or USD 2,000,000 as applicable) in the first year, Raven Gold will be entitled to terminate the JV and OPV and Ocean Park US will be jointly indebted to Raven Gold for the difference between USD 5,000,000 (or USD 2,000,000 as applicable) and the amount actually funded.

Raven Gold will be the operator of the JV during the first two years. After two years, Ocean Park US will be entitled to assume the operatorship of the JV and to maintain operatorship until and unless it ceases to hold a majority interest in the JV. Any work program proposed by the operator will be subject to approval by the five member JV management committee. After Ocean Park US has completed its USD 20,000,000 initial contribution, the JV participant with the greatest interest in the JV will be entitled to nominate three members of the management committee.

If Ocean Park US funds the entire USD 20,000,000 within the five year period, it will have the option to acquire a further 19% interest in the JV by producing a positive bankable feasibility study in respect of the Chisna Project within five years after electing to exercise such option, and by funding any additional exploration required to produce such a study. The feasibility study must support a mining operation at a minimum level of 300,000 ounces per year of gold equivalent production.

In consideration for ITH negotiating the JV and providing the resources for Raven Gold to enter into the JV, OPV will issue 200,000 common shares to ITH following satisfaction of the conditions precedent to the formation of the JV (occurred on March 15, 2010) and an additional 200,000 shares each anniversary thereafter, to a total of 1,000,000 shares, provided the JV is in good standing.

Raven Gold has entered into a Mineral Exploration Agreement with Option to Lease dated March 20, 2010 with Ahtna Incorporated, an Alaska Native Regional Corporation, concerning approximately 26,516 hectares of fee simple lands in the Ahtell Area of Alaska surrounding portions of the Chisna project. The property subject to the Exploration Agreement is part of the JV land.

The Chisna Project is focussed on a new and emerging Alaskan copper-gold porphyry belt of deposits with copper and gold mineralization associated with mid-Cretaceous intrusions of similar age and style to the Pebble deposit to the west and Orange Hill deposit to the east (Figure 2). At present, the Raven Gold/Ocean Park US joint venture controls over 232,000 acres of either State of Alaska mining claims or land leased from Ahtna Corporation. The Company and its predecessor-in-title, ITH, began exploration on the project in 2006 and discovered the Grubstake porphyry copper system in 2007. The 2010 exploration program represents the first modern exploration and drilling to take place on this large and highly mineralized new Alaskan porphyry belt.

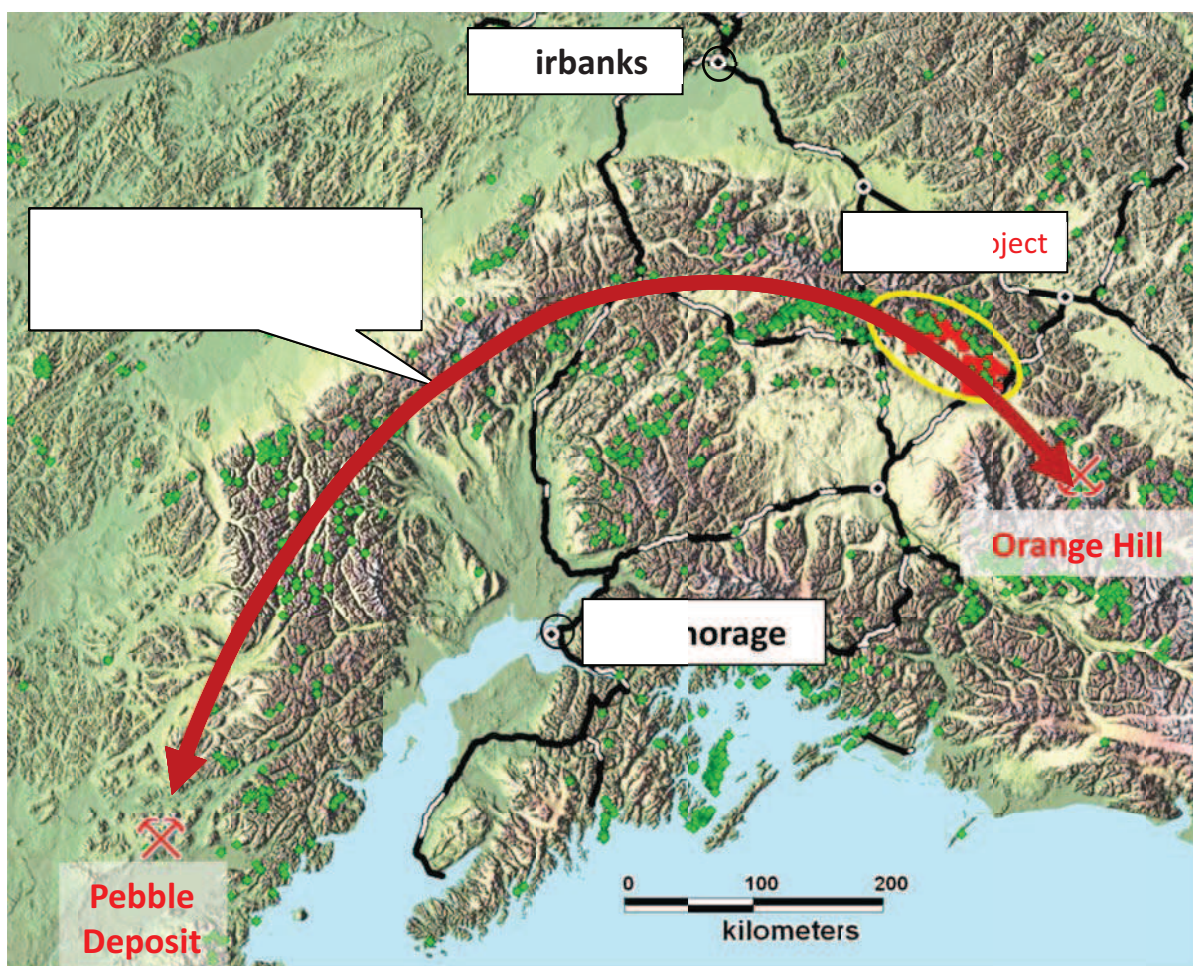


Figure 2: Chisna Project location map.

In 2010, the Chisna project advanced dramatically with the completion by the JV of a large airborne geophysics survey (6700 line kilometres of ZTEM (Z Axis Tipper Electromagnetic system), an innovative airborne EM system credited with correctly delineating the Pebble deposit) and extensive ground geophysics (100 line kilometres of 3D induced polarization) together with surface prospecting and drilling, as well as initial reconnaissance drilling at the POW and Grubstake targets.

The Summer 2010 exploration program, which included 2,926 metres (9600 feet) of diamond drilling, has successfully identified a large number of copper-gold targets, two of which (POW and Grubstake) were drill tested as part of the Phase 1 drill program. This work has identified several styles of mineralization within the nearly 10,000 square kilometre Chisna land package, including porphyry copper-gold-molybdenum, skarn copper-iron and copper-gold targets as well as structurally controlled gold-copper mineralization.

The POW target is just one of several copper occurrences in the northern area of the Chisna project, which covers approximately 36 square kilometres (Figure 3). Surface sampling conducted in 2010 has greatly expanded the area of known mineralization and, together with the POW shallow drill results, has highlighted the potential of this large and well mineralized area. Copper mineralization styles include veins, breccias and disseminated mineralization which are related to large under explored alteration systems. In this area copper-gold mineralization is associated with pyrite, magnetite,

specular hematite and jasper suggesting that the system is oxidized, a favourable characteristic of large copper and gold mineral systems. The POW target area also contains numerous historical placer gold mining sites, which are estimated to have produced in excess of 200,000 oz of gold since the late 1800's.

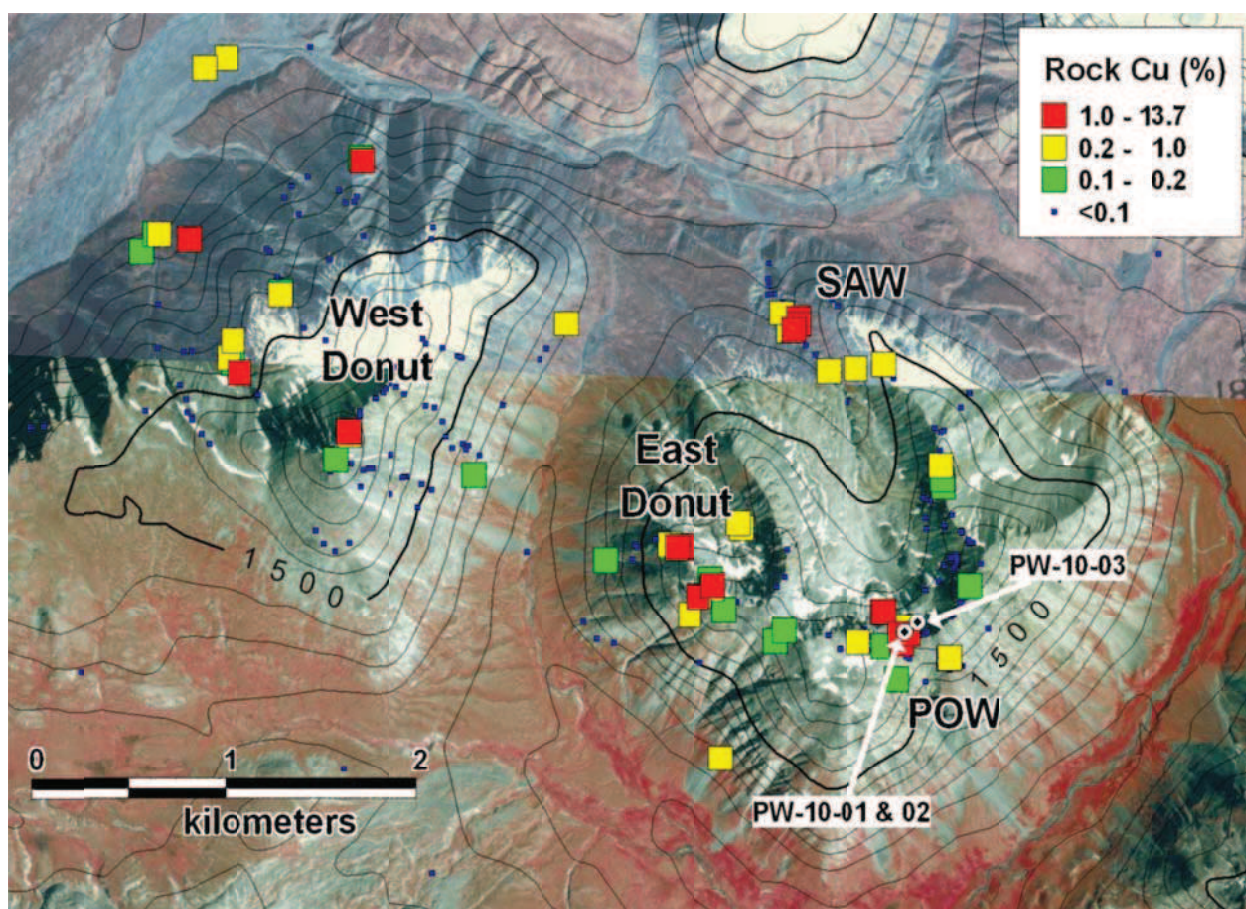


Figure 3: Air photo base showing the locations of copper mineralization in the vicinity of the POW Prospect. Drill hole PW-10-03 was lost prior to reaching its target depth.

Assays from one of the three drill holes into the POW target (PW-10-02) returned 23 metres of 0.38% copper, 0.43 g/t gold and 7.5 g/t silver, including 2.1 metres @ 1.7 g/t gold, 4.4% copper and 21.8 g/t silver. The first drill hole (PW-10-01) returned an oxidized and variably faulted interval over 23.8 meters of 0.13% copper, 0.16 g/t gold and 2.8 g/t silver. The third hole was lost in a fault zone prior to reaching the target mineralization (Table 2).

Table 2
Significant POW Drilling Results, Chisna Project, Alaska

Hole #	Total Depth (metres)	From (metres)	To (metres)	Interval (metres)	Copper (%)	Gold (g/t)	Silver (g/t)
PW-10-02	89	13.4	36.3	23.0	0.38	0.43	7.5
includes		24.2	26.3	2.1	4.40	1.66	21.8
PW-10-01	56	11.9	35.7	23.8	0.13	0.16	2.8

The Grubstake target is a porphyry copper-gold system and is one of 4 priority targets in the southern part of the Chisna belt. At Grubstake copper-gold mineralization is associated with chalcopyrite stockwork veining within extensive potassic and sodic-calcic alteration zones that are exposed in outcrops and in drill holes. The Grubstake target has characteristic zoned alteration out from the potassic core areas, which includes gold bearing actinolite-magnetite veining. The area of anomalous gold and copper in soils covers more than 7.5 square kilometres. A 3D induced polarization survey, consisting of 53.6 line kilometres, was conducted over the central Grubstake target and identified a series of targets (Figure 4) of which 4 have been tested with one or more holes. To date, the Company has received only the results from the upper sections of holes GS-10-01 and GS-10-03 (Table 3). Both holes are extensively altered and veined, thus confirming copper-gold mineralization is associated with a large porphyry style mineral system. The results also demonstrate that mineralization is linked to the younger, probably Cretaceous, intrusive suite at Grubstake which may be of similar age to the Pebble deposit 600 kilometres to the west and Orange Hill deposit 100 kilometres to the southeast.

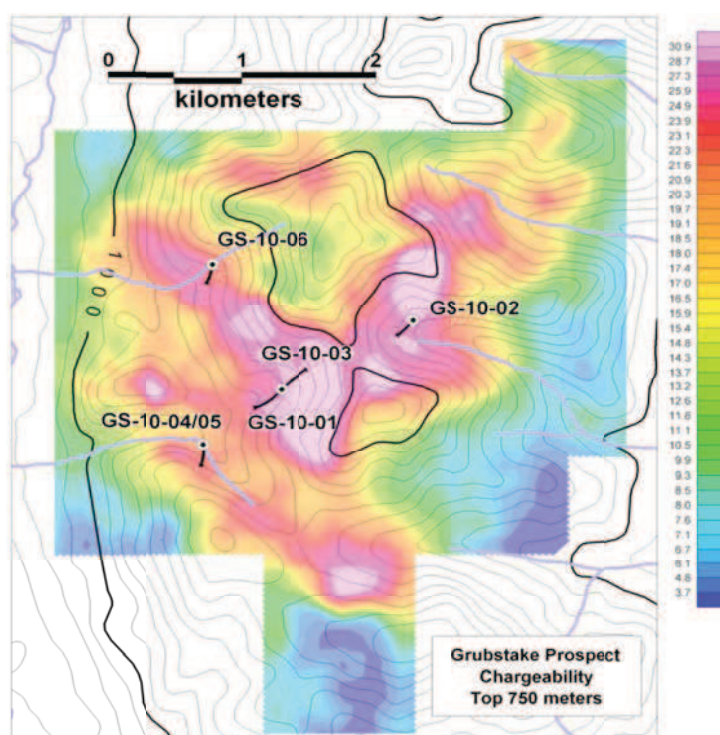


Figure 4: Grubstake drill hole location map for holes GS-10-01 & 03 plotted on IP anomaly map.

Hole GS-10-03 encountered 130 metres averaging 0.2% copper and 0.15 g/t gold beginning at 191 metres down hole depth. In addition to the copper-gold mineralization (which was the principal target of holes GS-10-01 and GS-10-03) high-grade (+10 g/t) gold mineralization has been found in many surface structures. In hole GS-10-01, several of these gold mineralized structures were encountered below the post mineral fault (Figure 5, Table 3). These structures may become targets in their own right as exploration proceeds at Grubstake.

Table 3: Summary intercepts from holes GS-10-01 and GS-10-03
(At this time it appears that the mineralized zone intersected in these holes is flat lying to shallowly dipping to the north so the true thickness of these intercepts is somewhat less than that in the downhole interval shown)

Hole #	From (metres)	To (metres)	Interval (metres)	Copper (%)	Gold (g/t)
GS-10-01	14.8	214.0	199.3	0.08	0.06
including	17.7	29.0	11.3	0.12	0.06

Hole #	From (metres)	To (metres)	Interval (metres)	Copper (%)	Gold (g/t)
<i>including</i>	33.0	54.3	21.3	0.11	0.07
<i>including</i>	94.3	104.6	10.2	0.11	0.19
<i>including</i>	123.1	132.0	8.9	0.13	0.10
	226.4	231.2	4.8	0.04	1.32
<i>including</i>	228.0	231.2	3.2	0.04	1.87
GS-10-03	23.4	61.9	38.5	0.14	0.09
	137.8	172.6	34.8	0.16	0.10
	191.4	321.3	129.9	0.19	0.15
<i>including</i>	191.4	296.5	105.1	0.20	0.16
<i>including</i>	195.8	227.8	32.0	0.26	0.19

Hole GS-10-01 targeted a highly anomalous area of soils and encountered over 200 metres of copper mineralization hosted in volcanic rocks and intrusive breccias with extensive zoned porphyry type alteration before a fault terminated the zone (Figure 5). The IP data linked this mineralized zone to a moderate IP response that also mapped the terminating fault. Hole GS-10-03 was then drilled back to evaluate the extension of the IP anomaly to the north and encountered extensive alteration and mineralization throughout the hole. In the top of GS-10-03 breaks in these extensive mineralized zones are caused by post mineral monzonite porphyry dikes typical in porphyry deposits.

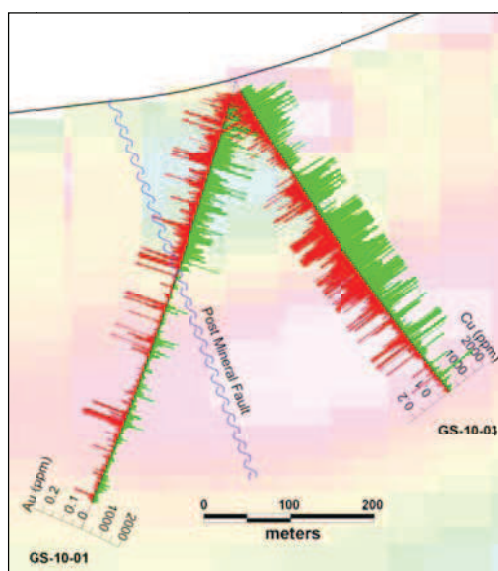


Figure 5: Cross section through GS-10-01 and GS-10-03 with IP chargeability image behind.

The Company anticipates receiving the remaining drilling results in due course. The success of defining significant zones of copper and gold mineralization associated with surface and subsurface anomalies will form the basis for taking the Grubstake exploration program forward. The next phase of work following the return of the remaining drill hole results will be to conduct a 3D analysis of the data to expand the understanding of the overall system and target follow-up drill holes for this large and relatively un-tested new porphyry discovery for the 2011 work program.

Qualified Person and Quality Control/Quality Assurance

Jeffrey A. Pontius (CPG 11044), a qualified person as defined by National Instrument 43-101, has supervised the preparation of the scientific and technical information that forms the basis for the disclosure on the Company's Alaska properties in this MD&A and has approved the disclosure herein. Mr. Pontius is not independent of the Company, as he is the CEO and holds common shares and incentive stock options.

The work program at Chisna was designed and supervised by Russell Myers, the Vice-President, Exploration of ITH and the President of Corvus. On-site personnel at the project photograph the core from each individual borehole prior to preparing the split core. On-site personnel at the project log and track all samples prior to sealing and shipping. All sample shipments are sealed and shipped to ALS Chemex in Fairbanks, Alaska, for preparation and then on to ALS Chemex in Reno, Nevada, or Vancouver, B.C., for assay. ALS Chemex's quality system complies with the requirements for the International Standards ISO 9001:2000 and ISO 17025:1999. Analytical accuracy and precision are monitored by the analysis of reagent blanks, reference material and replicate samples. Quality control is further assured by the use of international and in-house standards. Finally, representative blind duplicate samples are forwarded to ALS Chemex and an ISO compliant third party laboratory for additional quality control.

Nevada Property

North Bullfrog Property

The North Bullfrog Project is controlled 100% by the Company and covers 24 square kilometres of United States federal unpatented and leased patented claims (Figure 6). The North Bullfrog Project targets low-sulphidation epithermal-style gold mineralization of a style similar to that at the Bullfrog mine operated by Barrick Gold Corporation until 1998 and located 8 kilometres to the south. The Company is currently targeting a multiple deposit concept for the property, which could support a central processing facility.

Gold was first discovered on the North Bullfrog property in 1904 and approximately 112,000 ounces of gold and 869,000 ounces of silver were produced from narrow high-grade veins. Historical exploration was focused on these high grade veins and, in addition, on the broad zones of lower grade mineralization hosted in adularia altered ash flow tuffs discovered during such initial historical exploration.

Work by ITH in 2007 and 2008 resulted in outlining a NI43-101 estimated resource of 2,202,000 tonnes at an average grade of 0.88 g/t gold and 0.45 g/t silver (57,086 contained gold ounces and 29,160 contained silver ounces) in the indicated category, plus an additional resource of 950,000 tonnes at an average grade of 0.78 g/t gold and 0.36 g/t silver (23,793 contained silver ounces and 10,904 contained silver ounces), both at a cutoff grade of 0.5 g/t gold, at the Mayflower target.

The Company has contracted Eklund Drilling Company, Inc. of Reno, Nevada to undertake a 10,000 metre reverse circulation drilling program at North Bullfrog. Drilling is scheduled to begin in mid-October. Drilling will focus on expanding the current NI 43-101 estimated resource. The initial phase will test three primary targets areas: Sierra Blanca, Jolly Jane and Connection, all of which have had past drilling in the 1990's when gold was at ~ USD 400 per ounce. This historic drilling, which was undertaken by Barrick and Cordex Exploration Company, defined extensive zones of low grade mineralization in thick volcanic units (Figure 6). This target type is similar in setting to the Round Mountain Gold Deposit located 150 miles to the north as well as the historic Bullfrog gold mine. The program will test two other priority target areas with significant gold mineralization in historic drill holes and, as time permits, will also test some wildcat targets.

In the Sierra Blanca area both disseminated bulk tonnage and high-grade vein-style targets are present. Historical drilling, including drilling by ITH in 2007, has defined broad zones of gold mineralization in the altered volcanics. In addition, vein mineralization is present in the north-south trending structural zones that have hosted historic high-grade production. Drilling will also target projections of the bulk tonnage and high-grade zones under cover to the east and south of the main target area in the Savage Valley.

Historical drilling in the Jolly Jane area in the 1990's by Barrick encountered disseminated mineralization over wide intervals within favourable host lithology. In addition, key deep structural zones have been identified and targeted as possible high-grade feeders to the disseminated system. The Connection Prospect has returned several 10-20 metre intercepts in the +1 g/t gold range in the historical drilling. Mineralization in the Connection areas is hosted in a debris flow unit and has not been followed up since its discovery in the 1990's. The Phase I work will address the confirmation of the existing mineralization and initial testing of other new targets to the west.

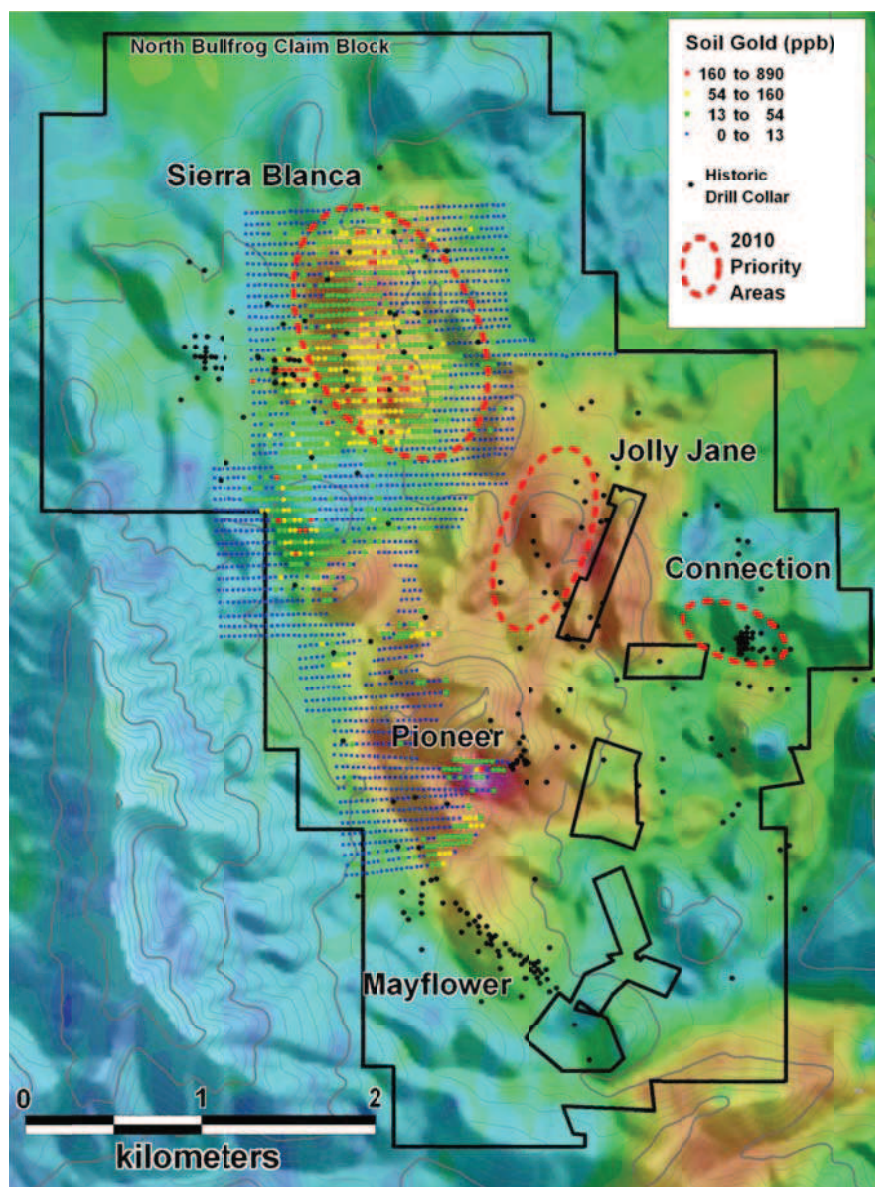


Figure 6: Overview of the North Bullfrog Project area showing the location of the most important prospects. The background image shows the distribution of potassium, an indicator of favourable host stratigraphy and adularia alteration. The topographic contour is 20 meters.

The current exploration program will focus on both defining the large bulk tonnage potential of the project as well as also testing favourable structural projections of high-grade vein system which may be hidden under cover. The Company's development concept is to develop multiple deposits (bulk tonnage and high-grade) which can be feed into a central processing facility. Results will be released when available. The Company has sufficient funds to complete the proposed program, the cost of which is estimated at USD 1,000,000.

Qualified Person and Quality Control/Quality Assurance

Jeffrey A. Pontius (CPG 11044), a qualified person as defined by National Instrument 43-101, has supervised the preparation of the scientific and technical information that forms the basis for the disclosure regarding the North Bullfrog project in this MD&A and has approved the disclosure herein.

Mr. Pontius is not independent of the Company, as he is the Chairman and CEO and holds common shares and incentive stock options.

Financing Activities

During the quarter ended August 31, 2010 and to the date of this MD&A, the Company has not carried out any financing activities, other than:

1. The Company issued one common share to ITH at a deemed price of \$500,000 as consideration for the acquisition of all of the outstanding shares of Raven Gold from ITH.
2. The Company issued an aggregate of 33,614,009 common shares to ITH for aggregate consideration of \$14,800,000 in connection with the completion of the Arrangement under which the Company acquired its Nevada and Alaska assets.

Risk Factors

Due to the nature of the Company's proposed business and the present stage of exploration of its Alaskan and Nevada property interests (which are primarily early to advanced stage exploration properties with no known reserves), the following risk factors, among others, will apply:

Resource Exploration and Development is Generally a Speculative Business: Resource exploration and development is a speculative business and involves a high degree of risk, including, among other things, unprofitable efforts resulting both from the failure to discover mineral deposits and from finding mineral deposits which, though present, are insufficient in size and grade at the then prevailing market conditions to return a profit from production. The marketability of natural resources which may be acquired or discovered by the Company will be affected by numerous factors beyond the control of the Company. These factors include market fluctuations, the proximity and capacity of natural resource markets, government regulations, including regulations relating to prices, taxes, royalties, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital.

Other than the Terra, LMS and Mayflower (North Bullfrog) properties, which have estimated inferred and/or indicated resources identified, there are no known resources, and there are no known reserves, on any of the Company's properties. The majority of exploration projects do not result in the discovery of commercially mineable deposits of ore. Substantial expenditures are required to establish ore reserves through drilling and metallurgical and other testing techniques, determine metal content and metallurgical recovery processes to extract metal from the ore, and construct, renovate or expand mining and processing facilities. No assurance can be given that any level of recovery of ore reserves will be realized or that any identified mineral deposit will ever qualify as a commercial mineable ore body which can be legally and economically exploited.

Fluctuation of Metal Prices: Even if commercial quantities of mineral deposits are discovered by the Company, there is no guarantee that a profitable market will exist for the sale of the metals produced. The Company's long-term viability and profitability depend, in large part, upon the market price of metals which have experienced significant movement over short periods of time, and are affected by numerous factors beyond the control of the Company, including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods. The supply of and demand for metals are affected by various factors, including political events, economic conditions and production costs in major producing regions.

There can be no assurance that the price of any minerals produced from the Company's properties will be such that any such deposits can be mined at a profit.

Permits and Licenses: The operations of the Company will require licenses and permits from various governmental authorities. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects, on reasonable terms or at all. Delays or a failure to obtain such licenses and permits or a failure to comply with the terms of any such licenses and permits that the Company does obtain, could have a material adverse effect on the Company.

Acquisition of Mineral Claims under Agreements: The agreements pursuant to which the Company has the right to acquire interests in a number of its properties provide that the Company must make a series of cash payments and/or share issuances over certain time periods, expend certain minimum amounts on the exploration of the properties or contribute its share of ongoing expenditures. The Company does not presently have the financial resources required to make all payments and complete all expenditure obligations under its various property acquisition agreements. Failure by the Company to make such payments, issue such shares or make such expenditures in a timely fashion may result in the Company losing its interest in such properties. There can be no assurance that the Company will have, or be able to obtain, the necessary financial resources to be able to maintain all of its property agreements in good standing, or to be able to comply with all of its obligations thereunder, with the result that the Company could forfeit its interest in one or more of its mineral properties.

Proposed Amendments to the United States General Mining Law of 1872: In recent years, the United States Congress has considered a number of proposed amendments to the U.S. *General Mining Law of 1872* ("Mining Law"). If adopted, such legislation, among other things, could impose royalties on mineral production from unpatented mining claims located on United States federal lands, result in the denial of permits to mine after the expenditure of significant funds for exploration and development, reduce estimates of mineral reserves and reduce the amount of future exploration and development activity on United States federal lands, all of which could have a material and adverse affect on the Company's cash flow, results of operations and financial condition.

Uncertainties Relating to Unpatented Mining Claims: Many of the Company's mineral properties comprise federal unpatented mining claims in the United States. There is a risk that a portion of the Company's unpatented mining claims could be determined to be invalid, in which case the Company could lose the right to mine any minerals contained within those mining claims. Unpatented mining claims are created and maintained in accordance with the Mining Law. Unpatented mining claims are unique to United States property interests, and are generally considered to be subject to greater title risk than other real property interests due to the validity of unpatented mining claims often being uncertain. This uncertainty arises, in part, out of the complex federal and state laws and regulations under the Mining Law. Unpatented mining claims are always subject to possible challenges of third parties or contests by the United States federal government. The validity of an unpatented mining claim, in terms of both its location and its maintenance, is dependent on strict compliance with a complex body of federal and state statutory and decisional law. Title to the unpatented mining claims may also be affected by undetected defects such as unregistered agreements or transfers. The Company has not obtained full title opinions for the majority of its mineral properties. Not all the mineral properties in which the Company has an interest have been surveyed, and their actual extent and location may be in doubt.

Surface Rights and Access: Although the Company acquires the rights to some or all of the minerals in the ground subject to the mineral tenures that it acquires, or has a right to acquire, in most cases it does not thereby acquire any rights to, or ownership of, the surface to the areas covered by its mineral tenures. In such cases, applicable mining laws usually provide for rights of access to the

surface for the purpose of carrying on mining activities, however, the enforcement of such rights through the courts can be costly and time consuming. It is necessary to negotiate surface access or to purchase the surface rights if long-term access is required. There can be no guarantee that, despite having the right at law to access the surface and carry on mining activities, the Company will be able to negotiate satisfactory agreements with any such existing landowners/occupiers for such access or purchase of such surface rights, and therefore it may be unable to carry out planned mining activities. In addition, in circumstances where such access is denied, or no agreement can be reached, the Company may need to rely on the assistance of local officials or the courts in such jurisdiction the outcomes of which cannot be predicted with any certainty. The inability of the Company to secure surface access or purchase required surface rights could materially and adversely affect the timing, cost or overall ability of the Company to develop any mineral deposits it may locate.

No Assurance of Profitability: The Company has no history of production or earnings and due to the nature of its business there can be no assurance that the Company will be profitable. The Company has not paid dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. All of the Company's properties are in the exploration stage and the Company has not defined or delineated any proven or probable reserves on any of its properties. None of the Company's properties are currently under development. Continued exploration of its existing properties and the future development of any properties found to be economically feasible, will require significant funds. The only present source of funds available to the Company is through the sale of its equity shares, short-term, high-cost borrowing or the sale or optioning of a portion of its interest in its mineral properties. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists. While the Company may generate additional working capital through further equity offerings, short-term borrowing or through the sale or possible syndication of its properties, there is no assurance that any such funds will be available on favourable terms, or at all. At present, it is impossible to determine what amounts of additional funds, if any, may be required. Failure to raise such additional capital could put the continued viability of the Company at risk.

Uninsured or Uninsurable Risks: Exploration, development and mining operations involve various hazards, including environmental hazards, industrial accidents, metallurgical and other processing problems, unusual or unexpected rock formations, structural cave-ins or slides, flooding, fires, metal losses and periodic interruptions due to inclement or hazardous weather conditions. These risks could result in damage to or destruction of mineral properties, facilities or other property, personal injury, environmental damage, delays in operations, increased cost of operations, monetary losses and possible legal liability. The Company may not be able to obtain insurance to cover these risks at economically feasible premiums or at all. The Company may elect not to insure where premium costs are disproportionate to the Company's perception of the relevant risks. The payment of such insurance premiums and of such liabilities would reduce the funds available for exploration and production activities.

Government Regulation: Any exploration, development or mining operations carried on by the Company will be subject to government legislation, policies and controls relating to prospecting, development, production, environmental protection, mining taxes and labour standards. The Company cannot predict whether or not such legislation, policies or controls, as presently in effect, will remain so, and any changes therein (for example, significant new royalties or taxes), which are completely outside the control of the Company, may materially adversely affect to ability of the Company to continue its planned business within any such jurisdictions.

Recent market events and conditions: From 2007 into 2010, the U.S. credit markets have experienced serious disruption due to a deterioration in residential property values, defaults and delinquencies in the residential mortgage market (particularly, sub-prime and non-prime mortgages)

and a decline in the credit quality of mortgage backed securities. These problems have led to a slow-down in residential housing market transactions, declining housing prices, delinquencies in non-mortgage consumer credit and a general decline in consumer confidence. These conditions caused a loss of confidence in the broader U.S. and global credit and financial markets and resulting in the collapse of, and government intervention in, major banks, financial institutions and insurers and creating a climate of greater volatility, less liquidity, widening of credit spreads, a lack of price transparency, increased credit losses and tighter credit conditions. Notwithstanding various actions by the U.S. and foreign governments, concerns about the general condition of the capital markets, financial instruments, banks, investment banks, insurers and other financial institutions caused the broader credit markets to further deteriorate and stock markets to decline substantially. In addition, general economic indicators have deteriorated, including declining consumer sentiment, increased unemployment and declining economic growth and uncertainty about corporate earnings.

While these conditions appear to have improved slightly in 2010, unprecedented disruptions in the credit and financial markets have had a significant material adverse impact on a number of financial institutions and have limited access to capital and credit for many companies. These disruptions could, among other things, make it more difficult for the Company to obtain, or increase its cost of obtaining, capital and financing for its operations. The Company's access to additional capital may not be available on terms acceptable to it or at all.

General economic conditions: The recent unprecedented events in global financial markets have had a profound impact on the global economy. Many industries, including the gold and base metal mining industry, are impacted by these market conditions. Some of the key impacts of the current financial market turmoil include contraction in credit markets resulting in a widening of credit risk, devaluations and high volatility in global equity, commodity, foreign exchange and precious metal markets, and a lack of market liquidity. A continued or worsened slowdown in the financial markets or other economic conditions, including but not limited to, consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates, and tax rates may adversely affect the Company's growth and profitability. Specifically:

- The global credit/liquidity crisis could impact the cost and availability of financing and the Company's overall liquidity
- the volatility of gold and other base metal prices may impact the Company's future revenues, profits and cash flow
- volatile energy prices, commodity and consumables prices and currency exchange rates impact potential production costs
- the devaluation and volatility of global stock markets impacts the valuation of the Company's common shares, which may impact the Company's ability to raise funds through the issuance of equity securities

These factors could have a material adverse effect on the Company's financial condition and results of operations.

Insufficient Financial Resources: The Company does not presently have sufficient financial resources to undertake by itself the acquisition, exploration and development of all of its planned acquisition, exploration and development programs. Future property acquisitions and the development of the Company's properties will therefore depend upon the Company's ability to obtain financing through the joint venturing of projects, private placement financing, public financing, short or long

term borrowings or other means. There is no assurance that the Company will be successful in obtaining the required financing. Failure to raise the required funds could result in the Company losing, or being required to dispose of, its interest in its properties.

Financing Risks: The Company has limited financial resources, has no source of operating cash flow and has no assurance that additional funding will be available to it for further exploration and development of its projects or to fulfil its obligations under any applicable agreements. There can be no assurance that it 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 delay or indefinite postponement of further exploration and development of its projects with the possible loss of such properties.

Dilution to the Company's existing shareholders: The Company may require additional equity financing be raised in the future. The Company may issue securities on less than favourable terms to raise sufficient capital to fund its business plan. Any transaction involving the issuance of equity securities or securities convertible into common shares would result in dilution, possibly substantial, to present and prospective holders of common shares.

Increased costs: Management anticipates that costs at the Company's projects will frequently be subject to variation from one year to the next due to a number of factors, such as the results of ongoing exploration activities (positive or negative), changes in the nature of mineralization encountered, and revisions to exploration programs, if any, in response to the foregoing. In addition, exploration program costs are affected by the price of commodities such as fuel, rubber and electricity and the availability (or otherwise) of consultants and drilling contractors. Increases in the prices of such commodities or a scarcity of consultants or drilling contractors could render the costs of exploration programs to increase significantly over those budgeted. A material increase in costs for any significant exploration programs could have a significant effect on the Company's operating funds and ability to continue its planned exploration programs.

Dependence Upon Others and Key Personnel: The success of the Company's operations will depend upon numerous factors, many of which are beyond the Company's control, including (i) the ability of the Company to enter into strategic alliances through a combination of one or more joint ventures, mergers or acquisition transactions; and (ii) the ability to attract and retain additional key personnel in exploration, mine development, sales, marketing, technical support and finance. These and other factors will require the use of outside suppliers as well as the talents and efforts of the Company. There can be no assurance of success with any or all of these factors on which the Company's operations will depend. The Company has relied and may continue to rely, upon consultants and others for operating expertise.

Currency Fluctuations: The Company maintains its accounts in Canadian and U.S. dollars, making it subject to foreign currency fluctuations. Such fluctuations may materially affect the Company's financial position and results.

Share Price Volatility: In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market price of securities of many companies, particularly those considered exploration or development stage companies, have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that significant fluctuations in the trading price of the Company's common shares will not occur, or that such fluctuations will not materially adversely impact on the Company's ability to raise equity funding without significant dilution to its existing shareholders, or at all.

Exploration and Mining Risks: Fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the operation of mines and the conduct of exploration programs. Substantial expenditures are required to establish reserves through drilling, to develop metallurgical processes, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. The economics of developing mineral properties is affected by many factors including the cost of operations, variations of the grade of ore mined, fluctuations in the price of gold or other minerals produced, costs of processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. In addition, the grade of mineralization ultimately mined may differ from that indicated by drilling results and such differences could be material. Short term factors, such as the need for orderly development of ore bodies or the processing of new or different grades, may have an adverse effect on mining operations and on the results of operations. There can be no assurance that minerals recovered in small scale laboratory tests will be duplicated in large scale tests under on-site conditions or in production scale operations. Material changes in geological resources, grades, stripping ratios or recovery rates may affect the economic viability of projects.

Environmental Restrictions: The activities of the Company are subject to environmental regulations promulgated by government agencies in different countries from time to time. Environmental legislation generally provides for restrictions and prohibitions on spills, releases or emissions into the air, discharges into water, management of waste, management of hazardous substances, protection of natural resources, antiquities and endangered species and reclamation of lands disturbed by mining operations. Certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which means stricter standards, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations.

Regulatory Requirements: The activities of the Company are subject to extensive regulations governing various matters, including environmental protection, management and use of toxic substances and explosives, management of natural resources, exploration, development of mines, production and post-closure reclamation, exports, price controls, taxation, regulations concerning business dealings with indigenous peoples, labour standards on occupational health and safety, including mine safety, and historic and cultural preservation. Failure to comply with applicable laws and regulations may result in civil or criminal fines or penalties, enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions, any of which could result in the Company incurring significant expenditures. The Company may also be required to compensate those suffering loss or damage by reason of a breach of such laws, regulations or permitting requirements. It is also possible that future laws and regulations, or more stringent enforcement of current laws and regulations by governmental authorities, could cause additional expense, capital expenditures, restrictions on or suspension of the Company's operations and delays in the exploration and development of the Company's properties.

Limited Experience with Development-Stage Mining Operations: The Company has limited experience in placing resource properties into production, and its ability to do so will be dependent upon using the services of appropriately experienced personnel or entering into agreements with other major resource companies that can provide such expertise. There can be no assurance that the

Company will have available to it the necessary expertise when and if it places its resource properties into production.

Estimates of Mineral Reserves and Resources and Production Risks: The mineral resource estimates included in this MD&A are estimates only and no assurance can be given that any particular level of recovery of minerals will in fact be realized or that an identified reserve or resource will ever qualify as a commercially mineable (or viable) deposit which can be legally and economically exploited. The estimating of mineral resources and mineral reserves is a subjective process and the accuracy of mineral resource and mineral reserve estimates is a function of the quantity and quality of available data, the accuracy of statistical computations, and the assumptions used and judgments made in interpreting available engineering and geological information. There is significant uncertainty in any mineral resource or mineral reserve estimate and the actual deposits encountered and the economic viability of a deposit may differ materially from the Company's estimates. In addition, the grade of mineralization ultimately mined may differ from that indicated by drilling results and such differences could be material. Production can be affected by such factors as permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. Short term factors, such as the need for orderly development of deposits or the processing of new or different grades, may have a material adverse effect on mining operations and on the results of operations. There can be no assurance that minerals recovered in small scale laboratory tests will be duplicated in large scale tests under on-site conditions or in production scale operations. Material changes in reserves or resources, grades, stripping ratios or recovery rates may affect the economic viability of projects. The estimated resources described in this MD&A should not be interpreted as assurances of mine life or of the profitability of future operations. Estimated mineral resources and mineral reserves may have to be re-estimated based on changes in applicable commodity prices, further exploration or development activity or actual production experience. This could materially and adversely affect estimates of the volume or grade of mineralization, estimated recovery rates or other important factors that influence mineral resource or mineral reserve estimates. Market price fluctuations for gold, silver or base metals, increased production costs or reduced recovery rates or other factors may render any particular reserves uneconomical or unprofitable to develop at a particular site or sites. A reduction in estimated reserves could require material write downs in investment in the affected mining property and increased amortization, reclamation and closure charges.

Mineral resources are not mineral reserves and there is no assurance that any mineral resources will ultimately be reclassified as proven or probable reserves. Mineral resources which are not mineral reserves do not have demonstrated economic viability.

Enforcement of Civil Liabilities: As substantially all of the assets of the Company and its subsidiaries are located outside of Canada, and certain of the directors and officers of the Company are resident outside of Canada, it may be difficult or impossible to enforce judgements granted by a court in Canada against the assets of the Company or the directors and officers of the Company residing outside of Canada.

Mining Industry is Intensely Competitive: The Company's business of the acquisition, exploration and development of mineral properties is intensely competitive. The Company may be at a competitive disadvantage in acquiring additional mining properties because it must compete with other individuals and companies, many of which have greater financial resources, operational experience and technical capabilities than the Company. The Company may also encounter increasing competition from other mining companies in efforts to hire experienced mining professionals. Competition for exploration resources at all levels is currently very intense, particularly affecting the availability of manpower, drill rigs and helicopters. Increased competition could adversely affect the Company's

ability to attract necessary capital funding or acquire suitable producing properties or prospects for mineral exploration in the future.

The Company may be a “passive foreign investment company” under the U.S. Internal Revenue Code, which may result in material adverse U.S. federal income tax consequences to investors in Common Shares that are U.S. taxpayers: Investors in the Company’s common shares that are U.S. taxpayers should be aware that the Company expects it will be in the current year, a “passive foreign investment company” under Section 1297(a) of the U.S. Internal Revenue Code (a “PFIC”). If the Company is or becomes a PFIC, generally any gain recognized on the sale of its common shares and any “excess distributions” (as specifically defined) paid on its common shares must be rateably allocated to each day in a U.S. taxpayer’s holding period for the common shares. The amount of any such gain or excess distribution allocated to prior years of such U.S. taxpayer’s holding period for the common shares generally will be subject to U.S. federal income tax at the highest tax applicable to ordinary income in each such prior year, and the U.S. taxpayer will be required to pay interest on the resulting tax liability for each such prior year, calculated as if such tax liability had been due in each such prior year.

Alternatively, a U.S. taxpayer that makes a “qualified electing fund” (a “QEF”) election with respect to the Company generally will be subject to U.S. federal income tax on such U.S. taxpayer’s pro rata share of the Company’s “net capital gain” and “ordinary earnings” (as specifically defined and calculated under U.S. federal income tax rules), regardless of whether such amounts are actually distributed by the Company. U.S. taxpayers should be aware, however, that there can be no assurance that the Company will satisfy record keeping requirements under the QEF rules or that the Company will supply U.S. taxpayers with required information under the QEF rules, in event that the Company is a PFIC and a U.S. taxpayer wishes to make a QEF election. As a second alternative, a U.S. taxpayer may make a “mark-to-market election” if the Company is a PFIC and its common shares are “marketable stock” (as specifically defined). A U.S. taxpayer that makes a mark-to-market election generally will include in gross income, for each taxable year in which the Company is a PFIC, an amount equal to the excess, if any, of (a) the fair market value of the common shares as of the close of such taxable year over (b) such U.S. taxpayer’s adjusted tax basis in the common shares.

Selected Financial Information

Selected Annual Information

The Company’s interim consolidated financial statements for the first quarter ended August 31, 2010 (the “Interim Financial Statements”) have been prepared in accordance with Canadian generally accepted accounting principles and practices. The following selected financial information is taken from the audited consolidated financial statements of the Nevada and Other Alaska Business of ITH for the years ended May 31, 2009 and 2008. The selected financial information for the year ended May 31, 2010 has been taken from the unaudited financial statements of the ITH’s Nevada and Other Alaska Business for that year. This information should be read in conjunction with those statements. Selected annual financial information appears below.

Description	May 31, 2010 \$ (annual)	May 31, 2009 \$ (annual)	May 31, 2008 \$ (annual)
Interest Income	-	-	-
Consulting (including stock-based compensation)	1,089,274	611,203	116,302
Property investigation	83	34,455	38,769
Wages and benefits (including stock-based compensation)	1,731,272	1,071,598	431,140
Professional fees (including stock-based compensation)	182,477	146,507	80,673
Investor relations (including stock-based compensation)	327,092	256,261	310,375
Foreign exchange gain (loss)	7,181	(54,275)	(53,457)
Loss for the year	(3,565,233)	(2,344,240)	(1,203,783)
Per share	(0.12)	(0.10)	(0.06)
Balance sheet:			
Cash	-	-	-
Total Current Assets	-	-	-
Mineral Properties	12,245,690	11,054,413	9,181,079
Long term financial liabilities	-	-	-
Cash dividends	N/A	N/A	N/A

Three Months Ended August 31, 2010 compared to 2009

The Company ended the quarter with \$4,426,221 of cash. The Company spent approximately \$198,539 on operating activities (excluding stock-based compensation (“SBC”)) in the first quarter of fiscal 2011. The SBC expenses of \$756,202 were primarily due to the granting of the options during the period and recognizing the expense associated with the vesting of stock options that were previously granted to the Nevada and Other Alaska Business employees and consultants by ITH.

For three months ended August 31, 2010, the Company had a net loss of \$936,455, as compared to a net loss of \$238,702 in the comparative period of the prior year. The increased loss of \$697,753 in the current period was due to a combination of factors discussed below.

General and administrative (operating) expenses for the period totalled \$954,656 compared to \$237,186 in 2009. The increase was primarily due to \$756,202 SBC expenses in the current period compared to \$3,642 in the comparative period of the prior year.

As discussed above under “Transfer of Assets”, operating costs were allocated to the Company on the basis of the ratio of Spin-out Properties book values to the book values of all of the properties of ITH during the quarter and up to the date of the Arrangement transaction. For the quarter ended August 31, 2010, 19.8% of eligible costs were allocated to the Company.

	Three months ended August 31, 2010	Three months ended August 31, 2009
Consulting	\$ 265,721	\$ 50,526
Administration	1,780	2,603
Property investigation	291	55
Charitable donations	5,413	2,108
Insurance	10,099	9,858
Office	7,395	9,860
Professional fees	40,741	45,776
Regulatory	3,816	3,305
Rent	5,302	8,814
Investor relations	130,737	28,028
Telephone	2,418	1,447
Wages / benefits	475,318	58,678
Travel	5,625	16,128
	\$ 954,656	\$ 237,186

During the current quarter, some expense categories increased significantly when compared with the comparative period of the prior year. Consulting fees increased to \$265,721 (2009 - \$50,526) mainly due to SBC expenses of \$249,495 during the current quarter compared to \$nil in the comparative period of the prior year. This was offset by a decrease in consulting personnel which was in the comparative period of the prior year directly related to corporate and exploration activities in 2009. Professional fees decreased to \$40,741 (2009 - \$45,776) mainly due to SBC expenses of \$18,005 during the current quarter compared to \$nil in the comparative of the prior year. These are all offset by a decrease in legal fees in the current quarter of approximately \$23,000. The decrease in legal fees was mainly due to the Company's focus on the Arrangement which resulted in other legal fees included under ITH's Spin-out (cost) recovery. Wages increased to \$475,318 (2009 - \$58,678) mainly due to the SBC expenses of \$411,538 during the current quarter compared to \$nil in the comparative quarter of the prior year. The additional increase was due to higher labour costs per person combined with the addition of additional personnel in the current period.

Investor relations expenses increased to \$130,737 (2009 - \$28,028) mainly due to SBC expenses of \$77,164 during the current quarter compared to \$3,642 in the comparative quarter of the prior year. The additional increase of \$29,187 was due to a combination of increase in personnel, increase in investor relations-related travelling, an increase in mail-outs, printing and reproduction due to the Company's increased effort in fully informing the investment community during the Arrangement process.

Other expense categories which reflected only moderate change period over period were charitable donations of \$5,413 (2009 - \$2,108), regulatory expenses of \$3,816 (2009 - \$3,305) and travel expenses of \$5,625 (2008 - \$16,128).

Other items amounted to an income of \$18,201 compared to a loss of \$1,516 in the same period of the prior year. The decreased loss in the current period resulted from a change in foreign exchange which is the result of factors outside of the Company's control.

Stock-based compensation

SBC charges for the three months ended August 31, 2010 of \$756,202 (2009 - \$3,642) were allocated as follows:

Three months ended August 31, 2010	Before allocation of SBC	SBC	After Allocation of SBC
Investor relations	\$ 53,573	\$ 77,164	\$ 130,737
Consulting	16,226	249,495	265,721
Wages and benefits	63,780	411,538	475,318
Professional fees	22,736	18,005	40,741
		\$ 756,202	

Three months ended August 31, 2009	Before allocation of SBC	SBC	After Allocation of SBC
Investor relations	\$ 24,386	\$ 3,642	\$ 28,028

**Supplemental Information:
Comparison to Prior Quarterly Periods**

Description	August 31, 2010	May 31, 2010
Interest Income	\$ -	\$ -
Net loss for the period	(936,455)	(2,114,927)
Basic and diluted loss per common share	(0.03)	(0.07)

The following selected financial information is a summary of quarterly results taken from the Company's unaudited quarterly consolidated financial statements:

Comparison to Selected Prior Quarterly Periods

Description	August 31, 2010	May 31, 2010	February 28, 2010	November 30, 2009	August 31, 2009
Interest Income	\$ -	\$ -	\$ -	\$ -	\$ -
Net loss for the period	(936,455)	(2,114,927)	(575,180)	(620,057)	(255,069)
Basic and diluted loss per common share	(0.03)	(0.07)	(0.02)	(0.02)	(0.01)

Liquidity and Capital Resources

The Company has no revenue generating operations from which it can internally generate funds. To date, the Company's ongoing operations have been financed by the sale of its equity securities by way of a private placement in connection with the completion of the Arrangement. The Company believes that it will be able to secure additional private placements financings in the future, although it cannot predict the size or pricing of any such financings. In addition, the Company can raise funds through the sale of interests in its mineral properties, although current market conditions have substantially reduced the number of potential buyers/acquirors of any such interest(s). This situation is unlikely to change until such time as the Company can develop a bankable feasibility study on one of its projects. When acquiring an interest in mineral properties through purchase or option the Company will sometimes issue common shares to the vendor or optionee of the property as partial or full consideration for the property interest in order to conserve its cash.

At the present time the Company does not contemplate that it will be necessary to institute any specific cost saving measures or reductions in staff or consultants, in response to current conditions in the equity or credit markets.

As at August 31, 2010, the Company reported cash of \$4,426,221 compared to \$nil and \$nil as at May 31, 2010 and August 31, 2009. The change in cash position was the net result of \$3.3 million (2009 - \$nil) funding provided by ITH under the Arrangement, \$764,512 (2009 - \$259,990) of additional funding provided by ITH as a result of the Arrangement, \$523,927 (2009 - (\$25,071)) recovery (expenses) on mineral properties offset by \$198,539 (2009 - \$233,557) in operating expenditures.

As at August 31, 2010, the Company had working capital of \$3,554,468 (working capital deficiency of \$33,296 as at May 31, 2010) compared to a working capital deficiency of \$46,844 as at August 31, 2009. The Company expects that it will operate at a loss for the foreseeable future and that, although it believes the current cash will be sufficient for it to complete planned exploration programs on its currently held properties, and its currently anticipated general and administrative costs, for the next 18 months to April 2012, it will require additional financing to fund further exploration of its current mineral properties, to acquire additional mineral properties and to continue its operations (including general and administrative expenses) beyond that date.

The Company currently has no further funding commitments or arrangements for additional financing at this time (other than the potential exercise of options) and there is no assurance that the Company will be able to obtain additional financing on acceptable terms, if at all. There is significant uncertainty that the Company will be able to secure any additional financing in the current equity markets – see “Risk Factors – Insufficient Financial Resources/Share Price Volatility”. The quantity of funds to be raised and the terms of any proposed equity financing that may be undertaken will be negotiated by management as opportunities to raise funds arise. Specific plans related to the use of proceeds will be devised once financing has been completed and management knows what funds will be available for these purposes.

The Company has no exposure to any asset-backed commercial paper. Other than cash held by its subsidiaries for their immediate operating needs in Alaska and Nevada, all of the Company’s cash reserves are on deposit with a major Canadian chartered bank. The Company does not believe that the credit, liquidity or market risks with respect thereto have increased as a result of the current market conditions. However, in order to achieve greater security for the preservation of its capital, the Company has, of necessity, been required to accept lower rates of interest which has also lowered its potential interest income.

Transactions with Related Parties

During the three months ended August 31, 2010, the Company did not enter into any related party transactions, other than in connection with the Arrangement (details of which are provided elsewhere in this MD&A and in the financial statements).

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Proposed Transactions

As at the date of this MD&A there are no proposed transactions that the board of directors, or senior management who believe that confirmation of the decision by the board is probable, have decided to proceed with and that have not been publicly disclosed.

Critical Accounting Estimates

The preparation of the Company's financial statements in conformity with Canadian generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Areas requiring the use of estimates in the preparation of the Company's financial statements include the recoverability of mineral properties, the assumptions used in the determination of the fair value of financial instruments and SBC, and the determination of the valuation allowance for future income tax assets and accruals. Management believes the estimates used are reasonable; however, actual results could differ materially from those estimates and, if so, would impact future results of operations and cash flows.

Changes in Accounting Policies Including Initial Adoption

Convergence with IFRS

In March 2009, the Canadian Accounting Standards Board reconfirmed in its second omnibus Exposure Draft that Canadian GAAP for publicly accountable enterprises will be replaced by IFRS for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. Companies will be required to provide IFRS comparative information for the previous year, starting in the quarter ending August 31, 2011. The Company (through ITH) commenced its IFRS conversion project in 2009, and expects to be completed prior to May 2011.

The Company's IFRS conversion project will be governed by members of the audit committee and the Board of Directors to monitor the progress and make critical decisions in the transition to IFRS, and to approve all transition policies. This project will consist of three main phases:

Preliminary planning and scoping: This phase includes the development of a work plan and a review of the major differences between Canadian GAAP, IFRS, and the IFRS requirements based on their financial reporting impact, business impact and complexity.

Assessment and design: This phase will involve determining the specific impacts to the Company based on the application the IFRS requirements. This will include the design and development of detailed solutions and work plans by each key area to address implementation requirements. In addition, impact analysis will be performed on all areas of business, including tax. Accounting policies will be finalized, first-time adoption exemptions will be considered, and a detailed implementation plan will be developed.

Implementation: This phase will include implementing the required changes for IFRS compliance. All IFRS conversion impacts will be approved and finalized to allow for the conversion of tax policies and the preparation of opening IFRS balances.

Currently, the Company has completed the preliminary planning stage. During this phase of the conversion project it was determined that, due to the Company's nature of business at this time, no

significant differences between new IFRS requirements and the current application of Canadian GAAP were identified. However, due to the uncertainty surrounding what IFRS will exist at the changeover date, management cannot reasonably assess the financial impact that IFRS will have on the Company's financial statements at this time and it may not be able to do so with any certainty at any time prior to conversion.

Financial Instruments and Other Instruments

The carrying values of the Company's financial instruments, which include cash, accounts receivable, accounts payable and accrued liabilities, approximate their respective fair values due to their short-term maturity. Due to the short term of all such instruments, the Company does not believe that it is exposed to any material risk with respect thereto.

The Company's cash at August 31, 2010 was \$4,426,221 of which \$1,126,236 was held in US dollars.

The Company's receivables and payables at August 31, 2010 were normal course business items that are settled on a regular basis.

Management's Report on Internal Control Over Financial Reporting

The management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process to provide reasonable assurance regarding the reliability of the Company's financial reporting for external purposes in accordance with accounting principles generally accepted in Canada. Internal control over financial reporting includes maintaining records that in reasonable detail accurately and fairly reflect the Company's transactions and dispositions of the assets of the Company; providing reasonable assurance that transactions are recorded as necessary for preparation of the Company's financial statements in accordance with generally accepted accounting principles; providing reasonable assurance that receipts and expenditures are made in accordance with authorizations of management and the directors of the Company; and providing reasonable assurance that unauthorized acquisition, use or disposition of Company's assets that could have a material effect on its financial statements would be prevented or detected on a timely basis. Because of its inherent limitations, internal control over financial reporting is not intended to provide absolute assurance that a misstatement of the Company's financial statements would be prevented or detected.

Management is conducting an evaluation of the effectiveness of the Company's internal control over financial reporting based on the framework and criteria established in *Internal Control – Integrated Framework*, issued by the Committee of Sponsoring Organizations of the Treadway Commission. This evaluation includes review of the documentation of controls, evaluation of the design effectiveness of controls, testing of the operating effectiveness of controls and a conclusion on this evaluation. This evaluation process will enable the Chief Executive Officer and Chief Financial Officer to reach a conclusion as to the effectiveness of the Company's internal control over financial reporting as at May 31, 2011, being the Company's fiscal year end.

Changes in Internal Control Over Financial Reporting

Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian GAAP. The Chief Executive Officer and Chief Financial Officer have concluded that there has been no change in the Company's internal control over financial

reporting during the quarter ended August 31, 2010 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Disclosure of Outstanding Share Data

Shares

The authorized share capital consists of an unlimited number of common shares without par value. As at August 31, 2010 there were 33,614,011 common shares issued and outstanding, and as at the date of this MD&A there were 33,614,011 common shares outstanding.

Options

There were no stock options outstanding at August 31, 2010. Subsequent to August 31, 2010, 3,000,000 options were granted at a price of \$0.75 per share. Accordingly, as at the date of this MD&A, there were 3,000,000 stock options outstanding.

Warrants

There were no share purchase warrants outstanding at August 31, 2010. Subsequent to August 31, 2010, no share purchase warrants were issued. Accordingly, as at the date of this MD&A, there were no share purchase warrants outstanding.

Additional Sources of Information

Additional disclosures pertaining to the Company, including its most recent financial statements, material change reports, press releases and other information, are available on the SEDAR website at www.sedar.com or on the Company's website at www.corvusgold.com. Readers are urged to review these materials, including the technical reports filed with respect to the Company's mineral properties.