GeoNovus Minerals Corp.
(To be renamed "GeoNovus Media Corp.")

CSE FORM 2A

LISTING STATEMENT

March 6, 2015

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Listing Statement and its appendices may contain "forward-looking statements" (within the meaning of applicable securities legislation). Such forward-looking statements concern the Company's anticipated results and developments in the operations of the Company in future periods, planned exploration and development of plans related to its business, and other matters that may occur in the future.

Forward Looking Statements

Certain information set forth in this presentation contains “forward-looking information”, including “future oriented financial information” and “financial outlook”, under applicable securities laws (collectively referred to herein as forward-looking statements). Except for statements of historical fact, information contained herein constitutes forward-looking statements and includes, but is not limited to, the (i) projected financial performance of the Company; (ii) completion of, and the use of proceeds from, the sale of the shares being offered hereunder; (iii) the expected development of the Company’s business, projects and joint ventures; (iv) execution of the Company’s vision and growth strategy, including with respect to the proposed acquisition of the assets of Greenstock Publishing Ltd. and proposed operations in the entertainment industry; (v) sources and availability of third-party financing for the Company’s projects; (vi) completion of the Company’s anticipated projects; (vi) renewal of the Company’s current productions; and (vii) future liquidity, working capital, and capital requirements.

Forward-looking statements are provided to allow potential investors the opportunity to understand management’s beliefs and opinions in respect of the future so that they may use such beliefs and opinions as one factor in evaluating an investment.

These statements are not guarantees of future performance and undue reliance should not be placed on them. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause actual performance and financial results in future periods to differ materially from any projections of future performance or result expressed or implied by such forward-looking statements.

Although forward-looking statements contained in this Statement are based upon what management of the Company believes are reasonable assumptions, there can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company undertakes no obligation to update forward-looking statements if circumstances or management’s estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements.

GLOSSARY

Unless the context otherwise requires or where otherwise defined, the following words and terms will have the meanings set forth below when read in this Listing Statement, including the Appendices hereto.

GeoNovus or **the Company**	means GeoNovus Minerals Ltd., to be renamed "GeoNovus Media Corp."
CSE	means the Canadian Securities Exchange (formerly the "Canadian National Stock Exchange" or "CNSX")
Common Share	means the issued and outstanding common shares of the Company
NI 43-101	means National Instrument 43-101 *Standards of Disclosure for Mineral Projects*
Options	means the outstanding options to purchase Common Shares issued pursuant to the Company's Stock Option Plan
Related Person	has the meaning ascribed to it under Policy 1 of the CSE
Scotia Property	means the Company's mineral interest located in the Scotia River area of British Columbia.
SEDAR	means the System for Electronic Document Analysis and Retrieval available online at www.sedar.com
Shareholder	means, at any time, the holders of the Common Shares
Stock Option Plan	means the Company's stock option plan dated June 24, 2013.
TSXV	means the TSX Venture Exchange
US or **United States**	means the United States of America, its territories and possessions, any state of the United States and the District of Columbia
Warrants	means outstanding warrants to purchase Common Shares

CORPORATE STRUCTURE

2.1 Corporate Name and Address

The full corporate name of the Company is "GeoNovus Minerals Ltd." As disclosed herein, management of the Company intend to rename the Company "GeoNovus Media Corp."

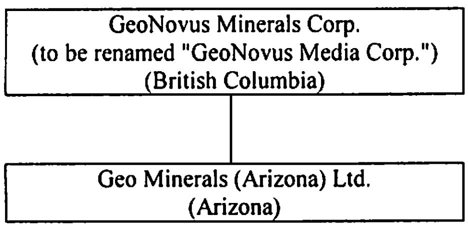
The registered office of the Company is located at 700 - 401 West Georgia Street, Vancouver, British Columbia, V6B 5A1. The head office of the Company is located at 1220 - 789 West Pender Street, Vancouver, British Columbia, V6C 1H2.

2.2 Jurisdiction of Incorporation

The Company was incorporated on October 11, 2011 under the British Columbia *Business Corporations Act*.

2.3 Intercorporate Relationships

As at the date of this Listing Statement, the Company has one wholly-owned subsidiary, Geo Minerals (Arizona) Ltd., through which it holds mineral interests. The following diagram sets forth the Company's organizational structure:



As the Company no longer holds any mineral assets in Arizona, it intends to dissolve Geo Minerals (Arizona) Ltd.

2.4 Re-organizations

Not applicable.

2.5 Non-Issuers and Foreign Issuers

Not applicable.

GENERAL DEVELOPMENT OF THE COMPANY'S BUSINESS

3.1 Overview

At the time of its incorporation in October 2011, the Company was a wholly-owned subsidiary of Geo Minerals Ltd. ("**Geo**").

In December 2011, New Gold Inc. ("**New Gold**") and Geo completed a Plan of Arrangement (the "**Arrangement**") under the British Columbia *Business Corporations Act*, pursuant to which New Gold acquired all of the outstanding common shares of Geo. Under the terms of the Arrangement, each Geo shareholder received cash consideration in exchange for each Geo share held. In addition, New Gold retained Geo's interest in certain mineral properties and cash, and the remainder of Geo's portfolio of exploration properties was transferred to the Company. Concurrent with the completion of the Arrangement, the Company completed a non-brokered private placement, and the Common Shares began trading on the TSXV under the symbol "GNM" on January 5, 2012. The Common Shares were voluntarily delisted from trading on the TSXV on September 4, 2014.

Since that time, the Company has continued the former business of Geo, and is presently primarily engaged in evaluating, acquiring, exploring and, if warranted, developing mineral properties in North America. The Company currently has no producing properties, and consequently no operating income or cash flow. The Company is dependent on the equities markets to finance all of its activities and it is anticipated that it will continue to rely on this source of funding for its exploration expenditures and to meet its ongoing working capital requirements.

On September 17, 2014, the Company entered into an agreement to acquire all of the assets of a private Uruguayan SA company and its principal, Julian Strauss, with respect to multiple areas of the cannabinoid sciences, industrial hemp and medical marijuana industries in that country. In December 2014, management terminated the agreement as it was not viewed to be appropriate for GNM or its shareholders at this time.

On January 6, 2015, the Company entered into an agreement (the "Greenstock Publishing Agreement") to acquire all of the assets of Greenstock Publishing Ltd. ("Greenstock Publishing"), a Canadian music publisher in consideration for 10 million Common Shares. See "Narrative Description of the Company's Business" for further discussion.

3.2 Significant Acquisitions or Dispositions

There were no significant acquisitions or dispositions completed by the Company in the current fiscal year or the fiscal year ended August 31, 2014 or the current fiscal year, nor are any currently proposed by the Company as at the date of this Listing Statement, for which financial statements would be required under NI 41-101 if this Listing Statement were a prospectus.

3.3 Forecast

The Company has been an active mineral exploration company, and presently owns the mineral assets described under "Narrative Description of the Company's Business".

However, with the significant downturn in the junior mining sector, management elected to commence entertaining other business opportunities in an effort to protect and increase shareholder value, with a view to potentially divesting of its mineral projects in the future if deemed appropriate. See "Narrative Description of the Company's Business".

NARRATIVE DESCRIPTION OF THE COMPANY'S BUSINESS

4.1 General

(1) Describe the business of the Issuer with reference to the reportable operating segments as defined in the Handbook and the Issuer's business in general. Include the following for each reportable operating segment of the Issuer:

(a) state the business objectives that the Issuer expects to accomplish in the forthcoming 12-month period;

(a) GeoNovus Media was founded in 2014 and is a global entertainment company with a diversified presence in motion picture production and distribution, music creation and music publishing, family entertainment, digital distribution, new streaming media platforms and international distribution and sale. Our principal offices are located in Vancouver, BC and Studio City California.

(b) The Company is looking to have an Oscar award winning Motion Picture division based in Hollywood, California which will consist of the development and production of feature films, home entertainment and the distribution of feature films both produced and acquired. Our planned production studios in Vancouver plan to create and produce commercials, corporate videos and documentaries.

(c) GeoNovus Media plans on acquiring a music publishing division, which consists of the development, production and worldwide distribution of music for motion pictures, television movies, video games, non-fiction programming and music for broadcast and retail. Positioned for the exponential growth of internet royalties due to the demand of services such as Netflix, Hulu Plus, Fandor, SnagFilms, and more. GNM is developing a unique business model revolving around the rise of streaming and on-demand video. Presently, our team is sourcing music for a number of major motion pictures in development. Working directly with the producers and financiers of these films gives GNM a competitive advantage. Our future plans include developing proprietary software for music collaboration and intellectual property management. For the world's creative sector to thrive, intellectual property laws must protect the hard work of creators and makers while ensuring an Internet that works for everyone.

Stated Business Objectives

The following is a summary of Geonovus Media's business objectives over the 12 month period subsequent to the completion of the Change of Business.

In general, Geonovus Media intends to negotiate and continue the current success of INFINITY Media and Marlowe Media Ventures by maintaining the relationships and projects currently in progress and slated for production. Infinity Media will be sharing half of his ownership on the next six titles, and will include names, at a min of 5 percent of net profits with Geonovus Media The Resulting Issuer believes that projected revenues received by projects currently in production may be sufficient to maintain the current level of operations and to fund plans to expand Geonovus Media's current operations and anticipated expenses over the next 12 month period subsequent to INFINITY Media upon completion of the Acquisition. See "Use of Proceeds" under "Available Funds and Principal Purposes" below.

Specifically, Geonovus intends to meet the following objectives with respect to its operations:

- Acquisition of Greenstock Publishing which includes key personnel with capacity in music supervision and soundtrack production.;
- Continue to maintain and expand relationships with existing Hollywood connections to ensure Geonovus Media keeps to a specific, proven model that engages with projects that project profit with little or no risk;
- The model assumes that revenues from tax rights and pre-sale of foreign distribution rights are fixed and will be known before a project is even started, no matter how well or how poorly a film does at the box office. Therefore, the variables to the revenues in the model are the sale to a studio for domestic distribution, as well as overages, based on box office sales and Pay TV Revenues.
- Acquisition of internet-only pilot show(s) based on advertising revenue models to capture online traffic. Geonovus Media plans to set up an internal content engine that will demonstrate an advanced content marketing model for rapid, massive exposure for brands in a variety of verticals. The GNM Network will produce branded entertainment, product placement and sponsored content.
- Market the value of the new brand and differentiate from competitors, by increasing industry specific visibility through new materials and website;

(b) describe each significant event or milestone that must occur for the business objectives in (a) to be accomplished and state the specific time period in which each event is expected to occur and the costs related to each event;

Milestones

The following table summarizes each significant event that must occur for the business objectives described above to be accomplished and the time period in which each event is expected to occur and the costs related to each event:

Objective/Milestone	**Estimated Completion Date**
Acquisition and approval of Greenstock Records	February 2015
Joint Venture with Infinity Media	Fiscal 2015
Acquisition of online pilot program	Fiscal 2015

(c) disclose the total funds available to the Issuer and the following breakdown of those funds:

(i) the estimated consolidated working capital (deficiency) as of the most recent month end prior to filing the Listing Statement, and

The Company had a working capital deficiency of $140,919 at November 30, 2014 compared with working capital deficiency of $464,370 at August 31, 2014.

(ii) the total other funds, and the sources of such funds, available to be used to achieve the objectives and milestones set out in paragraphs (a) and (b); and

2. PROPOSED FUNDS AND PRINCIPAL PURPOSES

The Company anticipates that its working capital requirements will be funded from future equity or debt financings as well as the exercise of outstanding warrants priced between $0.075 and $0.10. As at the date of this Listing Statement, the Company does not have any arrangements for further financings, and there can be no assurance or guarantee that: (a) the Company will be able to complete any financings on terms favorable to it, or at all, or (b) the Company's outstanding warrants will be exercised. See "Risk Factors."

Geonovus Media intends to raise funds in accordance with the table above and as stated in this Filing Statement. There may be circumstances, however, where, for sound business reasons, a reallocation of funds may be necessary in order for Geonovus Media to achieve its stated business objectives. Geonovus Media may also require additional funds in order to fulfil all of its intended expenditures and objectives, in which case Geonovus Media expects to issue additional securities or incur indebtedness. There can be no assurance that additional funding required by Geonovus Media.

(d) describe in reasonable detail and, if appropriate, using tabular form, each of the principal purposes, with approximate amounts, for which the funds available described under the preceding paragraph will be used by the Issuer.

Anticipated Expenses

The following table provides a summary of the Company's anticipated expenses for the next twelve months:

Proposed Use for the next 12 months	Estimated Amount ($)
Advertising and promotion	$12,000
General and administrative expenses	$153,800

The following table provides a further breakdown of the anticipated general and administrative expenses for the next twelve months:

	Estimated Amount ($)
Regulatory fees	$8,800
Legal fees	$12,000
Consulting fees	$12,000
Accounting and auditor fees	$50,000
Transfer agent fees	$11,000
Office, administrative fees and rent	$60,000

(2) For principal products or services describe:

a) if not fully developed, the stage of development of the principal products or services and, if the products are not at the commercial production stage,

(i) the timing and stage of research and development programs,

(ii) the major components of the proposed programs, including an estimate of anticipated costs,

(iii) whether the Issuer is conducting its own research and development, is subcontracting out the research and development or is using a combination of those methods, and

(iv) the additional steps required to reach commercial production and an estimate of costs and timing.

(3) Concerning production and sales, disclose:

a) the actual or proposed method of production of products and if the Issuer provides services, the actual or proposed method of providing services;

b) the payment terms, expiration dates and terms of any renewal options of any material leases or mortgages, whether they are in good standing and, if applicable, that the landlord or mortgagee is a Related Person of the Issuer;

c) specialized skill and knowledge requirements and the extent that the skill and knowledge are available to the Issuer;

d) the sources, pricing and availability of raw materials, component parts or finished products;

e) the importance, duration and effect on the segment of identifiable intangible properties such as brand names, circulation lists, copyrights, franchises, licences, patents, software, subscription lists and trademarks;

f) the extent to which the business of the segment is cyclical or seasonal;

g) a description of any aspect of the Issuer's business that may be affected in the 12 months following the date of the Listing Statement by renegotiation or termination of contracts or sub-contracts and the likely effect;

h) the financial and operational effects of environmental protection requirements on the capital expenditures, earnings and competitive position of the Issuer in the current financial year and the expected effect, on future years;

i) the number of employees, as at the most recent financial year end or as an average over that year, whichever is more relevant;

j) any risks associated with foreign operations of the Issuer and any dependence of the segments upon the foreign operations;

k) a description of any contract upon which your company's business is substantially dependent, such as a contract to sell the major part of your company's products or services or to purchase the major part of your company's requirements for goods, services or raw materials, or any franchise or licence or other agreement to use a patent, formula, trade secret, process or trade name upon which your company's business depends;

l) a description of any aspect of your company's business that you reasonably expect to be affected in the current financial year by renegotiation or termination of contracts or sub-contracts, and the likely effect.

(4) Describe the competitive conditions in the principal markets and geographic areas in which the Issuer operates, including, if reasonably possible, an assessment of the Issuer's competitive position.

(5) With respect to lending operations of an Issuer's business, describe the investment policies and lending and investment restrictions.

(6) Disclose the nature and results of any bankruptcy, or any receivership or similar proceedings against the Issuer or any of its subsidiaries or any voluntary bankruptcy, receivership or similar proceedings by the Issuer or any of its subsidiaries, within the three most recently completed financial years or the current financial year.

(7) Disclose the nature and results of any material restructuring transaction of the Issuer within the three most recently completed financial years or completed during or proposed for the current financial year.

(a) GeoNovus Media's blueprint for growth combines the flexibility and entrepreneurial culture of an independent production company, and the structure and marketing provided by financial and strategic relationships with major studios and the public market.

(b) GeoNovus Media plans to grow into a leading next generation film entertainment company through a combination of organic growth and accretive strategic acquisitions. The Company is also looking to produce digital media content such as a variety of podcast shows for iTunes, corporative narratives for the web, animated explainer videos and direct-to-web content for children and families.

(c) Entertainment is big business. Forecasts predict that the entertainment industry will grow to over 679 billion US dollars in value over the next four years, proving its worth in domestic markets and as a major export. The film industry is one of the biggest, if not the biggest, player in the broader entertainment sector; it is considered a cornerstone of the industry. It is widely recognized that the average film title is worth one million dollars over its lifespan.

(d) Vancouver is the gateway to Asia and with our ties to overseas investors we see this as a very lucrative market. China is opening 10 new cinema screens every day, so almost any film has a shot of being the biggest ever. The Chinese cinema market was worth $4.6bn in 2014, almost a one-third increase on the previous year. Within six years China will probably be the largest film market in the world.

(e) We will compete directly with independent companies such as Relativity Media. Relativity Media is active in film and television production and distribution, film co-financing, music publishing, sports management (NBA, NFL, and foreign athletes). It has worked on more than 200 pictures, including blockbusters Bridesmaids and The Social Network, and has more than 60 Oscar nominations to its credit. Relativity also owns Rogue Pictures, which specializes in films targeting 13-to-25 year-olds, and the Rogue Network of entertainment-focused websites, including ARTISTdirect.com. RelativityREAL, the company's TV arm, has produced nearly 70 shows including about 20 currently on the air.

(f) Our current model is also similar to Lions Gate Entertainment currently Ranked #15 in FORTUNE's Fastest-Growing Companies in 2014. The firm, which operates as Lionsgate, is a leading producer and distributor of films such as Warrior as well as the most-talked about film of 2012, The Hunger Games. It produces TV content through Lionsgate Television. Lionsgate also releases films under the Trimark brand, and owns a library of more than 1,300 movie and TV titles that it distributes to retailers, rental kiosks, and TV channels. In addition, it owns 43% of production studio Roadside Attractions. In 2012 Lionsgate acquired Summit Entertainment, producer of the lucrative Twilight series of movies.

(g) With an office in Universal City California and an Academy Award® already in hand, we anticipate that through our high-level industry relationships we can penetrate this market and become a profitable player in a variety entertainment categories.

(h) Consumer spending drives demand. The profitability of individual companies depends on creativity, marketing, and distribution. Large companies often have the advantages of attracting key actors and directors, a permanent staff of technical employees, and wide distribution networks. Small companies can compete successfully by creating movies for niche audiences on low budgets

Mineral Properties

A description of the Company's mineral interests were previously provided in its listing statement dated July 25, 2014, available online at SEDAR. The Company provides the following updates with respect to each of these mineral interests.

Scotia Property (British Columbia)

On November 11, 2014 GeoNovus announced it entered into an agreement with Glenmark Capital Corp., whereby the company can earn a 100-per-cent interest in the Scotia zinc-silver project, which covers an area of about 4,040 hectares in the Skeena mining division, about 40 kilometres southeast of Prince Rupert in west-central British Columbia, Canada. See Item 4.3 below.

Corona Project (Ontario)

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

It is intended that, subsequent to a fundamental change of the Company's business and if deemed appropriate by management, that the Corona project will be either sold or spun out by way of a plan of arrangement.

Arizona Properties

In January 2015, the Company decided not to pursue its interests in the mineral lease agreements with respect to the Middle Mountain, Red Hills, or Silver Bell properties, each located in Arizona. In settlement of indebtedness owing to Bronco Creek Exploration Ltd ("BCE") with respect to services provided by BCE with respect to such properties, the Company will receive US $10,000 and assign its interest in the reclamation bonds for each.

4.2 Asset-Backed Securities

The Company does not have any asset-backed securities outstanding as at the date of this Listing Statement.

4.3 The Scotia Property

A NI 43-101 compliant technical report dated October 26, 2011 (the "Scotia Report") commissioned by and prepared for the Company's predecessor, Geo Minerals Ltd., by A.O. Birkeland, P.Eng., and Gary Giroux, P.Eng. (collectively, the "Report Authors"). The Scotia Report reviews the Scotia Property geology and mineralization. Mr. Birkeland visited the Scotia Property from September to October 2010. Each of the Report Authors is a "Qualified Person" and considered "independent" as both those terms are defined in NI 43-101. The Scotia Report is available for review online under the profile of the Company's predecessor, Geo Minerals Ltd., on SEDAR. A summary of the Scotia Report

A summary of the Scotia Report, including a management update, was provided by the Company in its listing statement dated July 25, 2014, a copy of which is available under its profile online at SEDAR. Since then, the Company has entered into an agreement with Glenmark Capital Corp. ("Glenmark"), hwereby Glenmark can earn all of the Company's interest in and to the Scotia Property by paying an aggregate total of $375,000 and completing $750,000 in exploration expenditures over a 36 month period, with an additional 1/2% net smelters returns royalty payable to the Company. Doublestar Resources Ltd. has an existing 2% net smelters returns royalty with respect to the Scotia Property. In consideration of $1 million, 1% of the total net smelters royalty can be purchased by Glenmark.

5. SELECTED CONSOLIDATED FINANCIAL INFORMATION

5.1 Annual Information

The information provided below is qualified in its entirety by the audited financial statements of the Company, attached as Schedule "A" to this Listing Statement. Reference should be made to those financial statements.

	Years Ended August 31		
	2014 $	2013 $	2012 $
Net Sales or Total Revenue	Nil	Nil	Nil
Total comprehensive loss	(2,674,660)	(1,290,571)	(1,343,984)
Basic and diluted loss per share	(0.08)	(0.06)	(0.10)
Total assets	704,579	2,327,955	2,590,652
Cash dividend declared	Nil	Nil	Nil

5.2 Quarterly Information

The following table summarizes selected quarterly financial data for the Company for each of the eight most recently completed quarters ending at the end of the most recently completed financial year, being August 31, 2014.

Please see also the Company's unaudited financial statements for the period ended November 30, 2014, which are attached as Appendix B to this Listing Statement.

	August 31, 2014 ($)	**May 31, 2014 ($)**	**February 28, 2014 ($)**	**November 30, 2013 ($)**	**August 31, 2013 ($)**	**May 31, 2013 ($)**	**February 28, 2013 ($)**	**November 30, 2012 ($)**
Total Revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net loss – Continuing Operations	(2,674,660)	(770,500)	(855,884)	(583,003)	(1,319,571)	(1,199,644)	(1,116,716)	(260,832)
Net Loss – Total	(2,674,660)	(770,500)	(855,884)	(583,003)	(1,319,571)	(1,199,644)	(1,116,716)	(260,832)
Basic and diluted income (loss) per share – continuing	(0.08)	(0.02)	(0.04)	(0.02)	(0.06)	(0.06)	(0.06)	(0.02)

operations								
Basic and diluted income (loss) per share	(0.08)	(0.02)	(0.04)	(0.02)	(0.06)	(0.06)	(0.06)	(0.02)

5.3 Dividends

Dividends can and may be declared by our Board of Directors when deemed appropriate from time to time. To date, we have not declared any dividends on our common shares and it is unlikely that earnings will be available for the payment of dividends in the foreseeable future. We intend to retain our earnings, if any, to finance growth. The payment of dividends in the future will depend on our earnings and financial condition and such other factors as our Board of Directors may consider appropriate.

5.4 Foreign GAAP

Not applicable

6. MANAGEMENT'S DISCUSSION AND ANALYSIS

A copy of the management's discussion and analysis for the year ended August 31, 2014, and for the interim period ended November 30, 2014, are available online under the Company's profile at SEDAR. Both are also attached in the appendices to this Listing Statement.

7. MARKET FOR SECURITIES

The Company's Common Shares are listed for trading on the Canadian Stock Exchange (CSE) under the symbol "GNM".

8. CONSOLIDATED CAPITALIZATION

Since the Company's last fiscal year end, August 31, 2014, the Company had the following changes to its capitalization:

On September 3, 2014 the Company completed a private placement which resulted in the issuance of 11,545,000 shares plus 11,545,000 share purchase warrants with an exercise price of $0.10 for a 2 year term.

On October 14, 2014 the Company issued 2,428,322 shares pursuant to a milestone being met relating to an asset purchase agreement.

On October 23, 2014 the Company issued 7,000,000 shares pursuant to a consulting and licensing agreement.

9.1 OPTIONS TO PURCHASE SECURITIES

The following table summarizes all Options outstanding as at the date of this Listing Statement:

Option Holders	Number of Options	Exercise Price	Market Value on Date of Grant	Market Value as at February 28, 2014	Particulars
Executive Officers (Present & Past)	725,000	$0.05-0.10	Nil	Nil	CFO, CEO and Secretary
Directors Who Are Not Also Executive Officers (Present & Past)	875,000	$0.05-0.10	Nil	Nil	Directors
Employees (Present & Past)	Nil	N/A	N/A	N/A	N/A
Consultants (Present & Past)	2,350,000	$0.05-0.10	Nil	Nil	Consulting services; geological, branding
Other	Nil	N/A	N/A	N/A	N/A

DESCRIPTION OF THE SECURITIES

10.1 General

The authorized capital of the Company consists of an unlimited number of Common Shares without par value, of which 61,442,724 are issued and outstanding as at the date of this Listing Statement.

Common Shares

Holders of the Common Shares are entitled to receive notice of and to attend, and to cast one vote for each share held by them at all meetings of shareholders of the Company, other than meetings at which only the holders of another class or series of shares (if any) are entitled to vote separately as a class or series. The holders of the Common Shares are entitled to receive on a pro rata basis such dividends as the board of directors of the Company may from time to time declare. In the event of the voluntary or involuntary liquidation, dissolution or winding up of the Company, the holders of the Common Shares will be entitled to receive on a pro rata basis all of the assets of the Company remaining after payment of all liabilities.

As at the date of this Listing Statement, the Company has not declared or paid any dividends on the Common Shares. The Company anticipates that it will retain future earnings, if any, to finance the growth and development of its business and does not intend to pay cash dividends on the Common Shares in the foreseeable future. Payment of any future dividends will be at the discretion of the board of directors after taking into account all of the relevant factors, including its earnings, financial condition, capital requirements and potential financing sources.

Warrants

As at the date of this Listing Statement, the Company has 25,724,300 warrants issued and outstanding.

Options

As at the date of this Listing Statement, the Company has adopted the Stock Option Plan, and has 5,420,000 Options issued and outstanding (see "Options to Purchase Securities").

10.2 Debt Securities

As at the date of this Listing Statement, the Company does not have any debt securities issued and outstanding.

10.3 There is no Item 10.3 of the Listing Statement requirements.

10.4 Other Securities

Not applicable.

10.5 Modification of Terms

Not applicable.

10.6 Other Attributes

None of the rights attaching to the Common Shares are limited by any other class of securities nor are there any securities ranking ahead of or equally with the Common Shares, and none of the Common Shares have a right of redemption or repurchase attached to them. There are no other rights attached to the Common Shares other than as described under Item 10.1 above.

10.7 Prior Sales

The following table sets forth the details of all issuances or sales of Common Shares or securities convertible or exercisable into Common Shares by the Company, including any issuance of Common Shares upon the exercise of outstanding Warrants or Options, during the 12 month period prior to the date of this Listing Statement:

Date of Issuance	Type of Security Issued	Number of Securities Issued	Price per Security
January 30, 2015	Stock Options(9)	600,000	N/A
January 5, 2015	Stock Options(8)	1,200,000	N/A
October 1, 2014	Stock Options(7)	800,000	N/A
September 29, 2014	Stock Options(6)	1,200,000	N/A
September 3, 2014	Units(5)	11,545,000	$0.05
July 25, 2014	Stock Options(4)	450,000	N/A
July 8, 2014	Stock Options(1)	50,000	N/A
April 8, 2014	Units(2)	1,574,500	$0.05
February 11, 2014	Stock Options(3)	300,000	N/A
February 6, 2014	Units(2)	2,000,000	$0.05

(1) Each Stock Option entitles the holder to purchase one Common Share at an exercise price of $0.05 per Common Share until July 8, 2015.

(2) Each unit consists of one Common Share and one Warrant, each of which entitles the holder to purchase on additional Common Share at a price of $0.075 per Common Share for a period of two years.

(3) Each Stock Option entitles the holder to purchase one Common Share at an exercise price of $0.10 per Common Share until February 11, 2019.

of the Warrants at a price of $0.075 per Common Share for the first year and at a price of $0.10 per Common Share for the second year.

(4) Each Stock Option entitles the holder to purchase one Common Share at an exercise price of $0.05 per Common Share until July 25, 2015

(6) Each Stock Option entitles the holder to purchase one Common Share at an exercise price of $0.05 per Common Share until September 29, 2015

(7) Each Stock Option entitles the holder to purchase one Common Share at an exercise price of $0.05 per Common Share until October 1, 2015

(8) Each Stock Option entitles the holder to purchase one Common Share at an exercise price of $0.05 per Common Share until January 5, 2017

(9) Each Stock Option entitles the holder to purchase one Common Share at an exercise price of $0.05 per Common Share until January 30, 2017

(5) Each unit consists of one Common Share and one Warrant, each of which entitles the holder to purchase on additional Common Share at a price of $0.10 per Common Share for a period of two years.

10.8 Trading Price & Volume

Since September 2014, the Company's Common Shares have been listed for trading on the CSE under the symbol "GNM." The following table describes the price ranges and trading volumes of the Common Shares on the CSE for the periods described.

Period	**High ($)**	**Low ($)**	**Volume**
September 8, 2014 to November 30, 2014	$0.065	$0.02	13,179,270
December 2014	$0.015	$0.04	3,880,733
January 2015	$0.045	$0.02	11,686,000
February 1 to March 6, 2015	$0.025	$0.01	5,027,073

Prior to and including September 4, 2014, the Common Shares were listed for trading on the TSXV under the symbol "GNM." The following table describes the price ranges and trading volumes of the Common Shares on the TSXV for the periods described.

Period	**High ($)**	**Low ($)**	**Volume**
September 1 to November 30, 2012	0.13	0.065	3,709,777
December 1, 2012 to February 28, 2013	0.09	0.06	2,726,323
March 1 to May 31, 2013	0.065	0.035	2,023,841
June 1 to August 31, 2013	0.05	0.03	1,156,428
September 1 to November 30, 2013	0.06	0.035	6,928,859
December 1, 2013 to February 28, 2014	0.05	0.035	2,594,481
March 1 to May 31, 2014	0.05	0.035	10,493,482
June 1 to August 31, 2014	0.06	0.035	14,811,740

ESCROWED SECURITIES

11.1 Not applicable.

PRINCIPAL SHAREHOLDERS

12.1 As at the date of this Listing Statement, to the knowledge of the Company, no one beneficial owner owns, directly or indirectly, or exercises control over, securities carrying more than 10% of the outstanding voting rights of the Company.

DIRECTORS AND OFFICERS

13.1 Directors and Officers

The following table sets out the name and municipality of residence of each director and executive officer of the Company, their respective positions and offices held with the Company, and their respective principal occupations within the five years preceding the date of this Listing Statement.

Name, Position(s) & Municipality of Residence	**Principal Occupation within the last 5 years[1]**	**Director/Officer since**	**Ownership or control over Common Shares[2]**
Michael B. England President, CEO & Director Pt. Coquitlam, BC	Self-employed investor relations consultant since January 1995; President, England Communications Ltd. since February 2009; President, CEO and director of Geo Minerals Ltd. from September 2005 to December 2011; Ashburton Ventures Inc. (director since January 2007, CEO since December 2008, President since September 2009); President, CEO and director of Alix Resources Corp. since June 2007; director of Kent Exploration Inc. from October 2007 to March 2012; director of Caribou Copper Resources Ltd. since September 2009 and CEO since February 2011; director of Zone Resources Inc. from May 2008 to April 2011; director of Abbastar Resources Corp. from April 2009 to April 2010; director of BTU Capital Corp. since April 2009; director of Aintree Resources Corp. since October 2009; director of Archean Star Resources Inc. from January 2011 to March 2012; President of Discovery Ventures Inc. from November 2011 to June 2012; director of Alston Ventures Inc. from November 2007 to November 2010; director of Bonaparte Resources Inc. from June 2012 to June 2014.	October 2011	1,514,820

Name, Position(s) & Municipality of Residence	**Principal Occupation within the last 5 years[1]**	**Director/Officer since**	**Ownership or control over Common Shares[2]**
Paul D. Gray Director Vancouver, BC	Professional geoscientist since August 2005; principal of Paul D. Gray Geological Consultants since August 2007; director and CEO of Dawson Gold Corp. since June 2010; president, director of Argus Metals Corp. since September 2005; director of Tajiri Resources Corp. since October 2011; director of Alston Ventures Inc. from July 2009 to July 2012; director of Geo Minerals Ltd. from May 2008 to December 2011; director, Dawson Gold Corp. since June 2010; director of Cloudbreak Resources Ltd. from March 2009 to July 2010; director of Blue River Resources Ltd. since August 2009; President of Zadar Ventures Ltd. since June 2013	October 2011	33,333
John Masters CFO & Secretary Port Moody, BC	Corporate Secretary, Alix Resources Corp. since August 2007; Corporate Secretary of Geo Minerals Ltd. from February 2009 to December 2011 and Chief Financial Officer from April 2009 to December 2011; Corporate Secretary of Ashburton Ventures Inc. since January 2009; Corporate Secretary of Alston Ventures Inc. from July 2009 to July 2012; Secretary and Director of Caribou King Resources Ltd. since March 2011 and Chief Financial Officer since June 2012; Director Green Swan Capital Corp. from January 14, 2014 to present.	October 2011 (Secretary) April 2014 (CFO)	125,000
Joe Wowk Director Maple Ridge, BC	Joe Wowk brings 30 years of music industry experience to the GeoNovus team. To his credits, Joe has performed in over 5,000 live shows to date with artists such as Sweeney Todd, Prism, Toronto, Chrissy Steele, and Darby Mills. In addition, Mr. Wowk has toured with stadium acts such as Bryan Adams, Jethro Tull, Kim Mitchell, Trooper, and many more. Mr. Wowk is a member of the band Franklin's Dealers.	January 5, 2015	319,000

Name, Position(s) & Municipality of Residence	Principal Occupation within the last 5 years[1]	Director/Officer since	Ownership or control over Common Shares[2]
Tim Marlowe Director Vancouver, BC	Mr. Marlowe has worked on over 40 motion pictures, nine of which he produced and in 2014 was the Executive Producer for "The Lady in Number 6" which won him an Academy Award®. Tim has worked with many A-list actors such as Martin Sheen and Steven Seagal and in the past eighteen months he has worked with Vinnie Jones (Gone in 60 Seconds), Vern Troyer (Austin Powers-Mini Me), Jesse Bradford (Swimfan), Mena Suvari (American Beauty, and American Pie), Locklyn Munroe (Night at the Roxbury, Unforgiven), Hailey Duff (Napoleon Dynamite) and Natasha Henstridge (Species).	December 17, 2014	0

Notes:
(1) The information as to principal occupation, business or employment and Common Shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the respective individuals. Each individual has held the same or a similar principal occupation with the organization indicated or a predecessor thereof for the last five years unless otherwise indicated.
(2) The number of Common Shares beneficially owned by the above nominees for directors, directly or indirectly, is based on information furnished by Computershare Investor Services Inc., the registrar and transfer agent of the Company, insider reports filed on SEDI and by the individuals themselves.

13.2 Term of Office

Each director of the Company will hold office until the next annual general meeting of the Company's shareholders, unless his office is earlier vacated in accordance with the provisions of the BCBCA. See item 13.1 above for the term of service for each of the Company's current directors.

13.3 Securities Owned by Directors & Executive Officers

As at the date of this Listing Statement, the directors and executive officers of the Company own, directly or indirectly, or control or direct an aggregate total of 1,992,153 Common Shares.

13.4 Board Committees

The Company's board of directors has established an audit committee, of which Messrs. England, Gray, and Wowk are members.

13.5 Directorships

The participation of the directors and executive officers in other reporting issuers is described in the following table:

Name of Director/Executive Officer	Names of Other Reporting Issuers of which the Director is a Director
Michael B. England	Aintree Resources Corp., Alix Resources Corp., Ashburton Ventures Inc., Bonaparte Resources Inc., BTU Capital Corp. and Caribou King Resources Ltd.
Paul D. Gray	Argus Metals Corp., Blue River Resources Ltd., Dawson Gold Corp. and Tajiri Resources Corp.
John Masters	Alix Resources Corp., Caribou King Resources Ltd. and Green Swan Capital Corp.
Joe Wowk	None
Tim Marlowe	None

13.6 Corporate Cease Trade Orders or Bankruptcies

Other than as set out below, to the knowledge of the Company, none of the Company's current director or executive officer is, or has, within the 10 years before the date of this Listing Statement, been a director, chief executive officer or chief financial officer of any company that,

(a) was subject to an order that was issued while the individual was acting in the capacity as director, chief executive officer or chief financial officer; or

(b) was subject to an order that was issued after the individual ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that individual was acting in the capacity as director, chief executive officer or chief financial officer.

Zone Resources Inc., a company of which Michael B. England became a director in May of 2008, was issued a cease trade order dated May 7, 2008, by the Alberta Securities Commission and a cease trade order dated May 14, 2008, by the British Columbia Securities Commission for failing to file annual audited financial statements for the period ending Dec. 31, 2007, within the required time period. Zone Resources Inc. received a Revocation Order from the Alberta Securities Commission on September 9, 2008 and from the British Columbia Securities Commission on September 9, 2008.

To the knowledge of the Company, none of the Company's current directors or executive officers is, as at the date of this Listing Statement, or has been within 10 years before the date of this Listing Statement, a director or executive officer of any company (including of the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

13.7 Penalties & Sanctions

None of the Company's current directors or executive officers has been subject to (i) any penalties or sanctions imposed by a court relating to securities legislation or by a security regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

13.8 Not applicable.

13.9 Personal Bankruptcies

None of the Company's current director or executive officers has, within the 10 years before the date of Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his respective assets.

13.10 Conflicts of Interest

Certain of the directors and officers of the Company do not devote all of their time to the affairs of the Company. Certain of the directors and officers of the Company are directors and officers of other companies, some of which are in the same business as the Company.

The directors and officers of the Company are required by law to act in the best interests of the Company. They have the same obligations to the other companies in respect of which they act as directors and officers. Discharge by the directors and officers of their obligations to the Company may result in a breach of their obligations to the other companies, and in certain circumstances this could expose the Company to liability to those companies. Similarly, discharge by the directors and officers of their obligations to the other companies could result in a breach of their obligation to act in the best interests of the Company. Such conflicting legal obligations may expose the Company to liability to others and impair its ability to achieve its business objectives.

13.11 Management

The following is a description of each member of the Company's management.

Michael B. England (President, CEO & Director; 51 years of age):

Mr. England is currently a director and the Chief Executive Officer of four reporting companies, and a director of five other reporting issuers, all of whom are listed on the TSX Venture Exchange, and all of whom are similar in industry and size to the Company. Mr. England has been a director and executive officer of numerous junior mining companies similar to the Company since 2001, and serves as a member of the audit committee on many of these companies. Mr. England is also the director and President of England Communications Ltd., a private company which offers management services to several reporting companies involved in mining exploration. As a result of these years of experience, Mr. England is very familiar with the breadth and complexity of issues that face the Company, and in particular, the accounting issues that may be raised by the financial statements of the Company.

John Masters (CFO & Secretary; 56 years of age):

Mr. Masters has been a business administration consultant since 2007, and has held numerous positions with various mining issuers. He currently serves as the Corporate Secretary (since August 2007), and director (since February 2010) of Alix Resources Ltd. Mr. Masters has also been the corporate secretary of Ashburton Ventures Ltd., a TSXV-listed mining issuer, from January 2009 to present.

CAPITALIZATION

Issued Capital

	Number of Common Shares (non-diluted)	**Number of Common Shares (fully diluted)**	**% of Issued Common Shares (non-diluted)**	**% of Issued Common Shares (fully diluted)**
Public Float				
Total Outstanding (A)	61,442,724	92,587,024	100%	100%
Held by Related Persons or employees of the Company or Related Person of the Company, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Company (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Company upon exercise or conversion of other securities held) **(B)**	6,534,153	13,414,153	10.6%	14.5%
Total Public Float (A-B)	54,908,571	79,172,871	89.4%	85.5%
Freely-Tradable Float				
Number of	2,428,322	2,428,322	3.95%	2.62%

outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block issuers (C)				
Total Tradeable Float (A-C)	59,014,402	90,158,702.	96.05%	97.38%

Public Shareholders (Registered)

Size of Holding	Number of Holders[(1)]	Total Number of Common Shares
1 - 99 Common Shares	5	324
100 - 499 Common Shares	0	0
500 - 999 Common Shares	2	1,334
1,000 - 1,999 Common Shares	4	5,334
2,000 - 2,999 Common Shares	1	2,125
3,000 - 3,999 Common Shares	3	9,999
4,000 - 4,999 Common Shares	0	0
5,000 or more Common Shares	21	5,914,998

Note:
(1) The number of shareholders is based on information furnished by Computershare Investor Services Inc., the registrar and transfer agent of the Company.

Public Shareholders (Beneficial)

Size of Holding	**Number of Holders[1]**	**Total Number of Common Shares**
1 - 99 Common Shares		
100 - 499 Common Shares		
500 - 999 Common Shares		
1,000 - 1,999 Common Shares		
2,000 - 2,999 Common Shares		
3,000 - 3,999 Common Shares		
4,000 - 4,999 Common Shares		
5,000 or more Common Shares		

Note:
(1) The number of shareholders is based on information furnished by Broadridge Communications Solutions Canada.

Non-Public Shareholders (Registered)

Size of Holding	**Number of Non-Public Shareholders[1][2]**	**Total Number of Common Shares**
1 - 99 Common Shares		
100 - 499 Common Shares		
500 - 999 Common Shares		
1,000 - 1,999 Common Shares		
2,000 - 2,999 Common Shares		
3,000 - 3,999 Common Shares		
4,000 - 4,999 Common Shares		
5,000 or more Common Shares		

Note:
(1) "Non-Public Shareholders" refers to Related Persons or employees of the Company or Related Person of the Company, or to persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Company (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Company upon exercise or conversion of other securities held).
(2) The number of Common Shares beneficially owned by the above nominees for directors, directly or indirectly, is based on information furnished by Computershare Investor Services Inc., the registrar and transfer agent of the Company, insider reports filed on SEDI and by the nominees themselves.

14.2 Convertible Securities

The following table describes any outstanding securities convertible or exchangeable into Common Shares issued and outstanding as at the date of this Listing Statement.

Description of Security	Number Outstanding	Number of Common Shares Issuable Upon Conversion/Exercise
Warrants	25,724,300	25,724,300
Stock Options	5,420,000	5,420,000

14.3 The Company's Stock Option Plan was established to provide an incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. The Stock Option Plan is administered by the directors of the Company, and provides that options will be issued pursuant to option agreements with directors, officers, employees or consultants of the Company or a subsidiary of the Company. The Stock Option Plan provides that the number of Common Shares issuable under the Stock Option Plan, together with all of the Company's other previously established or proposed share compensation agreements, may not exceed 10% of the total number of issued and outstanding Common Shares at the date of grant. All options expire on a date not later than five years after the issuance of such option. As at the date of this Listing Statement, 3,950,000 options have been granted under the Stock Option Plan and remain issued and outstanding.

EXECUTIVE COMPENSATION

15.1 Executive Compensation

Compensation Discussion and Analysis

The Company's board of directors as a whole has the responsibility of determining the compensation for the CEO and CFO and of determining compensation for directors and senior management.

The Company's compensation objectives include the following:

- to assist the Company in attracting and retaining highly-qualified individuals;
- to create among directors, officers, consultants and employees a sense of ownership in the Company and to align their interests with those of the shareholders; and
- to ensure competitive compensation that is also financially affordable for the Company.

The compensation program is designed to provide competitive levels of compensation. The Company recognizes the need to provide a total compensation package that will attract and retain qualified and experienced executives as well as align the compensation level of each executive to that executive's level of responsibility. In general, the Company's NEOs (defined below) may receive compensation that is comprised of three components:

- Salary, wages or contractor payments;

- Stock option grants; and/or
- Bonuses.

The objective and reason for this system of compensation is to allow the Company to remain competitive compared to its peers in attracting experienced personnel. The base salary of an NEO is intended to attract and retain executives by providing a reasonable amount of non-contingent remuneration.

The base salary review of each NEO takes into consideration the current competitive market conditions, experience, proven or expected performance, and the particular skills of the NEO. Base salary is not evaluated against a formal "peer group."

Stock option grants are designed to reward the NEOs for success on a similar basis as the shareholders of the Company, although the level of reward provided by a particular stock option grant is dependent upon the volatile stock market.

Any bonuses paid to the NEOs are allocated on an individual basis related to the review by the Board of the work planned during the year and the work achieved during the year, including work related to mineral exploration, administration, financing, shareholder relations and overall performance. The bonuses are paid to reward work done above the base level of expectations set by the base salary, wages or contractor payments.

Executive Compensation

In this section "Named Executive Officer" or "NEO" means the CEO, the CFO and each of the three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed fiscal year and whose total compensation exceeds $150,000 as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an officer of the Company at the end of the most recently completed financial year end.

Michael B. England, the Company's President and CEO and Olga Nikitovic, the Company's CFO were the "Named Executive Officers" of the Company for the purposes of the following disclosure. There are no other executive officers of the Company whose total compensation exceeded $150,000 during the financial year ended August 31, 2013. The compensation paid to the Named Executive Officers for the three most recently completed financial years of the Company is as set out below:

Summary Compensation Table

Name and Principal Position	Year	Salary ($)	Share-based awards ($)	Option-based awards(1) ($)	Non-equity incentive plan compensation ($)		Pension value ($)	All other Compe n-sation ($)	Total Compe n-sation ($)
					Annual incentive plans	Long-term incentive plans			
Michael B. England(2) President and CEO	2014 2013	$48,000 $65,400	N/A N/A	Nil Nil	Nil Nil	Nil Nil	N/A N/A	Nil Nil	65,400
Olga Nikitovic CFO	2014 2013	24,500 60,000	N/A N/A	Nil Nil	Nil Nil	Nil Nil	N/A N/A	Nil Nil	24,500 60,000

Notes:

(1) The fair value of the option-based awards was determined on the grant date using the Black-Scholes option pricing model. The Company uses the Black-Scholes option pricing model because it is a widely used and generally accepted method of estimating the fair value of stock options for accounting purposes.

(2) Mr. England also serves or served as a director of the Company and receives compensation for services as a director, and that compensation has been included in the figures provided in this Summary Compensation Table. Amounts, if any, which relates to the director role are disclosed in subsequent footnotes hereunder.

Outstanding Share-Based Awards And Option-Based Awards

The following tables provide information regarding all share-based and option-based awards outstanding as at August 31, 2014.

	Option-based Awards				Share-based Awards	
Name (a)	Number of securities underlying unexercised options (#) (b)	Option exercise price ($) (c)	Option expiration date (d)	Value of unexercised in-the-money options(1) ($) (e)	Number of shares or units of shares that have not vested (#) (f)	Market or payout value of share-based awards that have not vested ($) (g)
Michael B. England President and CEO	200,000 270,000	$0.10 $0.05	June 19, 2017 October 1, 2015	Nil Nil	N/A	N/A
John Masters CFO	50,000 50,000	$0.05 $0.05	April 3, 2019 Sept. 26, 2018	Nil Nil	N/A N/A	N/A N/A

Note:

(1) This amount is calculated based on the difference between the market value of the securities underlying the options at the end of the most recently completed financial year, which was $0.04 and the exercise or base price of the option.

Incentive Plan Awards - value vested or earned during the year

An "incentive plan" is any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period. An "incentive plan award" means compensation awarded, earned, paid or payable under an incentive plan.

Name **(a)**	**Option-based awards – Value vested during the year[1]** **($)** **(b)**	**Share-based awards – Value vested during the year** **($)** **(c)**	**Non-equity incentive plan compensation – Value earned during the year** **($)** **(d)**
Michael B. England President and CEO	Nil	N/A	N/A
John Masters CFO	Nil	N/A	N/A

Note:
(1) This amount is the dollar value that would have been realized computed by obtaining the difference between the market price of the underlying securities at exercise and the exercise or base price of the options under the option-based award on the vesting date.

Termination of Employment, Change in Responsibilities and Employment Contracts

There are no employment contracts between the Company and the Named Executive Officers except as described under item 20 "Interest of Management and Others in Material Transactions".

There are no compensatory plans, contracts or arrangements between the Company and any NEO, where the NEO is entitled to receive more than $50,000 from the Company, including periodic payments or installments, in the event of:

(a) the resignation, retirement or any other termination of employment of the NEO's employment with the Company;

(b) a change of control of the Company; or

(c) a change of the NEO's responsibilities following a change in control.

Pension Arrangements

The Company does not have any pension arrangements in place for the NEO.

Compensation of Directors

For a description of the compensation paid to the Company's NEO(s) who also act as directors, see "Summary Compensation Table" above.

Other than as disclosed elsewhere in this Listing Statement, no director of the Company who is not a NEO has received, during the most recently completed financial year, compensation pursuant to:

(a) any standard arrangement for the compensation of directors for their services in their capacity as directors, including any additional amounts payable for committee participation or special assignments;

(b) any other arrangement, in addition to, or in lieu of, any standard arrangement, for the compensation of directors in their capacity as directors except for the granting of stock options; or

(c) any arrangement for the compensation of directors for services as consultants or experts.

The Company may grant incentive stock options to directors of the Company from time to time pursuant to the Stock Option Plan of the Company.

The compensation paid to the directors, other than the NEOs, during the Company's most recently completed financial year is as set out below:

Name ($) (a)	Fees earned ($) (b)	Share-based awards ($) (c)	Option-based awards[1] ($) (d)	Non-equity incentive plan compensation ($) (e)	Pension value ($) (f)	All other compensation ($) (g)	Total ($) (h)
Paul D. Gray	Nil	N/A	3,293	Nil	N/A	Nil	3,293
Joe Wowk	Nil	N/A	Nil	Nil	N/A	Nil	Nil
Timothy Marlowe	Nil	N/A	Nil	Nil	N/A	Nil	Nil

Note:
(1) The fair value of the option-based awards was determined on the grant date using the Black-Scholes option pricing model. The Company uses the Black-Scholes option pricing model because it is a widely used and generally accepted method of estimating the fair value of stock options for accounting purposes.

Narrative Discussion

Other than amounts already included in the above table, the Company has no arrangements, standard or otherwise, pursuant to which directors are compensated by the Company or its subsidiaries for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as consultant or expert during the most recently completed financial year or subsequently, up to and including the date of this Listing Statement.

The Company has a stock option plan for the granting of incentive stock options to the officers, employees and directors. The purpose of granting such options to the Company's directors is to assist the Company in compensating, attracting, retaining and motivating the directors and to closely align the personal interests of the directors to that of the Company's shareholders.

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information concerning all awards outstanding under incentive plans of the Company pursuant to which compensation that depends on achieving certain performance goals or similar conditions within a specified period, at the end of the most recently completed financial year, including awards granted before the most recently completed financial year, to each of the directors who are not NEOs:

	Option-based Awards				Share-based Awards	
Director Name (a)	Number of securities underlying unexercised options (#) (b)	Option exercise price ($) (c)	Option expiration date (d)	Value of unexercised in-the-money options[1] ($) (e)	Number of shares or units of shares that have not vested (#) (f)	Market or payout value of share-based awards that have not vested ($) (g)
Paul D. Gray	50,000 50,000	$0.05 $0.05	Sept. 26, 2018 April 3, 2019	Nil Nil	N/A N/A	N/A N/A
Timothy Wowk	200,000	$0.10	January 30, 2017	Nil	N/A	N/A
Joe Wowk	200,000	$0.10	January 30, 2017	Nil	N/A	N/A

Note:
(1) This amount is calculated based on the difference between the market value of the securities underlying the options at the end of the most recently completed financial year, which was $0.04 and the exercise or base price of the option.

Incentive Plan Awards - value vested or earned during the year

An "incentive plan" is any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period. An "incentive plan award" means compensation awarded, earned, paid or payable under an incentive plan.

Name (a)	Option-based awards – Value vested during the year[1] ($) (b)	Share-based awards – Value vested during the year ($) (c)	Non-equity incentive plan compensation – Value earned during the year ($) (d)
Paul D. Gray	Nil	N/A	N/A
Joe Wowk	Nil	N/A	N/A
Timothy Marlowe	Nil	N/A	N/A

Note:
(1) This amount is the dollar value that would have been realized computed by obtaining the difference between the market price of the underlying securities at exercise and the exercise or base price of the options under the option-based award on the vesting date.

16.2 Indebtedness of Directors and Executive Officers

No director, executive officer, employee or former director, executive officer or employee of the Company, nor an associate of such individuals, was indebted to the Company as at the date hereof or at any time during the most recently completed financial year of the Company.

The Company has not provided any guarantees, support agreements, letters of credit or other similar arrangement or understanding for any indebtedness of any of the Company's directors, executive officers, or associates of any of the foregoing individuals as at the date hereof or at any time during the most recently completed financial year of the Company.

RISK FACTORS

There are a number of risk factors associated with the Company and its business. An investment in the securities of the Company is speculative, and involves a high degree of risk. Investors should carefully consider each of the risks described below and all of the information in this Listing Statement before investing in securities of the Company. An investment in the securities of the Company is suitable only to those investors who are willing to risk the loss of their entire investment.

Risks with respect to the Company and the Mining Industry

Limited Operating History

The Company is still at an early stage of development. Over the past three years, the Company has been engaged in the business of acquiring, exploring and, if warranted, developing mineral properties in the hope of locating economic deposits of minerals. The mineral interest properties that the Company has placed its focus on are in the early stages of exploration and are without a known deposit of commercial ore.

The Company has no history of earnings. There is no guarantee that economic quantities of mineral reserves will be discovered on the Company's properties.

Exploration and Development Risks

Resource exploration and development is a highly speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market and mineral price fluctuations, particular attributes of any deposits (including size and grade), the proximity and capacity of mining facilities, mineral markets and processing equipment, and other factors such as governmental regulations, including regulations relating to royalties, allowable production, 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 having an adequate return on investment.

Each of the Company's mineral interests are only at the early stages of exploration and are without proven bodies of commercial minerals. Development of this property or any property would follow only if favourable exploration results are obtained. The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines.

There is no assurance that the Company's mineral exploration activities and, if warranted, its development activities will result in any discoveries of commercial bodies of any minerals. The long-term profitability of the Company's operations will, in part, be directly related to the costs and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling and 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 such development can be obtained on a timely basis.

Mineral Titles

No assurances can be given that title defects to the Company's mineral interests do not exist. The Company's current mineral properties and other properties it may from time to time acquire an interest in, may be subject to prior unregistered agreements, transfers or claims and title may be affected by undetected defects. If title defects do exist, it is possible that the Company may lose all or a portion of its right, title and interest in and to the properties.

Loss of Interest in Properties

The Company may acquire properties which require the Company to make certain additional payments in order to maintain its interests. The Company's ability to acquire or maintain those interests will be dependent on its ability to raise additional funds by equity and/or debt financing. Failure to obtain additional financing may result in the Company being unable to make the periodic payments required for the acquisition of its interests in certain properties and could result in delay or postponement of further exploration and the partial or total loss of the Company's interest in such properties.

Aboriginal Rights

Aboriginal rights may be claimed on properties or other types of tenure with respect to which mining rights have been conferred. The Company is not aware of any aboriginal land claims having been asserted or any legal actions relating to aboriginal issues having been instituted with respect of the mineral claims in which the Company has an interest.

Permits and Government Regulations

The future operations of the Company will require permits from various federal, provincial and local governmental authorities and will be governed by laws and regulations governing exploration, development, mining, production, export, taxes, labour standards, occupational health, waste disposal, land use, environmental protections, mine safety and other matters. There can be no guarantee that the Company will be able to obtain all necessary permits and approvals that may be required to undertake exploration activity or commence construction or operation of mining facilities on any of its properties.

Environmental and Safety Regulations and Risks

Environmental laws and regulations may affect the operations of the Company. These laws and regulations set various standards regulating certain aspects of environmental quality. Further, they may provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted. The permission to operate can be temporarily withdrawn where there is evidence of serious breaches of health and safety standards, or even permanently revoked in the case of extreme breaches.

Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in acquired properties or non-compliance with environmental laws or regulations. In all major developments, the Company generally relies on development contractors, from which the Company will, in the first instance, seek indemnities. The Company intends to minimize risks by taking steps to ensure compliance with environmental, health and safety laws and regulations and operating to applicable standards. There is a risk that environmental laws and regulations may become more onerous, and thus raising the costs of operations and making mineral exploration entirely prohibitive.

Competition

The mining industry is intensely competitive in all of its phases. The Company competes with many companies possessing greater financial resources and technical facilities than itself. The competition in the mineral exploration and development business could adversely affect the Company's ability to acquire suitable properties or prospects for exploration in the future.

Management

The success of the Company is currently dependant on the performance of its directors and officers. The loss of the services of any of these persons could have a materially adverse effect on the Company's business and prospects. There is no assurance that the Company can maintain the services of its directors, officers or other qualified personnel required to operate its business.

Conflicts of Interest

Certain members of the Company's board of directors are also directors or officers of other companies and, from time to time, such an association may give rise to conflicts of interest. The result of a conflict of interest is that opportunities that are presented to a standing director of the Company may not be made available to the Company and may be offered to a company with competing interests.

Various of the Company's directors, officers and other members of management do, and may in the future, serve as directors, officers, promoters and members of management of other companies involved in the acquisition, exploration and development of mineral resource properties and, therefore, it is possible that a conflict may arise between their duties as a director, officer, promoter or member of the Company's management team and their duties as a director, officer, promoter or member of management of such other companies. By law, the directors of the Company are required to act honestly and in good faith with a view to the best interests of the Company, to disclose any personal interest which they may have in any project or opportunity of the Company, and to abstain from voting on these matters. The Company's directors and officers are aware of the laws governing accountability of directors and officers and the Company will rely upon these laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors or officers.

Fluctuating Mineral Prices

The Company's revenues, if any, are expected to be in a large part derived from the extraction and sale of base and precious metals. The price of those commodities has fluctuated widely, and is affected by numerous factors beyond the Company's control, including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, speculative activities and increased production due to new extraction developments and improved extraction and production methods. The effect of these factors on the price of base and precious metals, and therefore the economic viability of any of the Company's exploration projects, cannot be accurately predicted.

Cyclical and Seasonal Impact of Industry

The exploration for and development of mineral interests is dependent on access to areas where mining operations are to be conducted. Seasonal weather variations, including freeze-up and break-up, affect access in certain circumstances.

The mining industry is cyclical whereby commodity prices move up and down on a periodic basis due to changing global and domestic supply and demand conditions. Price volatility has contributed to lower industry cash flow and a reduction in the availability of both debt and equity capital.

Additional Funding Requirements

From time to time, the Company may require additional financing in order to carry out its acquisition, exploration and development activities. Failure to obtain such financing on a timely basis could cause the Company to forfeit its interest in certain properties, miss certain acquisition opportunities and reduce or terminate its operations. If the Company's cash flow from operations is not sufficient to satisfy its capital or resource expenditure requirements, there can be no assurance that additional debt or equity financing will be available to meet these requirements or be available on terms favourable to the Company.

Price Volatility and Lack of Active Market

In recent years, the securities markets in Canada, and elsewhere, have experienced a high level of price and volume volatility, and the market prices of securities of many public companies have experienced significant fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. Any quoted market for the Company's securities may be subject to such market trends and that the value of such securities may be affected accordingly.

Dilution

The number of Common Shares that the Company is authorized to issue is unlimited. The directors of the Company will have the discretion to issue additional Common Shares in order to raise additional capital or in connection with future acquisitions, which may have a dilutive effect on holders of the Common Shares.

Negative Cash Flow from Operating Activities

The Company has negative operating cash flow, and relies upon equity or debt financings to fund operating expenses. If the Company incurs new debt to fund operating expenses, it may affect the long-term security of the Company and the value of the Common Shares. If the Company undertakes additional equity financings, shareholders could be subject to substantial dilution. There is no assurance that any such funds will be available. Failure to obtain additional financing, if required, on a timely basis or on favourable terms, could cause the Company to reduce or delay its proposed operations.

Operations in Industries Other than Mining

Though the Company does not have any operations or assets outside of the mining industry as at the date of this Listing Statement, management of the Company has commenced identifying and analysing potential opportunities for the Company for the benefit of its shareholders in industries other than mining.

If the aforementioned acquisition of the assets of Greenstock Publishing is completed, the Company will change its primary operations to the entertainment industry. As at the date of this Listing Statement, there can be no assurance or guarantee that the Company will complete the acquisition.

Additionally, the Company's current management and certain members of its board of directors have limited history in industries other than mining. As such, in the event that the Company does enter into a different industry, it may be required to retain new personnel, or rely heavily on contractors or third parties, for such operations. There can be no guarantee that such contractors and third parties will be available to carry out such activities on behalf of the Company or be available on commercially acceptable terms.

Risks with respect to the Greenstock Publishing acquisition

The following discussion is a general description of risk factors if the Company completes its acquisition of the Greenstock Publishing assets. See "Narrative Description of the Company's Business."

Integration Risks

Though the Company anticipates that, if completed, its acquisition of the Greenstock Publishing assets will result in certain benefits, the results may vary. It is possible that the anticipated results may not occur as planned, or that the financial and other benefits may be less than anticipated.

Failure to retain key personnel

If the acquisition of the Greenstock Publishing is completed, the Company's future success will depend to a significant extent on the service on certain directors of the Company and its ability to retain new personnel with experience in the entertainment industry. The loss of the services of any such key personnel, or the inability to retain key personnel, may have a material adverse effect on the Company's business.

Copyright

Though the Company intends to acquire the rights to distribute the music recordings used in connection with its proposed new business, the Company may be subject to copyright infringement lawsuits for selling, performing or distributing music recordings if it does not have the rights to do so. Results of legal proceedings cannot be predicted with certainty. Regardless of its merit, litigation, arbitration and/or mediation of such claims may be both time-consuming and disruptive to the Company's operations and cause significant expense and diversion of management attention. Should the Company fail to prevail in such proceedings and claims the Company's financial condition and operating results could be materially and adversely affected.

Legal title to the rights of music content

The Company anticipates that it may enter into future acquisition and distribution agreements with respect to additional artists, though there can be no assurance or guarantee that the Company will enter into such agreements on terms favorable to it, or at all. Though the Company anticipates that such agreements will contain representations, warranties and indemnities with respect to the digital rights granted to the Company, if the Company were to acquire and make available for licensing music recordings from a person who did not actually own such rights, and the Company was unable to enforce on the representations, warranties and indemnities made by such person, the business of the Company may be adversely affected.

Competitive Industry

The market for acquiring exclusive rights from content owners is competitive, especially for the licensing or distribution of music catalogues. The number of commercialized music recordings available for acquisition is large, but limited, and many of the more desirable music recordings are already subject to digital distribution agreements or have been directly placed with digital entertainment services. The Company faces competition in its pursuit to acquire additional content, which may reduce the amount of music content that it is able to acquire or license and may lead to higher acquisition prices. The competitors of the Company may from time to time offer better terms of acquisition to content owners. Increased competition for the acquisition of rights to music recordings may result in a reduction in the operating margins of the Company and may reduce the Company's ability to distinguish itself from its competitors by virtue of its music library.

Tax Risk

The Company is resident in Canada for purposes of the Tax Act. If the Company completes the acquisition of the Greenstock Publishing assets such that it will proceed to license music for the use in motion pictures, it is anticipated that any potential income of the Company may be from foreign countries, and in particular the United Sates. To the extent that the Company derives income from foreign countries, it may be subject to taxation in both Canada and in those other countries.

PROMOTERS

18.1 Promoters

The following table provides a description of all persons or companies that are currently, or that have been within the two years immediately preceding the date of this Listing Statement, a promoter of the Company or that provides investor relations activities for or on behalf of the Company.

Name	Services Provided to the Company	Consideration Paid by the Company	Common Shares Owned or Controlled, Directly or Indirectly(1)
MI3 Communications Financieres Inc.	Conducts investor relations activities for the Company.	$7,500 plus taxes per(2) month and 300,000 Stock Options(1)	780,000

(1) Each Stock Option entitles the holder to purchase one Common Share at an exercise price of $0.10 per Common Share until February 11, 2019.

(1) Monthly payments ceased after six months.

The Company has not acquired any assets from any of the persons described in the table above.

18.2 Cease Trade Orders

Other than as set out below, to the knowledge of the Company, none of the persons described in the table above in Item 18.1 has, within the 10 years before the date of this Listing Statement, been a director, chief executive officer or chief financial officer of any company that,

(a) was subject to an order that was issued while the individual was acting in the capacity as director, chief executive officer or chief financial officer; or

(b) was subject to an order that was issued after the individual ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that individual was acting in the capacity as director, chief executive officer or chief financial officer.

LEGAL PROCEEDINGS

19.1 Legal Proceedings

There are no legal proceedings outstanding, threatened or pending, as of the date of the Listing Statement, by or against the Company or which the Company is a party or to which any of the Company's respective property is subject, nor to the Company's knowledge are any such legal proceedings contemplated, which could become material.

19.2 Penalties and Sanctions

As at the date of this Listing Statement, there are not, nor have there been in the three years preceding the date of this Listing Statement, any penalties or sanctions imposed against the Company by a court relating to provincial or territorial securities legislation or by a securities regulatory authority, nor any other penalties or sanctions, nor has the Company entered into any settlement agreements with respect to same now or during that time period.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

20.1 Other than as described below, as at the date of this Listing Statement, nor in the three years preceding the date of this Listing Statement, the Company has not entered into any material transactions or proposed transactions with any director or executive officer of the Company, any person or company that owns or controls, directly or indirectly, more than 10% of the Common Shares, nor any associate or affiliate with any of the foregoing persons.

At the time of its incorporation in October 2011, the Company was a wholly-owned subsidiary of Geo. In December 2011, New Gold and Geo completed the Arrangement, pursuant to which New Gold acquired all of the outstanding common shares of Geo. Under the terms of the Arrangement, each Geo shareholder received cash consideration in exchange for each Geo share held. In addition, New Gold retained Geo's interest in certain mineral properties and cash, and the remainder of Geo's portfolio of exploration properties was transferred to the Company.

AUDITORS, TRANSFER AGENTS AND REGISTRARS

21.1 Auditors:

The Company's auditors are Davidson and Company LLP, Chartered Accountants, with offices at Suite 1200, 609 Granville Street, Vancouver, BC V7Y 1G6.

21.2 Transfer Agent & Registrar

The registrar and transfer agent of the Company and for the Common Shares is Computershare Investor Services Inc. with offices at 3rd Floor, 510 Burrard Street, Vancouver, British Columbia V6C 3A8.

MATERIAL CONTRACTS

22.1 Material Contracts

The material contracts which the Company has entered into during the last two years are set out below:

The Company entered into a purchase agreement dated May 7, 2013 with Gilbert Clement and Michael A. Tremblay under which the Company issued a total of 100,000 Common Shares to Gilbert Clement and Michael A. Tremblay with respect to the acquisition of all of the interest in the Chabanel Property located in the Chabanel Township, Sault Ste Marie Mining Division, Ontario.

The Company entered into an option agreement dated May 7, 2013 with Steven Anderson under which the Company issued 2,100,000 Common Shares and $50,000 to Steven Anderson with respect to the acquisition of all of the interest in the Mink Lake Property located in the town of Wawa, Ontario.

The Company entered into an amended and restated letter agreement dated October 7, 2013 with Steven Anderson, Mona McKinnon, 2554022 Ontario Ltd., Hough Capital Management, Brenda Chisholm and Kidridge Farms Inc. under which the Company issued a total of 1,500,000 Common Shares with respect to the acquisition of all of the interest in the Shakespeare Property located in Webbwood, Ontario.

In September 2014 the Company enter into an agreement with a private Uruguayan SA company and its principal, Julian Strauss, with respect to the acquisition of assets related to the cannabinoid sciences, industrial hemp and medical marijuana industries in that country. In December 2014, the Company terminated the agreement.

On October 23, 2014 the Company entered into an agreement with Affinor Growers Inc. to exclusively license Affinor's vertical growing technology for agricultural use, research purposes and distribution in Uruguay and in the city of Langley, B.C., Canada. Under the terms of this agreement, GeoNovus is acquiring exclusive licensing and access to Affinor's vertical growing technology for use in Uruguay and in the city of Langley, B.C., Canada, by issuing 12 million common shares of its capital to the licensor as follows: an initial amount of six million shares as soon as is commercially practicable after signature of this agreement and the remaining six million shares on or before that date which is six months from the date of this agreement, subject to due diligence and regularity approval. The Company will not be proceeding with the second payment of six million shares.

On December 10, 2014 GeoNovus announced it had signed a letter of intent (LOI) to acquire the assets of Greenstock Publishing Ltd., a Canadian music publisher and by January 6^{th}, 2015 announced it signed a definitive agreement to acquire all of the assets of Greenstock Publishing Ltd. for 10 million shares. See "Narrative Description of the Company's Business."

OTHER MATERIAL FACTS

There are no other material facts other than as disclosed herein.

FINANCIAL STATEMENTS

Attached as Appendix A to this Listing Statement are the audited annual financial statements of the Company for the years ended August 31, 2014 and 2013, and the accompanying management's discussion and analysis dated December 22, 2014 for the year ended August 31, 2013.

Attached as Appendix B to this Listing Statement are the unaudited interim financial statements for the period ended November 30, 2014, and the accompanying management's discussion and analysis dated January 20, 2015 for the same period.

GEONOVUS MINERALS CORP.

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED AUGUST 31, 2014 AND 2013
(EXPRESSED IN CANADIAN DOLLARS)

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
GeoNovus Minerals Corp.

We have audited the accompanying consolidated financial statements of GeoNovus Minerals Corp., which comprise the consolidated statement of financial position as at August 31, 2014, and the consolidated statements of loss and comprehensive loss, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of GeoNovus Minerals Corp. as at August 31, 2014 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

1200 - 609 Granville Street, P.O. Box 10372, Pacific Centre, Vancouver, B.C., Canada V7Y 1G6
Telephone (604) 687-0947 Fax (604) 687-6172

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements which describes conditions and matters that indicate the existence of a material uncertainty that may cast significant doubt about GeoNovus Minerals Corp.'s ability to continue as a going concern.

Other Matters

The consolidated financial statements of GeoNovus Minerals Corp. for the year ended August 31, 2013 were audited by another auditor who expressed an unmodified opinion on those statements on December 18, 2013.

"DAVIDSON & COMPANY LLP"

Vancouver, Canada | Chartered Accountants

December 22, 2014

GEONOVUS MINERALS CORP.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(EXPRESSED IN CANADIAN DOLLARS)
AS AT

		August 31, 2014		August 31, 2013
ASSETS				
Current				
Cash	$	774	$	17,245
Receivables (Note 7)		28,733		127,151
Prepaid expenses (Note 8)		7,048		7,048
Total current assets		36,555		151,444
Due from related parties (Note 13)		9,800		14,700
Reclamation bonds (Note 10)		68,825		66,825
Exploration and evaluation assets (Note 11)		589,399		2,094,986
Total assets	$	704,579	$	2,327,955
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current				
Accounts payable and accrued liabilities (Note 12)	$	500,925	$	527,059
Loan payable (Note 13)		-		800
Flow through liability		-		12,205
Total liabilities		500,925		540,064
Shareholders' equity				
Capital stock (Note 14)		6,439,792		5,711,447
Subscriptions received in advance (Note 19)		272,750		-
Share-based payment reserve (Note 14)		502,522		413,194
Deficit		(7,011,410)		(4,336,750)
Total shareholders' equity		203,654		1,787,891
Total liabilities and shareholders' equity	$	704,579	$	2,327,955

Nature and continuance of operations (Note 1)
Commitments and contingencies (Notes 11 and 18)
Subsequent events (Note 19)

On behalf of the Board:

"Mike England", Director   " Marvin Mitchell", Director

See accompanying notes to the consolidated financial statements.

GEONOVUS MINERALS CORP.
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(EXPRESSED IN CANADIAN DOLLARS)
FOR THE YEARS ENDED AUGUST 31,

	2014	2013
EXPENSES		
Consulting fees	$ 303,568	$ 60,438
Foreign exchange (gain) loss	(2,587)	1,276
Interest expense	10,782	10,280
Loss on disposition of investments	-	29,049
Management fees	48,000	65,400
Office, rent, and miscellaneous	172,195	219,213
Other income	(12,205)	(2,041)
Professional fees	94,794	212,227
Property investigation costs	-	69,635
Share-based compensation (Note 14)	99,680	59,451
Shareholder communications and promotion	103,594	24,009
Transfer agent and filing fees	25,102	23,601
Travel and accommodation	7,076	4,128
Write-off of exploration and evaluation assets (Note 11)	1,824,661	542,905
Loss for the year	(2,674,660)	(1,319,571)
Other comprehensive loss		
Items that may be subsequently reclassified to income		
Unrealized loss on available for sale investments	-	(49)
Reclassification of unrealized loss	-	29,049
Total comprehensive loss	$ (2,674,660)	$ (1,290,571)
Basic and diluted net loss per common share	$ (0.08)	$ (0.06)
Weighted average number of common shares outstanding – basic and diluted	35,624,635	20,938,862

See accompanying notes to the consolidated financial statements.

GEONOVUS MINERALS CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(EXPRESSED IN CANADIAN DOLLARS)
FOR THE YEARS ENDED AUGUST 31,

	2014	2013
CASH FLOW FROM OPERATING ACTIVITIES		
Net loss for the year	$ (2,674,660)	$ (1,319,571)
Items not affecting cash:		
Share-based compensation	99,680	59,451
Write-off of exploration and evaluation expenditures	1,824,661	542,905
Other income	(12,205)	-
Recognition of flow through premium	-	(2,041)
Loss on disposition of investment	-	29,049
Accrued interest	-	(556)
Unrealized foreign exchange	(2,000)	(7,123)
Change in non-cash working capital items:		
Decrease in receivables	98,418	43,741
Decrease in due from related party	4,900	-
Decrease in prepaid expenses	-	19,634
Increase (decrease) in accounts payable and accrued liabilities	(44,767)	214,986
Net cash flows from operating activities	(705,973)	(419,525)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from private placements	593,725	540,240
Subscriptions received in advance	272,750	
Share issue costs	(7,537)	(23,884)
Proceeds from option exercises	25,000	-
Payment of loan payable	(48,300)	-
Proceeds from loan payable	47,500	800
Net cash flows from financing activities	883,138	517,156
CASH FLOWS FROM INVESTING ACTIVITIES		
Exploration and evaluation expenditures	(193,636)	(234,637)
Sale of investment	-	7,951
Net cash flows from investing activities	(193,636)	(226,686)
Effect of foreign exchange rate changes on cash and cash equivalents	-	3,473
Change in cash	(16,471)	(125,582)
Cash, beginning of year	17,245	142,827
Cash, end of year	$ 774	$ 17,245
Cash paid for taxes during the year	$ -	$ -
Cash paid for interests during the year	$ -	$ -

Supplemental disclosure with respect to cash flows (Note 15)

See accompanying notes to the consolidated financial statements.

GEONOVUS MINERALS CORP.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(EXPRESSED IN CANADIAN DOLLARS)

				Reserves				
	Number of shares	Capital stock	Subscriptions received in advance	Share-based payment reserve	Warrant reserve	Available for sale revaluation reserve	Deficit	Total
Balance, August 31, 2012	15,977,652	$ 5,296,204	$ -	$ 139,350	$ 106,670	$ (29,000)	$ (3,017,179)	$ 2,496,045
Issued pursuant to private placements	8,387,250	413,541	-	-	112,453			525,994
Issued pursuant to acquisition of mineral interests	700,000	29,000	-	-	-	-	-	29,000
Share-based compensation	-	-	-	59,451	-	-	-	59,451
Share issue costs - cash	-	(25,399)	-	-	(6,629)			(32,028)
Share issue costs - non cash	-	(1,899)	-	-	1,899			-
Net loss and comprehensive loss for the year	-	-	-	-	-	29,000	(1,319,571)	(1,290,571)
Balance, August 31, 2013	25,064,902	5,711,447	-	198,801	214,393	-	(4,336,750)	1,787,891
Issued pursuant to private placements	12,924,500	646,225	-	-	-	-	-	646,225
Issued pursuant to acquisition of mineral interests	1,500,000	60,000	-	-	-	-	-	60,000
Share-based compensation	-	-	-	99,680	-	-	-	99,680
Exercise of options	500,000	25,000	-	-	-	-	-	25,000
Fair value of exercised options	-	10,686	-	(10,686)	-	-	-	-
Share issue costs - cash	-	(13,232)	-	-	-	-	-	(13,232)
Share issue costs - non cash	-	(334)	-	-	334			-
Shares subscriptions received in advance	-	-	272,750	-	-	-	-	272,750
Net loss and comprehensive loss for the year	-	-	-	-	-	-	(2,674,660)	(2,674,660)
Balance, August 31, 2014	39,989,402	$ 6,439,792	$ 272,750	$ 287,795	$ 214,727	$ -	$ (7,011,410)	$ 203,654

See accompanying notes to the consolidated financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

GeoNovus Minerals Corp. (hereafter the "Company" or "GeoNovus") was incorporated on October 11, 2011 under the laws of the Business Corporation Act (BC, Canada). The Company's principal business is the acquisition and exploration of mineral properties. The Company began trading on the under the symbol "GNM" on January 5, 2012. The Company's common shares were delisted from trading on the TSX Venture Exchange ("TSX-V") on September 5, 2014 with trading of its common shares on the Canadian Securities Exchange commencing on September 8, 2014.

The Company's head office is located at 789 West Pender Street, Suite 1220, Vancouver, BC, V6C 1H2.

The consolidated financial statements were approved by the Board of Directors on December 22, 2014.

Although the Company has taken steps to verify title to its exploration and evaluation properties, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and noncompliance with regulatory and environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and restrictions and political uncertainty.

These consolidated financial statements have been prepared with the assumption that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. Continued operations of the Company are dependent on the Company's ability to receive financial support, complete a public equity financing, or generate profitable operations in the future. Management believes it will be successful in raising the necessary funding to continue operations; however, there is no assurance that these funds will be available on terms acceptable to the Company or at all. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern. These consolidated financial statements do not include the adjustments that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), and its interpretations.

3. BASIS OF PRESENTATION

These consolidated financial statements have been prepared on a historical cost basis except for investments classified as available-for-sale or held-for-trading which are stated at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The functional currency of the Company and its wholly owned subsidiaries is the Canadian dollar.

In the preparation of these consolidated financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the period. Actual results could differ from these estimates.

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been consistently applied to the periods presented in these consolidated financial statements, unless otherwise stated.

Principles of consolidation
These consolidated financial statements include the accounts of the Company, and its wholly-owned subsidiaries, Juturna Geothermal Inc. incorporated under the laws of B.C., Geo Minerals (Arizona) Ltd. and Juturna Geothermal (Arizona) Inc. incorporated under the laws of Arizona, and 2009812 Delaware, Inc. incorporated in the state of Delaware. Significant inter-company balances and inter-company transactions have been eliminated upon consolidation. All references to the Company should be treated as references to GeoNovus Minerals Corp. and its subsidiaries. In July 2013, the Company decided to dissolve Juturna Geothermal (Arizona) Inc. and 2009812 Delaware Inc. as these subsidiaries were inactive.

Subsidiaries
Subsidiaries are entities over which the Company has control, where control is defined as the power to govern financial and operating policies of an entity so as to obtain benefit from its activities. Generally, the Company has a shareholding of more than one half of the voting rights in its subsidiaries. The effects of potential voting rights that are currently exercisable are considered when assessing whether control exists. Subsidiaries are fully consolidated from the date control is transferred to the Company, and are de-consolidated from the date control ceases.

Cash
Cash consists of balances with banks and short-term demand deposits which are readily convertible into a known amount of cash. The Company's cash is invested with major financial institutions in business accounts.

Financial instruments
Financial assets and financial liabilities that are purchased and incurred with the intention of generating profits in the near term are classified as held-for-trading. These instruments are measured at fair value with subsequent changes in fair value recognized in the statement of loss and comprehensive loss. Currently, the Company has no held-for-trading financial assets.

Financial assets that have a fixed maturity date and fixed or determinable payments, where the Company intends and has the ability to hold the financial asset to maturity are classified as held-to-maturity and are measured at amortized cost using the effective interest rate method. Any gains and losses arising from the sale of held to maturity financial assets are recognized in the statement of loss and comprehensive loss. Currently, the Company has no held-to-maturity financial assets.

Items classified as loans and receivables are measured at amortized cost using the effective interest method. Any gains or losses on the realization of loans and receivables are recognized in the statement of loss and comprehensive loss. The Company's cash balance and receivables are classified as loans and receivables. The estimated fair values of these financial instruments approximate their carrying values because of the limited terms of these instruments.

Available-for-sale assets are those financial assets that are not classified as held-for-trading, held-to-maturity or loans or receivables, and are carried at fair value. Any gains or losses arising from the change in fair value are recorded as other comprehensive income. Available-for-sale investments are written down to fair value through operations whenever it is necessary to reflect other than temporary impairment. Cumulative gains and losses arising upon the sale of the instrument are included in operations. Regular way purchases and sales of financial assets are accounted for at the trade date. The Company's investments were classified as available-for-sale assets.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial liabilities that are not classified as held-to-maturity are classified as other financial liabilities, and are carried at amortized cost using the effective interest method. Any gains or losses arising from the realization of other financial liabilities are recognized in the statement of loss and comprehensive loss. The Company's accounts payable and accrued liabilities and loans payable are classified as other financial liabilities.

The Company classifies its fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels: (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1); (b) inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices) (Level 2); and (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3). As at August 31, 2014 and 2013, the Company had no financial instruments that were carried at fair value.

Impairment of financial assets
Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that the estimated future cash flows of the assets have been negatively impacted. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced by the amount of the impairment and the loss is recognized in the statement of loss and comprehensive loss.

If in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent that the carrying value of the asset does not exceed what the amortized cost would have been had the impairment not been recognized. Any subsequent reversal of an impairment loss is recognized in the statement of loss and comprehensive loss.

If an available-for-sale asset is impaired, an amount comprising the difference between its cost and its current fair value, less any impairment previously recognized in profit or loss, is transferred from equity to profit or loss. Reversals in respect of equity instruments classified as available-for-sale are not recognized in the statement of loss and comprehensive loss.

Impairment of non-financial assets
At each date of the statement of financial position, the Company reviews the carrying amounts of its non-financial assets to determine whether there is an indication that those assets have suffered an impairment loss. If such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. The recoverable amount is the higher of the fair value less costs to sell and the value in use. If the recoverable amount is less than the carrying amount of the asset, the carrying amount is reduced to the recoverable amount and the impairment loss is recognized in the statement of loss and comprehensive loss.

Foreign currency translation
The Canadian dollar is the functional and reporting currency of the Company. Under this method, all monetary assets and liabilities are translated at the rate of exchange at the statement of financial position date and non-monetary assets and liabilities are translated at historical exchange rates, unless such items are carried at market, in which case they are translated at the exchange rates in effect on the statement of financial position date. Income and expenses are translated at the rates approximating those at the transaction dates. Gains and losses arising from translation of foreign currency monetary assets and liabilities are recognized in the statement of loss and comprehensive loss.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Exploration and evaluation expenditures

All of the Company's property interests are in the exploration and evaluation phase. The Company records its interests in properties and areas of geological interest at cost. Expenditures incurred prior to obtaining the legal right to explore are expensed. All direct and indirect costs relating to the acquisition and exploration of these interests are capitalized on the basis of specific claim blocks or areas of geological interest until the properties to which they relate are placed into production, sold or management has determined there to be impairment. These costs will be amortized on the basis of units produced in relation to the reserves available on the related property following commencement of production. The Company classifies the costs between intangibles and property and equipment based on the nature of the costs incurred.

The cost of property interests includes any cash consideration paid and the fair market value of shares issued, if any, on the acquisition of property interests. Acquisition costs of properties acquired under option agreements, whereby payments are made at the sole discretion of the Company, are recorded in the accounts when the payments are made. The recorded amounts of property claim acquisition costs and their related exploration and evaluation costs represent actual expenditures incurred and are not intended to reflect present or future values.

The Company reviews capitalized costs on its mineral exploration properties on a periodic basis and when events or changes in circumstances indicate that its carrying amount may not be recoverable. The Company will recognize an impairment in value based upon current exploration results and upon management's assessment of the future probability of revenues from the property or from the sale of the property.

Restoration, rehabilitation and environmental obligations

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized to the carrying amount of the asset, as soon as the obligation to incur such costs arises. Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using the unit-of-production method. Changes to the current market based discount rate, amount or timing of the underlying cash flows needed to settle the obligation impact the carrying value of the asset and liability. The related liability is adjusted each period for the unwinding of the discount rate with a corresponding charge to the statement of loss and comprehensive loss. As at August 31, 2014 and 2013, the Company had no material restoration, rehabilitation or environmental obligations.

Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

A provision for onerous contacts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

The Company had no material provisions at August 31, 2014 and 2013.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-based payment transactions
In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

The fair value of stock options granted to employees is recognized as an expense over the vesting period with a corresponding increase in the equity settled share-based payments reserve account. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors of the Company.

The fair value is measured at the grant date and recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option-pricing model, taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of stock options that are expected to vest.

Where the terms of an equity-settled award are modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

Income taxes
Income tax on the profit or loss for the period presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax provides for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the financial position reporting date. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reviewed at each reporting date and to the extent that the Company does not consider it probable that a deferred tax asset will be recovered, it is not recognized.

Loss per share
The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options and share purchase warrants, in the weighted average number of common shares outstanding during the period, if dilutive. The "treasury stock method" is used for the assumed proceeds upon the exercise of the options and warrants that are used to purchase common shares at the average market price during the period. During the year ended August 31, 2014 and 2013, the outstanding stock options and warrants were anti-dilutive.

Comprehensive loss
Other comprehensive loss represents the change in net equity for the period that arises from unrealized gains and losses on available-for-sale financial instruments. Amounts included in other comprehensive loss are shown net of tax. Cumulative changes in other comprehensive loss are presented separately in the statement of changes in equity.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of estimates

The preparation of these consolidated financial statements in conformity with IFRS requires the Company's management to make judgments, estimates and assumptions about future events that affect the amounts reported in the consolidated financial statements and related notes to the financial statements. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates and these differences could be material. The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

Carrying values for assets and impairment charges

In the determination of carrying values and impairment charges, management looks at the higher of recoverable amount or fair value less costs to sell in the case of assets and at objective evidence, significant or prolonged decline of fair value on financial assets indicating impairment. These determinations and their individual assumptions require that management make a decision based on the best available information at each reporting period.

Capitalization of exploration and evaluation costs

Management has determined that exploration and evaluation costs incurred during the period have future economic benefits and are economically recoverable. In making this judgment, management has assessed various sources of information including but not limited to the geologic and metallurgic information, proximity of operating facilities, operating management expertise and existing permits.

Impairment of exploration and evaluation assets

While assessing whether any indications of impairment exist for exploration and evaluation assets, consideration is given to both external and internal sources of information. Information the Company considers includes changes in the market, economic and legal environment in which the Company operates that are not within its control that could affect the recoverable amount of exploration and evaluation assets. Internal sources of information include the manner in which exploration and evaluation assets are being used or are expected to be used and indications of expected economic performance of the assets. Estimates include but are not limited to estimates of the discounted future after-tax cash flows expected to be derived from the Company's mining properties, costs to sell the properties and the appropriate discount rate. Reductions in metal price forecasts, increases in estimated future costs of production, increases in estimated future capital costs, reductions in the amount of recoverable mineral reserves and mineral resources and/or adverse current economics can result in a write-down of the carrying amounts of the Company's exploration and evaluation assets.

Estimation of decommissioning and restoration costs and the timing of expenditure

Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities.

Income taxes and recoverability of potential deferred tax assets

In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. Also, future changes in tax laws could limit the Company from realizing the tax benefits from the deferred tax assets. The Company reassesses unrecognized income tax assets at each reporting period.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-based payments
Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

Adoption of new and amended IFRS pronouncements
We have adopted the new and amended IFRS pronouncements listed below as at September 1, 2013, in accordance with the transitional provisions outlined in the respective standards.

IFRS 10 Consolidated Financial Statements ("IFRS 10") provides a single model to be applied in the control analysis for all investees, including entities that currently are special purpose entities in the scope of SIC 12. In addition, the consolidation procedures are carried forward substantially unmodified from IAS 27 Consolidated and Separate Financial Statements. The Company adopted IFRS 10 effective September 1, 2013. The adoption of IFRS 10 did not have a material impact the Company's financial statements.

IFRS 12 – Disclosure of Interests in Other Entities ("IFRS 12") was issued by the IASB in May 2011. IFRS 12 is a new standard which provides disclosure requirements for entities reporting interests in other entities, including joint arrangements, special purpose vehicles and off balance sheet vehicles. The adoption of this standard did not result in any changes to the Company's disclosure requirements for interests in other entities.

IFRS 13, Fair Value Measurement ("IFRS 13") defines fair value, sets out a single IFRS framework for measuring fair value and outlines disclosure requirements for fair value measurements. IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is a market-based measurement, not an entity-specific measurement, so assumptions that market participants would use should be applied in measuring fair value. The Company adopted IFRS 13 effective September 1, 2013. The adoption of IFRS 13 did not materially impact the Company's financial statements.

Future accounting changes
Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or IFRIC that are mandatory for accounting periods beginning on or after September 1, 2013 or later periods.

IFRS 9 Financial Instruments: Classification and Measurement ("IFRS 9") introduces new requirements for the classification and measurement of financial instruments. Management anticipates that this standard will be adopted in the Company's consolidated financial statements for the period beginning September 1, 2018, and has not yet considered the potential impact of the adoption of IFRS 9.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Adoption of new and amended IFRS pronouncements (Continued)

IAS 32 Financial Instruments: Presentation ("IAS 32") was amended by the IASB in December 2011 to clarify certain aspects of the requirements on offsetting. The amendments focus on the criterion that an entity currently has a legally enforceable right to set off the recognized amounts and the criterion that an entity intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. The amendments to IAS 32 are effective for annual periods beginning on or after January 1, 2014. Earlier adoption is permitted. The Company has not yet considered the potential impact of the adoption of IAS 32 on its consolidated financial statements.

IAS 36 Impairments of Assets ("IAS 36") was amended by the IASB in May 2013 to clarify the requirements to disclose the recoverable amounts of impaired assets and require additional disclosures about the measurement of impaired assets when the recoverable amount is based on fair value less costs of disposal, including the discount rate when a present value technique is used to measure the recoverable amount. The amendments to IAS 36 are effective for annual periods beginning on or after January 1, 2014. Earlier adoption is permitted. The Company has not yet considered the potential impact of the adoption of IAS 36 on its consolidated financial statements.

5. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. Management considers the Company's capital structure to primarily consist of the components of shareholders' equity.

The Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the years presented. The Company and its subsidiaries are not subject to externally imposed capital requirements.

6. FINANCIAL RISK FACTORS

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no changes to the Company's approach to mitigating risk exposures during the year ended August 31, 2014.

Credit risk
The Company's credit risk is primarily attributable to receivables. The receivables relate to sales tax due from the Federal Government of Canada and amounts due from related parties. The Company has no significant concentration of credit risk arising from operations. Management expects that repayment of the receivable from related parties will occur, however, it does anticipate that the repayment term will be longer than desirable.

6. FINANCIAL RISK FACTORS (Continued)

Liquidity risk

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

Interest risk

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

Foreign currency risk

The Company's functional and presentation currency is the Canadian dollar. Certain expenditures are transacted in foreign currencies. As a result, the Company is exposed to fluctuations in these foreign currencies relative to the Canadian dollar. Management does not hedge its foreign exchange risk. A 1% change in foreign exchange rates between the Canadian and US dollar at August 31, 2014 would not have a material impact on the Company's financial statements.

Commodity price risk

Commodity price risk could adversely affect the Company. In particular, the Company's future profitability and viability of development depends upon the world market price. A decline in the market price of commodities may also require the Company to reduce its mineral resources, which would have a material and adverse effect on the Company's value. As at August 31, 2014, the Company is not in production. As a result, commodity price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

Sensitivity analysis

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

(EXPRESSED IN CANADIAN DOLLARS)

7. RECEIVABLES

The receivables balance is comprised of the following items:

	August 31, 2014	August 31, 2013
Sales tax due from Federal Government	$ 23,833	$ 4,712
Other	4,900	4,900
Due from exploration partner	-	117,539
Total	$ 28,733	$ 127,151

8. PREPAID EXPENSES

The prepaid expense balance is comprised of the following items:

	August 31, 2014	August 31, 2013
Rent (Note 13)	$ 7,048	$ 7,048

9. INVESTMENTS

In September 2010, the Company received 200,000 shares of Hawkeye Gold & Diamond Inc. ("Hawkeye") pursuant to the terms of the option agreement for the Scotia Property dated July 2010. The value of the shares on acquisition date, using quoted market prices, was $37,000. During the year ended August 31, 2013, the Company sold its Hawkeye shares for net proceeds of $7,951.

10. RECLAMATION BONDS

The reclamation bond balance relates to the following mineral exploration properties:

	August 31, 2014	August 31, 2013
Scotia	$ 5,040	$ 5,040
Red Hills	38,386	37,183
Middle Mountain	25,399	24,602
Total	$ 68,825	$ 66,825

(EXPRESSED IN CANADIAN DOLLARS)

11. EXPLORATION AND EVALUATION ASSETS

During the year ended August 31, 2014 and 2013, expenditures incurred on mineral exploration properties were as follows:

	Scotia Property, BC	Red Hills, Arizona	Silver Bell West, Arizona	Mink Lake, Ontario	Shakespeare, Ontario	Year ended August 31, 2014
Acquisition Costs:						
Balance, beginning of the year	$ 297,721	$ 118,815	$ 203,249	$ 30,725	$ -	$ 650,510
Additions during the year	-	-	-	-	61,475	61,475
	297,721	118,815	203,249	30,725	61,475	711,985
Write-offs during the year	-	(118,815)	(203,249)	(30,725)	-	(352,789)
Balance, end of year	297,721	-	-	-	61,475	359,196
Deferred Exploration Costs:						
Balance, beginning of year	637,698	274,567	522,351	9,860	-	1,444,476
Reports and surveys	-	-	-	29,000	-	29,000
Assays and lab tests	-	-	-	-	4,158	4,158
Geological consulting	-	11,050	1,371	18,000	22,214	52,635
Field expenses	-	-	-	-	4,598	4,598
Licences, permits and maintenance fees	-	-	31,382	-	-	31,382
Drilling and transportation	-	-	-	-	117,902	117,902
Travel and accommodation	-	-	-	13,738	-	13,738
Other	-	-	134	-	4,052	4,186
	637,698	285,617	555,238	70,598	152,924	1,702,075
Write-offs during the year	(560,419)	(285,617)	(555,238)	(70,598)	-	(1,471,872)
Balance, end of year	77,279	-	-	-	152,924	230,203
Total	$ 375,000	$ -	$ -	$ -	$ 214,399	$ 589,399

(EXPRESSED IN CANADIAN DOLLARS)

11. EXPLORATION AND EVALUATION ASSETS (Continued)

During the year ended August 31, 2013, expenditures incurred on mineral exploration properties were as follows:

	Scotia Property, BC	Middle Mountain, Arizona	Red Hills, Arizona	Silver Bell West, Arizona	Mink Lake, Ontario	Year ended August 31, 2013
	$	$	$	$	$	$
Acquisition Costs:						
Balance, beginning of the year	297,721	121,244	118,815	203,249	-	741,029
Additions during the year	-	-	-	-	30,725	30,725
	297,721	121,244	118,815	203,249	30,725	771,754
Write-offs during the year	-	(121,244)	-	-	-	(121,244)
Balance, end of year	297,721	-	118,815	203,249	30,725	650,510
Deferred Exploration Costs:						
Balance, beginning of year	629,298	421,460	274,367	216,317	-	1,541,442
Reports and surveys	-	-	-	-	-	-
Assays and lab tests	-	-	-	2,236	-	2,236
Geological consulting	8,400	201	200	61,602	7,700	78,103
Equipment rental	-	-	-	4,761	400	5,161
Field expenses	-	-	-	6,096	-	6,096
Licences, permits and maintenance fees	-	-	-	27,746	-	27,746
Drilling and transportation	-	-	-	183,416	-	183,416
Travel and accommodation	-	-	-	12,336	1,760	14,096
Administration and other	-	-	-	7,841	-	7,841
	637,698	421,661	274,567	522,351	9,860	1,866,137
Write-offs during the year	-	(421,661)	-	-	-	(421,661)
Balance, end of year	637,698	-	274,567	522,351	9,860	1,444,476
Total	935,419	-	393,382	725,600	40,585	2,094,986

11. EXPLORATION AND EVALUATION EXPENDITURES (Continued)

Shakespeare, Ontario

In October 2013, the Company entered into an option agreement to acquire mining claims, located near Webbwood, Ontario. As consideration for the acquisition, the Company will issue 1,500,000 shares and incur $300,000 in exploration expenditures over a period of two years. The vendor retains a 2% Net Smelter Royalty ("NSR") of which 1% can be purchased for $2,000,000. In January 2014, the Company issued 1,500,000 shares (valued at $60,000).

Scotia Property, British Columbia

In 2005, the Company entered into an option agreement to earn a 50% interest in a mineral property located in the Scotia River area of the Skeena Mining district of British Columbia. In 2006, the Company issued 100,000 common shares (valued at $9,500) pursuant to this property option agreement.

During the year ended August 31, 2007, the option agreement was replaced by a purchase agreement subsequently amended, whereby the Company paid $310,000 cash issued 300,000 common shares (valued at $29,500) to acquire the property. The property is subject to a 2% NSR of which 1% may be purchased by the Company for $1,000,000.

During the year ended August 31, 2010, the Company entered into an option agreement with Hawkeye Gold & Diamond Inc. ("Hawkeye") whereby Hawkeye could earn up to a 60% interest in the Scotia Property. During the year ended August 31, 2011, the Company received $25,000 cash and 200,000 common shares of Hawkeye valued at $37,000 prior to termination of the agreement due to default.

During the year ended August 31, 2014, the Company wrote the exploration and evaluation assets down to $375,000, representing the earn-in amount pursuant to an agreement entered into subsequent to August 31, 2014 (Note 19(c)).

Middle Mountain Property, Arizona

During the year ended August 31, 2008, the Company entered into an agreement, subsequently amended, to acquire the right to lease 100% of the state mineral permits and federal lode mining claims known as the Middle Mountain property, located in the south-central Arizona. As at August 31, 2013, the Company had paid a total of US$330,000 and issued 800,000 common shares (valued at $81,000).

During the year ended August 31, 2013, based on the drill results at Middle Mountain, the Company decided to drop its interest in the property and the capitalized costs were written off accordingly.

(EXPRESSED IN CANADIAN DOLLARS)

11. EXPLORATION AND EVALUATION EXPENDITURES (Continued)

Red Hills, Arizona

During the year ended August 31, 2008, the Company entered into an agreement, subsequently amended, to acquire interest in the Red Hills property, located near Florence in Pinal County, Arizona. As at August 31, 2013, the Company had paid a total of US$180,000 and issued 350,000 common shares (valued at $36,500).

During the year ended August 31, 2014, the Company has abandoned the property and all capitalized costs have been written off accordingly.

Silver Bell, Arizona

During the year ended August 31, 2009, the Company entered into a letter of intent, subsequently amended, to enter into a lease-option agreement to earn a 100% interest in the Silver Bell West property located in Arizona. As at August 31, 2013, the Company had paid a total of US$180,000 and issued 150,000 common shares (valued at $15,750).

During the year ended August 31, 2014, the Company has abandoned the property and all capitalized costs have been written off accordingly.

Mink Lake, Ontario

During the year ended August 31, 2013, the Company acquired the Mink Lake property in Chabanel Township, Sault Ste. Marie, Ontario. As consideration for the acquisition, the Company issued 100,000 common shares valued at $5,000 and granted the vendors a 2% NSR of which 1% can be purchased for $1,000,000.

During the year ended August 31, 2013, the Company announced that it entered into an option agreement to acquire 7 unpatented mining claims contiguous to the Mink Lake claims. As consideration for a 100% earn-in, the Company will issue an aggregate of 2,100,000 shares, pay $50,000 and incur $700,000 in expenditures over a three year period. On June 26, 2013, pursuant to the terms of the agreement, the Company issued 600,000 shares valued at $24,000.

During the year ended August 31, 2014, the Company has abandoned the property and all capitalized costs have been written off accordingly.

Malartic West, Quebec

During the period ended August 31, 2014, the Company entered into an agreement to purchase a 100% interest in the Malartic West project. The Company will pay $20,000 and issue 2,000,000 common shares over a one year period. The property is subject to a 2% NSR is in place with the Company having the right to buy back 1% of the Royalty for $1,000,000.

On May 14, 2014 the Company announced it has determined not to proceed with the acquisition.

12. ACCOUNTS PAYABLE

The payables balance is comprised of the following items:

	August 31, 2014	*August 31, 2013*
Trade payables	$ 475,235	$ 481,608
Accrued liabilities	25,690	45,451
Total	$ 500,925	$ 527,059

(EXPRESSED IN CANADIAN DOLLARS)

13. RELATED PARTY TRANSACTIONS

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

Trading Transactions
The Company entered into the following transactions with related parties:

	Nature of transactions	Notes	Year ended August 31, 2014	August 31, 2013
England Communications	Management fees	a (i)	$ 48,000	$ 65,400
England Communications	Office, rent and miscellaneous	a (ii)	$ 160,500	$ 196,863
Olga Nikitovic	Professional fees	c	$ 24,500	$ 60,000
Paul Gray Geological	Consulting fees	d	$ -	$ 7,013

a) The Company paid or accrued $208,500 to England Communications Ltd. ("ECL"), a management company controlled by a director and officer of the Company . ECL provides a CEO, CFO, corporate secretary, administrative services and office space. Allocation of costs are as folllows.

i) Management fees of $48,000 (2013 - $65,400) for the CEO.

ii) CFO and Corporate Secretary fees of $18,000 (2013- $23,700), rent of $36,000 (2013-$36,000) and office expenses of $106,500 (2013 -$137,163). These charges are recorded as office, rent and miscellaneous expense.

As of August 31, 2014, there was $70,022 (2013 - $69,026) owing to this company which was included in accounts payable. As at August 31, 2014, $7,048 (2013 - $7,048) of rent was included in prepaid expenses

b) The Company incurred $24,500 (2013 - $60,000) charged by the former CFO of the Company. The amount is included in professional fees. As at August 31, 2014, $Nil (2013 - $21,000) was included in accounts payable.

c) The Company incurred $Nil (2013 - $7,013) of consulting fees from a company controlled by a director. $Nil (2013 - $6,788) of the fees is charged to exploration and evaluation expenditures and $Nil (2013 - $225) is included in consulting expense.

During the year ended August 31, 2014, the Company obtained loans of $47,500 from ECL. The loans were non-interest bearing and were repaid during the year ended August 31, 2014.

During the year ended August 31, 2013, the Company obtained a loan of $800 from ECL. The loan was non-interest bearing and was repayable on demand. The loan was repaid during the year ended August 31, 2014.

Compensation of key management personnel

	Notes	Year ended August 31, 2014	August 31, 2013
Management fees	a	$ 90,500	$ 149,100
Share-based payments	b	$ 20,745	$ 21,574

a) The salaries include the fees for the CEO, CFO and Corporate Secretary included in trading transactions above.

b) Share-based payments are the grant date fair value of options granted to key management (CEO, CFO, and Corporate Secretary) and directors.

14. CAPITAL STOCK, STOCK OPTIONS AND WARRANTS

Capital stock

The Company has authorized an unlimited number of common shares without par value.

During the year ended August 31, 2014, the Company:

i) completed a private placement with the issuance of 5,150,000 units at a price of $0.05 per unit for gross proceeds of $257,500. Each unit consisted of one common share and one warrant of the Company. Each warrant entitles the holder to purchase one share at an exercise price of $0.075 per share for the first year after closing and $0.10 for the second year following closing. Share issue costs totalled $4,538.

ii) issued 100,000 common shares pursuant to the exercise of options for gross proceeds of $5,000. Accordingly, the Company transferred $4,414 to capital stock from share-based payments reserve.

iii) completed a non-brokered private placement of 4,200,000 flow-through units at a price of $0.05 per unit for aggregate gross proceeds of $210,000. Each unit consisted of one common share and one share purchase warrant of the Company. Each Warrant will entitle the holder to purchase one share for a period of 24 months from the closing date at an exercise price of $0.075 per share. Finder's fees of $1,000 were paid and 20,000 finder's warrants (valued at $334) were issued. The finder's warrants are exercisable at $0.10 for a period of two years. Cash share issue costs of $5,140 were incurred.

iv) issued 1,500,000 shares (valued at $60,000) pursuant to the terms of the Shakespeare option agreement.

v) completed a non-brokered private placement of 2,000,000 units at a price of $0.05 per unit for aggregate gross proceeds of $100,000, of which $52,500 was exchanged for accounts payable. Each unit consisted of one common share and one share purchase warrant of the Company. Each warrant will entitle the holder to purchase one share for a period of 24 months from the closing date at an exercise price of $0.075 per share. Cash share issue costs of $2,336 were incurred.

vi) completed a non-brokered private placement of 1,574,500 units at a price of $0.05 per unit for gross proceeds of $78,725. Each unit consisted of one common share and one share purchase warrant of the Company. Each warrant will entitle the holder to purchase one share at a price of $0.075 per warrant until April 8, 2016. Cash share issue costs of $1,219 were incurred.

vii) issued 400,000 common shares pursuant to the exercise of options for gross proceeds of $20,000. Accordingly, the Company transferred $6,272 to capital stock from share-based payments reserve.

14. CAPITAL STOCK, STOCK OPTIONS AND WARRANTS (Continued)

Capital stock (continued)

During the year ended August 31, 2013, the Company:

i) completed its first tranche of a non-flow through private placement with the issuance of 4,923,000 units at a price of $0.065 per unit for gross proceeds of $319,995 of which $66,442 was allocated to warrants. Each unit consists of one common share and one warrant of the Company. Each warrant entitles the holder to purchase one share for a period of 18 months at an exercise price of $0.10 per share. The Company issued finders a total of 140,000 share purchase warrants valued at $1,346 exercisable at $0.10 per share for twelve months and a cash commission of $9,100. Total share issue costs were $17,527 of which $3,640 was allocated to warrants.

ii) completed a flow through private placement with the issuance of 871,250 units at a price of $0.08 per unit for gross proceeds of $69,700 of which $10,149 was allocated to warrants and $14,246 has been allocated to the flow through premium. Each flow-through unit consists of one flow-through common share and one non-flow-through warrant. Each non-flow-through warrant entitles the holder to purchase one share for a period of 18 months at an exercise price of $0.12 per share. The Company issued finders a total of 72,750 share purchase warrants valued at $685 exercisable at $0.10 per share for twelve months and a cash commission of $5,820. Total share issue costs were $8,909 of which $1,630 was allocated to warrants.

iii) completed the second tranche of a non-flow-through private placement with the issuance of 1,393,000 units at a price of $0.065 per unit for gross proceeds of $90,545 of which $18,808 was allocated to warrants. Each unit consists of one common share and one warrant of the Company. Each warrant entitles the holder to purchase one share for a period of 18 months at an exercise price of $0.10 per share. The Company issued finders a total of 50,000 share purchase warrants valued at $344 exercisable at $0.10 per share for twelve months and a cash commission of $3,250. Total share issue costs were $5,598 of which $1,163 was allocated to warrants.

iv) issued a total of 700,000 shares valued at $29,000 pursuant to the acquisition of Mink Lake property claims.

v) completed the first tranche of a private placement with the issuance of 1,200,000 units at a price of $0.05 per unit for gross proceeds of $60,000 of which $17,054 was allocated to warrants. Each unit consists of one common share and one warrant of the Company. Each warrant entitles the holder to purchase one share at an exercise price of $0.075 per share for the first year after closing and $0.10 for the second year following closing. Total share issue costs were $2,369 of which $673 was allocated to warrants.

(EXPRESSED IN CANADIAN DOLLARS)

14. CAPITAL STOCK, STOCK OPTIONS AND WARRANTS (Continued)

Share purchase warrants

At August 31, 2014, warrants were outstanding enabling holders to acquire shares as follows:

Expiry Date	Exercise Price	Number of warrants	Remaining contractual life (years)	Currently exercisable	Remaining contractual life (years)
August 29, 2015	$ 0.10	1,200,000	0.99	1,200,000	0.99
September 23, 2014	0.075 then	5,150,000	1.06	5,150,000	0.06
September 23, 2015	0.10				
December 20, 2015	0.075	3,200,000	1.30	3,200,000	1.30
December 20, 2015	0.10	20,000	1.30	20,000	1.30
December 30, 2015	0.075	1,000,000	1.33	1,000,000	1.33
February 6, 2016	0.075	2,000,000	1.44	2,000,000	1.44
April 8, 2016	0.075	1,574,500	1.61	1,574,500	1.61
		14,144,500	0.88	14,144,500	0.88

The following is a summary of the warrant transactions during the year ended August 31, 2014 and, 2013:

	Year ended August 31, 2014		Year ended August 31, 2013	
	Number Of Warrants	Weighted Average Exercise Price	Number Of Warrants	Weighted Average Exercise Price
Balance, beginning of the year	11,217,500	$ 0.12	2,567,500	$ 0.20
Warrants issued - pursuant to private placements	12,944,500	0.08	8,650,000	0.10
Warrants expired	(10,017,500)	0.13	-	
Balance, end of year	14,144,500	$ 0.08	11,217,500	$ 0.12

The following weighted average assumptions were used for the Black-Scholes option pricing model valuation of warrants issued in the year ended August 31, 2014 and 2013:

	Year ended August 31, 2014	Year ended August 31, 2013
Risk-free interest rate	1.07%	1.14%
Expected life of warrants	2.0 years	1.55 years
Expected annualized volatility	136 %	96%
Expected dividend rate	0%	0%

(EXPRESSED IN CANADIAN DOLLARS)

14. CAPITAL STOCK, STOCK OPTIONS AND WARRANTS (Continued)

Stock options

The Company may grant stock options pursuant to a stock option plan which was initially established in accordance with the policies of the TSX-V. Subsequent to August 31, 2014, the Company moved it listing from the TSX-V to the CSE, and did not change the stock option plan. The Board of Directors administers the Plan, pursuant to which the Board of Directors may grant from time to time incentive stock options up to an aggregate maximum of 10% of the issued and outstanding shares of the Company to directors, officers, employees, consultants and advisors. The options can be granted for a maximum of five years.

As at August 31, 2014, the following incentive stock options were outstanding:

		Options Outstanding and Exercisable	
Expiry Date	Exercise price	Number of Options Outstanding	Weighted average remaining contractual life (years)
June 10, 2015	$ 0.05	300,000	0.78
July 8, 2015	0.05	50,000	0.85
July 25, 2015	0.05	450,000	0.90
January 10, 2017	0.10	525,000	2.36
June 19, 2017	0.10	250,000	2.80
October 5, 2017	0.10	100,000	3.10
December 27, 2017	0.10	150,000	3.33
January 31, 2018	0.10	150,000	3.42
September 26, 2018	0.05	550,000	4.07
February 11, 2019	0.10	300,000	4.53
April 3, 2019	0.05	700,000	4.59
		3,525,000	3.05

480,000 options were exercised subsequent to August 31, 2014.

The following is a summary of the option transactions during the year ended August 31, 2014 and 2013:

	Year ended August 31, 2014		Year ended August 31, 2013	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Balance, beginning of the year	2,300,000	$ 0.10	1,325,000	$ 0.10
Options granted	2,900,000	0.06	975,000	0.10
Options exercised	(500,000)	0.05	-	-
Options expired	(1,175,000)	0.10	-	-
Balance, end of the year	3,525,000	$ 0.07	2,300,000	$ 0.10

During the year ended August 31, 2014, 500,000 options were exercised at $0.05. The weighted average fair value of the options at the date of exercise was $0.048.

(EXPRESSED IN CANADIAN DOLLARS)

14. CAPITAL STOCK, STOCK OPTIONS AND WARRANTS (Continued)

Stock options (continued)

The following weighted average assumptions were used for the Black-Scholes option pricing model valuation of options granted for the year ended August 31, 2014 and 2013:

	Year ended August 31, 2014	Year ended August 31, 2013
Risk-free interest rate	1.49%	1.40%
Expected life of options	3.34 years	4.6 years
Expected annualized volatility	140%	121%
Expected dividend rate	0%	0%

Share based compensation

During the year ended August 31, 2014, the Company

i) granted 2,600,000 options exercisable at $0.05 for a period of one to five years to officers, directors and consultants. The options vested immediately.

ii) granted 300,000 options exercisable at $0.10 for a period of five years to to a consultant. The options vested immediately.

Accordingly, share-based compensation expense for the year ended August 31, 2014 was $99,680 with a weighted average fair value of $0.03 per option granted.

During the year ended August 31, 2013, the Company granted 975,000 options exercisable at $0.10 for a period of one to five years. The options vested immediately. Accordingly, share-based compensation expense for the year ended August 31, 2013 was $59,451 with a weighted average fair value of $0.06 per option granted.

15. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Significant non-cash investing and financing transactions for the year ended August 31, 2014 consisted of:

a) Share issue costs of $14,320 included in accounts payable.
b) Issued 1,500,000 shares valued at $60,000 pursuant to the Shakespeare property agreement.
c) At August 31, 2014, the Company had $157,221 of accounts payable that related to exploration and evaluation expenditures.
d) Transferred $10,686 from share-based payment reserve to share capital upon exercised options.
e) Issued 1,050,000 shares valued at $52,500 for accounts payable.

Significant non-cash investing and financing transactions for the year ended August 31, 2013 consisted of:

a) An increase in accrued exploration and evaluation expenditures of $91,783.
b) An increase in accrued share issue costs of $8,144.
c) Issued 600,000 shares valued at $29,000 pursuant to the Mink Lake property claim acquisition.

(EXPRESSED IN CANADIAN DOLLARS)

16. INCOME TAX

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

		2014		2013
Loss for the year	$	(2,674,660)	$	(1,290,571)
Expected income tax (recovery)	$	(695,000)	$	(361,000)
Change in statutory, foreign tax, foreign exchange rates and oth		(223,000)		2,000
Permanent Difference		26,000		15,000
Impact of flow through share		58,000		2,000
Share issue cost		(3,000)		-
Adjustment to prior years provision versus statutory tax return:		146,000		-
Change in unrecognized deductible temporary		691,000		342,000
Total income tax expense (recovery)	$	-	$	-

The significant components of the Company's deferred tax assets that have not been included on the consolidated statement of financial position are as follows:

		2014		2013
Deferred Tax Assets (liabilities)				
Exploration and evaluation assets	$	795,000	$	304,000
Share issue costs		12,000		13,000
Allowable capital losses		1,000		-
Non-capital losses available for future period		511,000		311,000
		1,319,000		628,000
Unrecognized deferred tax assets		(1,319,000)		(628,000)
Net deferred tax assets	$	-	$	-

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

		2014	Expiry Date Range		2013	Expiry Date Range
Temporary Differences						
Exploration and evaluation assets	$	2,182,000	No expiry date	$	1,086,000	No expiry date
Investment tax credit		2,000	2020 to 2033		-	2020 to 2032
Share issue costs		48,000	2034 to 2037		46,000	2033 to 2036
Allowable capital losses		2,000	No expiry date		-	No expiry date
Non-capital losses available for future period		1,964,000	2014 to 2033		1,111,000	2014 to 2032

Tax attributes are subject to review, and potential adjustment, by tax authorities.

(EXPRESSED IN CANADIAN DOLLARS)

17. SEGMENTED INFORMATION

The Company primarily operates in one reportable segment, being the acquisition and exploration of resource properties in Canada and the United States. Segmented information on a geographic basis is as follows:

		August 31, 2014		August 31, 2013
Canadian exploration assets and reclamation bonds	$	594,439	$	981,044
US exploration and evaluation assets and reclamation bonds		63,785		1,180,767
	$	658,224	$	2,161,811

Substantially all of the other assets and operating expenditures are in Canada.

18. COMMITMENTS AND CONTINGENCIES

The Company's exploration and evaluation activities are subject to various federal, provincial and state laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

The Company was obligated to spend $68,829 by December 31, 2013 as part of the flow through funding agreement for shares issued in December 2012 and is obligated to spend $205,800 by December 31, 2014 as part of the flow through funding agreement for shares issued in December 2013 ($164,553 incurred to August 31, 2014). The flow-through agreements require the Company to renounce certain tax deductions for Canadian exploration expenditures incurred on the Company's mineral properties to flow through participants. The Company indemnified the subscribers for any related tax amounts that become payable by the subscribers as a result of the Company not meeting its expenditure commitments. The Company incurred an expenditure shortfall of $1,104 on its December 31, 2013 obligation and has accrued $442 related to the indemnification of the subscribers.

In February 2014, the Company entered into a Financial Public Relations Service Agreement. Pursuant to the terms of the agreement, the Company will pay a monthly fee of $7,500 plus applicable taxes for a twelve month period. In addition, the Company issued 300,000 options exercisable at $0.10 (Note 14).

19. SUBSEQUENT EVENTS

Subsequent to the year ended August 31, 2014, the Company:

a) completed its non-brokered private placement of 11,545,000 units at a price of $0.05 per unit for gross proceeds of $577,250, of which $60,000 was exchanged for accounts payable, $272,500 related to subscriptions received in advance and $50,000 related to prepaid consulting services. Each unit is comprised of one common share and one share purchase warrant of the Company. Each warrant will entitle the holder to purchase one share at a price of $0.10 per share purchase warrant until September 3, 2016, subject to an acceleration clause. In connection to the Offering, the Company issued a total of 34,800 finder's warrants to purchase up to 34,800 shares at a price of $0.10 per share for a period of 12 months, subject to the acceleration clause. In addition, the Company paid cash commissions to the finders totaling $1,740. All securities issued pursuant to the private placement are subject to a hold period expiring on January 4, 2015.

b) Signed an agreement with a private Uruguay Company (the "Vendor") to pursue the development and commercialization of cannabinoids.

   The Company will purchase certain assets and have access to Vendor consultants in consideration of staged cash payments and share issuances as follows:

   Cash payments
   - $20,000 – within 30 days of execution of agreement (paid)
   - $20,000 – within 60 days of execution of agreement (paid)
   - $30,000 – within 90 days of execution of agreement

   Share issuances
   - 18% of the total issued and outstanding shares of the Company which will be issued over time upon meeting specific milestones. The Company has issued 2,428,322 common shares subsequent to year-end upon meeting the first milestone.

   The agreement includes a management agreement whereby the Company shall create a Uruguayan subsidiary and enter into a contract with the sole shareholder of the Vendor for management services for an initial term of three years, with an option to renew for one additional year, with a base salary of $84,000 per year.

   The Company will grant the Vendor a 15% royalty on the net profits of any products sold by the Uruguayan subsidiary.

   The Company is currently re-negotiating the terms of the agreement.

(EXPRESSED IN CANADIAN DOLLARS)

19. SUBSEQUENT EVENTS (Continued)

c) Entered into an agreement with Glenmark Capital Corp. ("Glenmark") whereby Glenmark can earn a 100% interest in the Scotia property in British Columbia. To earn the interest Glenmark must pay $375,000 and complete $750,000 in exploration over 36 months as follows:

Date	Cash	Exploration
Upon Glenmark closing a minimum $350,000 financing	$75,000	$Nil
12 months from date of closing	$100,000	$250,000
24 months from date of closing	$100,000	$250,000
36 months from date of closing	$100,000	$250,000
Total	**$375,000**	**$750,000**

The agreement is subject to a 2% underlying NSR payable to a third party and a 1/2% NSR payable to the Company of which 1% of the underlying NSR can be purchased by Glenmark for $1,000,000.

d) Entered into a Consulting and License agreement with Affinor Growers Inc. ("AFI" or "Affinor") whereby the Company will license certain technology from Affinor and retain Affinor for consulting services.

As consideration for the consulting services to be rendered by Affinor, the Company shall issue 12,000,000 common shares as follows:

1) 6,000,000 shares as soon as commercially practicable (issued)
2) 6,000,000 shares within six months of executing the agreement.

The Company will also pay a 3% royalty to Affinor based on the net sales of licensed products.

The Company issued 1,000,000 common shares as a finder's fee in connection with the agreement.

e) Granted a total of 2,000,000 stock options exercisable at a price of $0.05 for a period of one year.

GeoNovus Minerals Corp.
Management Discussion and Analysis
For The Year Ended August 31, 2014

December 22, 2014

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

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Forward-Looking Statements

In making and providing the forward-looking information included in this MD&A the Company's assumptions may include among other things: (i) assumptions about the price of metals; (ii) that there are no material delays in the optimisation of operations at the exploration and evaluation assets; (iii) assumptions about operating costs and expenditures; (iv) assumptions about future production and recovery; (v) that there is no unanticipated fluctuation in foreign exchange rates; and (vi) that there is no material deterioration in general economic conditions. Although management believes that the assumptions made and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate. By its nature, forward-looking information is based on assumptions and involves known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements, or results, to be materially different from future results, performance or achievements expressed or implied by such forward-looking information. Such risks, uncertainties and other factors include among other things the following: (i) decreases in the price of base metals; (ii) the risk that the Company will continue to have negative operating cash flow; (iii) the risk that additional financing will not be obtained as and when required; (iv) material increases in operating costs; (v) adverse fluctuations in foreign exchange rates; and (vi) environmental risks and changes in environmental legislation.

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

Overview

GeoNovus Minerals Corp. was incorporated on October 11, 2011 under the laws of the Business Corporation Act (BC, Canada). The Company's principal business is the acquisition and exploration of mineral properties. The Company began trading on the under the symbol "GNM" on January 5, 2012. The Company's common shares were delisted from trading on the TSX Venture Exchange ("TSX-V") on

September 5, 2014 with trading of its common shares on the Canadian Securities Exchange commencing on September 8, 2014.

The Company's head office is located at 789 West Pender Street, Suite 1220, Vancouver, BC, V6C 1H2.

The consolidated financial statements were approved by the Board of Directors on December 22, 2014.

Overall Performance

For the year ended August 31, 2014, the Company had a net loss of $2,674,660 compared with a net loss of $1,319,571 for the prior year. While the Company did incur increases in consulting fees, shareholder communication and promotion, transfer agent and filing fees and interest expense, all other expense categories decreased.

Music Publishing

On December 10, 2014, the Company announced on www.sedar.com that it has signed a Letter of Intent (LOI) to acquire Greenstock Publishing LTD., a Canadian music publisher. Greenstock's business model entails placing music into major motion pictures in addition to creating a catalog of artists, writers and new music to promote worldwide through new media and streaming channels for the entertainment industry.

CEO of Greenstock Records Joe Wowk states, "I'm excited to take Greenstock into the public capital market place. It will give us the opportunity to grow the company and be an industry leader utilizing Greenstock's vision of becoming a major player in the entertainment industry worldwide."

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

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

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

"We are extremely pleased to have a man of Mr. Marlowe's calibre join GeoNovus. His connections are invaluable to us as we commence our journey in the entertainment industry."

Medical Marijuana, Industrial Hemp and Cannabinoid Science Industries

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

Under the agreement, the Company will begin its due diligence process in furtherance of a potential business relationship with the private company, which will include a site visit to its active medical marijuana production facility, currently producing under its MMAP licence. At this time, management anticipates that the due diligence process will complete on or before June 15th, 2014.

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

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

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

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

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

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

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

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

The vertical growing technology GeoNovus is licensing is a fully sustainable and complete indoor agricultural solution developed over 12 years with R&D based on predecessor systems, prototypes, and significant third party validation. GeoNovus will be utilizing and re-selling technology aimed at year round farming systems with controlled precision farming techniques. Crop varieties chosen for best suitability with the GeoNovus and Affinor VDL system include leafy greens, strawberries and marijuana. A proprietary mechanical pollination system allows food to be grown indoors, year round regardless of seasonality, with near zero water waste.

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

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

Under the terms of this agreement, GeoNovus is acquiring exclusive licensing and access to Affinor's vertical growing technology for use in Uruguay and in the city of Langley, British Columbia Canada, by issuing 12,000,000 common shares of its capital to the Licensor as follows: (i) an initial amount of 6,000,000 Shares as soon as is commercially practicable (issued), and (ii) the remaining 6,000,000 Shares on or before that date which is 6 months from the date of the Agreement.

A finder's fee will be payable on this transaction.

Langley Land

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

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

Operating Activities

Shakespeare, Ontario, Canada

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

The historic mine is situated in northeast-trending folded ~2.4 billion-year old Huronian Supergroup, intruded by the ~2.21 billion-year old Nipising diabase dikes and sills, and the ~1.1 billion-year old northwest-trending Keweenawan diabase dikes. The Murray Fault is a regional structure that strikes ENE and passes 300 meters north of the mine. The mineralized zone is broadly concordant with the schistose Matinenda Formation, consisting of quartzite and greywacke that also trends ENE and dips steeply to the south. Historic sampling in the mine area reported 1.12-1.85 ounces per ton over an average width of one meter (*see Ontario Geological Survey Mineral Deposits Circular 18, 1979, part 2, 294p.*). The Corona Project claim package was assembled to enclose the ENE-trending Matinenda Formation that hosts mineralization, including the down-dip projection of the ore zone at the Shakespeare Mine. A collection of in-house reports and data included in the acquisition are presently undergoing review, and will be used to guide exploration in the immediate future.

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

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

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

GeoNovus president and chief executive officer Michael England stated: "These early drilling results at Corona confirm our review of historic data that suggested we would intersect similar alteration in the rocks that host gold mineralization at Shakespeare. Drill core is being prepared for assay to confirm our visual assessment, and the drill rig is being positioned to determine the along-strike and down-dip extent of the mineralization."

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

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

Table 1. Drill Hole Location Data

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

Table 2. Summary of Significant Assay Data

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

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

President & CEO Michael England states, "Significant mineralization and gold grades have been encountered in every hole drilled by GeoNovus at the Corona Project to date. Our team is very encouraged to see that the historically delineated zones of high chargeability are associated with gold mineralization. Our current drill rig is poised to resume testing targets further along strike and down-dip and we look forward to seeing assay results from the next set of holes as our drilling campaign continues."

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

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

Drilling Summary

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

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

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

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

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

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

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

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

Scotia Property, British Columbia

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Canadian Malartic West, Quebec

During the year ended August 31, 2014, the Company entered into an agreement to purchase a 100% interest in the Malartic West project. The Company will pay $20,000 and issue 2,000,000 common shares over a one year period. The property is subject to a 2% NSR is in place with the Company having the right to buy back 1% of the Royalty for $1,000,000.

On May 14, 2014 the Company announced it has determined not to proceed with the acquisition.

Red Hills Property, Arizona

During the year ended August 31, 2008, the Company entered into an agreement, subsequently amended, to acquire interest in the Red Hills property, located near Florence in Pinal County, Arizona. As at August 31, 2013, the Company had paid a total of US$180,000 and issued 350,000 common shares (valued at $36,500).

During the year ended August 31, 2014, the Company has abandoned the property and all capitalized costs have been written off accordingly.

Silver Bell, Arizona

During the year ended August 31, 2009, the Company entered into a letter of intent, subsequently amended, to enter into a lease-option agreement to earn a 100% interest in the Silver Bell West property located in Arizona. As at August 31, 2013, the Company had paid a total of US$180,000 and issued 150,000 common shares (valued at $15,750).

During the year ended August 31, 2014, the Company has abandoned the property and all capitalized costs have been written off accordingly.

Mink Lake, Ontario

During the year ended August 31, 2013, the Company acquired the Mink Lake property in Chabanel Township, Sault Ste. Marie, Ontario. As consideration for the acquisition, the Company issued 100,000 common shares valued at $5,000 and granted the vendors a 2% NSR of which 1% can be purchased for $1,000,000.

During the year ended August 31, 2013, the Company announced that it entered into an option agreement to acquire 7 unpatented mining claims contiguous to the Mink Lake claims. As consideration for a 100% earn-in, the Company will issue an aggregate of 2,100,000 shares, pay $50,000 and incur $700,000 in expenditures over a three year period. On June 26, 2013, pursuant to the terms of the agreement, the Company issued 600,000 shares valued at $24,000.

During the year ended August 31, 2014, the Company has abandoned the property and all capitalized costs have been written off accordingly.

Selected Annual Information
Financial Information

	2014	2013	2012
	$	$	$
Revenue (interest income)	-	-	3,452
Loss for the year	2,674,660	1,319,571	1,333,984
Total comprehensive loss	2,674,660	1,290,571	1,343,984
Balance Sheet Data			
Working capital (deficiency)	(464,370)	(388,620)	142,955
Exploration and evaluation assets	589,399	2,094,986	2,282,471
Total assets	704,579	2,327,955	2,590,652
Long-term debt	Nil	Nil	Nil

Results of Operations

The results of operations reflect the overhead costs incurred to provide an administrative infrastructure to manage the acquisition, exploration, and financing activities of the Company. General and administrative costs can be expected to increase or decrease in relation to the changes in activity required as property acquisitions and exploration continue. As at August 31 2014, the Company had not recorded any significant revenues from its mineral exploration and development projects.

Revenues

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

General and Administrative Expenses

For the year ended August 31, 2014, the Company had a net loss of $2,674,660 compared with a net loss of $1,319,571 for the prior year. During the year ended August 31, 2014, the Company incurred:

- consulting fees a $303,568 (2013 – $60,438). The increase is due to fees related to new projects in the current year.
- management fees of $48,000 (2013 - $65,400). The decrease in management fees as the CEO took a voluntary reduction in pay.
- office, rent and miscellaneous of $172,195 (2013 - $212,227). The decrease is lower as a result of a reduction in staffing.
- professional fees of $94,794 (2013 - $212,227). The decrease is due to a reduction in legal fees and CFO fees.
- shareholder communications and promotion of $103,594 (2013 - $24,009). The increase was primarily due to increased promotion activities.
- write-off of exploration and evaluation assets of $1,824,661 (2013 - $542,905). Please refer to Note 11 of the August 31, 2014 consolidated audited financial statements on www.sedar.com for details.

Fourth Quarter

During the fourth quarter the company did not have any significant events or transactions to report.

Summary of Quarterly Results

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

Three Months Ended	**August 31, 2014**	**May 31, 2014**	**February 28, 2014**	**November 30, 2013**
	$	$	$	$
Revenue (interest income)	-	-	-	-
Exploration and evaluation assets	589,399	1,838,721	1,822,084	1,702,680
Loss	(1,904,160)	(75,329)	(125,854)	(569,317)
Loss per Common Share	(0.05)	(0.00)	(0.00)	(0.02)
Three Months Ended	**August 31, 2013**	**May 31, 2013**	**February 28, 2013**	**November 30, 2012**
	$	$	$	$
Revenue (interest income)	-	-	83	553

Exploration and evaluation assets	2,094,986	2,036,713	2,024,753	2,308,477
Loss	(119,927)	(82,928)	(855,884)	(260,832)
Loss per Common Share	(0.00)	(0.00)	(0.04)	(0.02)

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

Liquidity and Capital Resources

The Company's cash position was $774 at August 31, 2014 compared to $17,245 at August 31, 2013. The Company had a working capital deficiency of $464,370 at August 31, 2014 compared with working capital deficiency of $388,620 at August 31, 2013.

During the year ended August 31, 2014, cash flow activities consisted of:

i) cash flows spent on operating activities of $705,973 (2013 - $419,525). Please refer to the the statement of loss and statement of cash flows on the consolidated financial statements for the year ended August 31, 2014 on www.sedar.com for details.

ii) cash flows received from financing activities of $883,138 (2013 - $517,156). The cash flows are primarily a result of proceeds from private placements of $593,725 and subscriptions received in advance of $272,750.

iii) cash flows spent on investing activities of $193,636 (2013 - $226,686), primarily on exploration and evaluation expenditures.

During the year ended August 31, 2014, the Company:

i) completed a private placement with the issuance of 5,150,000 units at a price of $0.05 per unit for gross proceeds of $257,500. Each unit consisted of one common share and one warrant of the Company. Each warrant entitles the holder to purchase one share at an exercise price of $0.075 per share for the first year after closing and $0.10 for the second year following closing. Share issue costs totalled $4,538.

ii) issued 100,000 common shares pursuant to the exercise of options for gross proceeds of $5,000. Accordingly, the Company transferred $4,414 to capital stock from share-based payments reserve.

iii) completed a non-brokered private placement of 4,200,000 flow-through units at a price of $0.05 per unit for aggregate gross proceeds of $210,000. Each unit consisted of one common share and one share purchase warrant of the Company. Each Warrant will entitle the holder to purchase one share for a period of 24 months from the closing date at an exercise price of $0.075 per share. Finder's fees of $1,000 were paid and 20,000 finder's warrants (valued at $334) were issued. The finder's warrants are exercisable at $0.10 for a period of two years. Cash share issue costs of $5,140 were incurred.

iv) issued 1,500,000 shares (valued at $60,000) pursuant to the terms of the Shakespeare option agreement.

v) completed a non-brokered private placement of 2,000,000 units at a price of $0.05 per unit for aggregate gross proceeds of $100,000, of which $52,500 was exchanged for accounts payable. Each unit consisted of one common share and one share purchase warrant of the Company. Each warrant will entitle the holder to purchase one share for a period of 24 months from the closing date at an exercise price of $0.075 per share. Cash share issue costs of $2,336 were incurred.

vi) completed a non-brokered private placement of 1,574,500 units at a price of $0.05 per unit for gross proceeds of $78,725. Each unit consisted of one common share and one share purchase warrant of the Company. Each warrant will entitle the holder to purchase one share at a price of $0.075 per warrant until April 8, 2016. Cash share issue costs of $1,219 were incurred.

vii) issued 400,000 common shares pursuant to the exercise of options for gross proceeds of $20,000. Accordingly, the Company transferred $6,272 to capital stock from share-based payments reserve.

Related Party Transactions

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

Trading Transactions

The Company entered into the following transactions with related parties:

			Year ended	
	Nature of transactions	Notes	August 31, 2014	August 31, 2013
England Communications	Management fees	a (i)	$ 48,000	$ 65,400
England Communications	Office, rent and miscellaneous	a (ii)	$ 160,500	$ 196,863
Olga Nikitovic	Professional fees	c	$ 24,500	$ 60,000
Paul Gray Geological	Consulting fees	d	$ -	$ 7,013

a) The Company paid or accrued $208,500 to England Communications Ltd. ("ECL"), a management company controlled by a director and officer of the Company . ECL provides a CEO, CFO, corporate secretary, administrative services and office space. Allocation of costs are as folllows.

i) Management fees of $48,000 (2013 - $65,400) for the CEO.

ii) CFO and Corporate Secretary fees of $18,000 (2013 -- $23,700), rent of $36,000 (2013 - $36,000) and office expenses of $106,500 (2013 - $137,163). These charges are recorded as office, rent and miscellaneous expense.

As of August 31, 2014, there was $70,022 (2013 - $69,026) owing to this company which was included in accounts payable. As at August 31, 2014, $7,048 (2013 - $7,048) of rent was included in prepaid expenses

b) The Company incurred $24,500 (2013 - $60,000) charged by the former CFO of the Company. The amount is included in professional fees. As at August 31, 2014, $Nil (2013 - $21,000) was included in accounts payable.

c) The Company incurred $Nil (2013 - $7,013) of consulting fees from a company controlled by a director. $Nil (2013 - $6,788) of the fees is charged to exploration and evaluation expenditures and $Nil (2013 - $225) is included in consulting expense.

During the year ended August 31, 2014, the Company obtained loans of $47,500 from ECL. The loans were non-interest bearing and were repaid during the year ended August 31, 2014.

During the year ended August 31, 2013, the Company obtained a loan of $800 from ECL. The loan was non-interest bearing and was repayable on demand. The loan was repaid during the year ended August 31, 2014.

Compensation of key management personnel

	Notes	Year ended August 31, 2014	August 31, 2013
Management fees	a	$ 90,500	$ 149,100
Share-based payments	b	$ 20,745	$ 21,574

a) The salaries include the fees for the CEO, CFO and Corporate Secretary included in trading transactions above.

b) Share-based payments are the grant date fair value of options granted to key management (CEO, CFO, and Corporate Secretary) and directors.

Off Balance Sheet Arrangements

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

Changes in Accounting Policies and Future Accounting Changes

Please refer to Note 4 of the consolidated financial statements for the year ended August 31, 2014 on www.sedar.com for a complete description of changes in accounting policies and future accounting changes.

Financial Instruments

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

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

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

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfil its payment obligations. The Company's credit risk is primarily attributable to receivables. The receivables relate to sales tax due from the Federal Government of Canada and amounts due from related parties. The Company has no significant concentration of credit risk arising from operations. Management expects that repayment of the receivable from related parties will occur, however, it does anticipate that the repayment term will be longer than desirable.

Liquidity risk

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

Interest risk

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

Foreign currency risk

The Company's functional and presentation currency is the Canadian dollar. Certain expenditures are transacted in foreign currencies. As a result, the Company is exposed to fluctuations in these foreign currencies relative to the Canadian dollar. Management does not hedge its foreign exchange risk. A 1% change in foreign exchange rates between the Canadian and US dollar at August 31, 2014 would not have a material impact on the Company's financial statements.

Commodity price risk

Commodity price risk could adversely affect the Company. In particular, the Company's future profitability and viability of development depends upon the world market price. A decline in the market price of commodities may also require the Company to reduce its mineral resources, which would have a material and adverse effect on the Company's value. As at August 31, 2014, the Company is not in production. As a result, commodity price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

Sensitivity analysis

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

Contingencies

There are no contingent liabilities.

Management's Responsibility for Financial Statements

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

Risks and Uncertainties

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

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

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

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

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

Disclosure Controls and Procedures

TSX Venture listed companies are not required to provide representations in the annual filings relating to the establishment and maintenance of Disclosure controls and procedures ("DC&P") and Internal controls over financial reporting ("ICFR"), as defined in National Instrument 52-109. In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation, and (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's IFRS. The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding the absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitation on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in National Instrument 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Other MD&A Requirements

As at the date of this MD&A, the Company had 61,442,724 common shares issued and outstanding.

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

Expiry Date	Exercise price	Number of Options Outstanding
June 10, 2015	$ 0.05	300,000
July 8, 2015	0.05	50,000
July 25, 2015	0.05	450,000
January 10, 2017	0.10	525,000
June 19, 2017	0.10	250,000
October 5, 2017	0.10	100,000
December 27, 2017	0.10	150,000
January 31, 2018	0.10	150,000
September 26, 2018	0.05	550,000
February 11, 2019	0.10	300,000
April 3, 2019	0.05	700,000
September 29, 2015	0.05	1,200,000
October 1, 2015	0.05	570,000
		5,295,000

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

Expiry Date	Exercise Price	Number of warrants
August 29, 2015	$ 0.10	1,200,000
September 23, 2014	0.075 then	5,150,000
September 23, 2015	0.10	
December 20, 2015	0.075	3,200,000
December 20, 2015	0.10	20,000
December 30, 2015	0.075	1,000,000
February 6, 2016	0.075	2,000,000
April 8, 2016	0.075	1,574,500
		14,144,500

Change in Board of Directors

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

Mr. Marlowe has worked on over 40 motion pictures, nine of which he produced and in2014 was the Executive Producer for "The Lady in Number 6"which won him an Academy Award®. Tim has worked with many A-list actors such as Martin Sheen and Steven Seagal and in the past eighteen months he has worked with Vinnie Jones (Gone in 60 Seconds),Vern Troyer (Austin Powers-Mini Me), Jesse Bradford (Swimfan), Mena Suvari (American Beauty, and American Pie), Locklyn Munroe (Night at the Roxbury, Unforgiven), Hailey Duff (Napoleon Dynamite) and Natasha Henstridge (Species).

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

"We are extremely pleased to have a man of Mr. Marlowe's caliber join GeoNovus. His connections are invaluable to us as we commence our journey in the entertainment industry."

GEONOVUS MINERALS CORP.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED NOVEMBER 30, 2014 AND 2013
(EXPRESSED IN CANADIAN DOLLARS)

(UNAUDITED – PREPARED BY MANAGEMENT)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The accompanying unaudited condensed consolidated interim financial statements of GeoNovus Minerals Corp. for the three month period ended November 30, 2014 has been prepared by the management of the Company and approved by the Company's Audit Committee and the Company's Board of Directors. Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of the interim financial statements by an entity's auditor.

GEONOVUS MINERALS CORP.
UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(EXPRESSED IN CANADIAN DOLLARS)
AS AT

	November 30, 2014	August 31, 2014
ASSETS		
Current		
Cash	$ 407	$ 774
Receivables (Note 7)	39,082	28,733
Prepaid expenses (Note 8)	357,715	7,048
Total current assets	397,204	36,555
Due from related parties (Note 15)	9,800	9,800
Reclamation bonds (Note 10)	71,983	68,825
Exploration and evaluation assets (Note 13)	579,234	589,399
Total assets	$ 1,058,221	$ 704,579
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities (Note 14)	$ 528,623	$ 500,925
Loan payable (Note 15)	9,500	-
Total liabilities	538,123	500,925
Shareholders' equity		
Capital stock (Note 16)	7,481,696	6,439,792
Subscriptions received in advance	-	272,750
Share-based payment reserve (Note 16)	532,230	502,522
Deficit	(7,493,828)	(7,011,410)
Total shareholders' equity	520,098	203,654
Total liabilities and shareholders' equity	$ 1,058,221	$ 704,579

Nature and continuance of operations (Note 1)
Commitments and contingencies (Notes 19)
Subsequent events (Note 20)

See accompanying notes to the condensed consolidated interim financial statements.

GEONOVUS MINERALS CORP.
UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(EXPRESSED IN CANADIAN DOLLARS)
FOR THE THREE MONTHS ENDED NOVEMBER 30,

	2014	2013
EXPENSES		
Consulting fees	$ 134,096	$ 42,500
Foreign exchange gain	(935)	(952)
Interest expense	3,981	1,238
Management fees	12,000	12,000
Office, rent, and miscellaneous (Note 15)	40,277	45,450
Professional fees	53,393	11,460
Share-based compensation (Note 16)	39,623	29,520
Shareholder communications and promotion	26,955	3,173
Transfer agent and filing fees	4,306	232
Write-off of exploration and evaluation assets (Note 13)	31,589	393,382
Write-off of asset purchase agreement (Note 11)	137,133	-
Total loss and comprehensive loss for the period	$ (482,418)	$ (538,003)
Basic and diluted net loss per common share	$ (0.01)	$ (0.02)
Weighted average number of common shares outstanding – basic and diluted	60,735,472	28,953,913

See accompanying notes to the condensed consolidated interim financial statements.

GEONOVUS MINERALS CORP.
UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(EXPRESSED IN CANADIAN DOLLARS)
FOR THE THREE MONTHS ENDED NOVEMBER 30,

		2014		2013
CASH FLOW FROM OPERATING ACTIVITIES				
Net loss for the period	$	(482,418)	$	(538,003)
Items not affecting cash:				
Share-based compensation		39,623		29,520
Write-off of exploration and evaluation expenditures		31,589		393,382
Write-off of asset purchase payments		97,133		(352)
Unrealized foreign exchange		(3,158)		(352)
Change in non-cash working capital items:				
Decrease (increase) in receivables		(10,349)		(730)
Decrease (increase) in prepaid expenses		91,833		-
Increase (decrease) in accounts payable and accrued liabilities		24,243		(61,943)
Net cash flows from operating activities		(211,504)		(178,126)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from private placements		212,000		257,500
Share issue costs		(16,394)		(2,644)
Proceeds from option exercises		24,000		5,000
Proceeds from loan payable		9,500		200
Net cash flows from financing activities		229,106		260,056
CASH FLOWS FROM INVESTING ACTIVITIES				
Exploration and evaluation expenditures		(72,969)		(98,305)
Proceeds from sale of exploration and evaluation expenditures		55,000		-
Net cash flows from investing activities		(17,969)		(98,305)
Change in cash		(367)		(16,375)
Cash, beginning of period		774		17,245
Cash, end of period	$	407	$	870
Cash paid for taxes during the period	$	-	$	-
Cash paid for interests during the period	$	-	$	-

Supplemental disclosure with respect to cash flows (Note 17)

See accompanying notes to the condensed consolidated interim financial statements.

GEONOVUS MINERALS CORP.

UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY

(EXPRESSED IN CANADIAN DOLLARS)

				Reserves			
	Number of shares	Capital stock	Subscriptions received in advance	Share-based payment reserve	Warrant reserve	Deficit	Total
Balance, August 31, 2013	25,064,902	$ 5,711,447	$ -	$ 198,801	$ 214,393	$ (4,336,750)	$ 1,787,891
Issued pursuant to private placements	5,150,000	199,842	-	-	57,658		257,500
Share-based compensation	-	-	-	29,520	-	-	29,520
Exercise of options	100,000	5,000	-	-	-	-	5,000
Fair value of exercised options	-	4,217	-	(4,217)	-	-	-
Share issue costs - cash	-	(3,522)	-	-	(1,016)	-	(4,538)
Net loss and comprehensive loss for the period	-	-	-	-	-	(538,003)	(538,003)
Balance, November 30, 2013	30,314,902	5,916,984	-	224,104	271,035	(4,874,753)	1,537,370
Issued pursuant to private placements	7,774,500	446,383	-	-	(56,642)	-	389,741
Issued pursuant to acquisition of mineral interests	1,500,000	60,000	-	-	-	-	60,000
Share-based compensation	-	-	-	70,160	-	-	70,160
Exercise of options	400,000	20,000	-	-	-	-	20,000
Fair value of exercised options	-	6,469	-	(6,469)	-	-	-
Share issue costs - cash	-	(9,710)	-	-	-	-	(9,710)
Share issue costs - non cash	-	(334)	-	-	334	-	-
Shares subscriptions received in advance	-	-	272,750	-	-	-	272,750
Net loss and comprehensive loss for the period	-	-	-	-	-	(2,136,657)	(2,136,657)
Balance, August 31, 2014	39,989,402	6,439,792	272,750	287,795	214,727	(7,011,410)	203,654
Issued pursuant to private placements	11,545,000	577,250	(272,750)	-	-	-	304,500
Agent warrants issued pursuant to finder's fees	-	(626)	-	-	626	-	-
Issued pursuant to asset purchase agreement	2,428,322	97,133	-	-	-	-	97,133
Issued pursuant to consulting services	7,000,000	350,000	-	-	-	-	350,000
Exercise of options	480,000	24,000	-	-	-	-	24,000
Fair value of exercised options	-	10,541	-	(10,541)	-	-	-
Share-based compensation	-	-	-	39,623	-	-	39,623
Share issue costs - cash	-	(14,654)	-	-	-	-	(14,654)
Share issue costs - non cash	-	(1,740)	-	-	-	-	(1,740)
Net loss and comprehensive loss for the period	-	-	-	-	-	(482,418)	(482,418)
Balance, November 30, 2014	61,442,724	$ 7,481,696	$ -	$ 316,877	$ 215,353	$ (7,493,828)	$ 520,098

See accompanying notes to the condensed consolidated interim financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

GeoNovus Minerals Corp. (hereafter the "Company" or "GeoNovus") was incorporated on October 11, 2011 under the laws of the Business Corporation Act (BC, Canada). The Company's principal business is the acquisition and exploration of mineral properties. The Company began trading on the under the symbol "GNM" on January 5, 2012. The Company's common shares were delisted from trading on the TSX Venture Exchange ("TSX-V") on September 5, 2014 with trading of its common shares on the Canadian Securities Exchange commencing on September 8, 2014.

The Company's head office is located at 789 West Pender Street, Suite 1220, Vancouver, BC, V6C 1H2.

The condensed consolidated interim financial statements were approved by the Board of Directors on January 29, 2015.

Although the Company has taken steps to verify title to its exploration and evaluation properties, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and noncompliance with regulatory and environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and restrictions and political uncertainty.

These condensed consolidated interim financial statements have been prepared with the assumption that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. Continued operations of the Company are dependent on the Company's ability to receive financial support, complete a public equity financing, or generate profitable operations in the future. Management believes it will be successful in raising the necessary funding to continue operations; however, there is no assurance that these funds will be available on terms acceptable to the Company or at all. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern. These condensed consolidated interim financial statements do not include the adjustments that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. STATEMENT OF COMPLIANCE

These unaudited condensed consolidated interim financial statements, including comparatives have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting.

3. BASIS OF PRESENTATION

These condensed consolidated interim financial statements have been prepared on a historical cost basis except for investments classified as available-for-sale or held-for-trading which are stated at fair value. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The functional currency of the Company and its wholly owned subsidiaries is the Canadian dollar.

In the preparation of these condensed consolidated interim financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the period. Actual results could differ from these estimates.

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been consistently applied to the periods presented in these condensed consolidated interim financial statements, unless otherwise stated.

Principles of consolidation
These condensed consolidated interim financial statements include the accounts of the Company, and its wholly-owned subsidiaries, Juturna Geothermal Inc. incorporated under the laws of B.C., Geo Minerals (Arizona) Ltd. and Juturna Geothermal (Arizona) Inc. incorporated under the laws of Arizona, and 2009812 Delaware, Inc. incorporated in the state of Delaware. Significant inter-company balances and inter-company transactions have been eliminated upon consolidation. All references to the Company should be treated as references to GeoNovus Minerals Corp. and its subsidiaries. In July 2013, the Company decided to dissolve Juturna Geothermal (Arizona) Inc. and 2009812 Delaware Inc. as these subsidiaries were inactive.

Subsidiaries
Subsidiaries are entities over which the Company has control, where control is defined as the power to govern financial and operating policies of an entity so as to obtain benefit from its activities. Generally, the Company has a shareholding of more than one half of the voting rights in its subsidiaries. The effects of potential voting rights that are currently exercisable are considered when assessing whether control exists. Subsidiaries are fully consolidated from the date control is transferred to the Company, and are de-consolidated from the date control ceases.

Cash
Cash consists of balances with banks and short-term demand deposits which are readily convertible into a known amount of cash. The Company's cash is invested with major financial institutions in business accounts.

Financial instruments
Financial assets and financial liabilities that are purchased and incurred with the intention of generating profits in the near term are classified as held-for-trading. These instruments are measured at fair value with subsequent changes in fair value recognized in the statement of loss and comprehensive loss. Currently, the Company has no held-for-trading financial assets.

Financial assets that have a fixed maturity date and fixed or determinable payments, where the Company intends and has the ability to hold the financial asset to maturity are classified as held-to-maturity and are measured at amortized cost using the effective interest rate method. Any gains and losses arising from the sale of held to maturity financial assets are recognized in the statement of loss and comprehensive loss. Currently, the Company has no held-to-maturity financial assets.

Items classified as loans and receivables are measured at amortized cost using the effective interest method. Any gains or losses on the realization of loans and receivables are recognized in the statement of loss and comprehensive loss. The Company's cash balance and receivables are classified as loans and receivables. The estimated fair values of these financial instruments approximate their carrying values because of the limited terms of these instruments.

Available-for-sale assets are those financial assets that are not classified as held-for-trading, held-to-maturity or loans or receivables, and are carried at fair value. Any gains or losses arising from the change in fair value are recorded as other comprehensive income. Available-for-sale investments are written down to fair value through operations whenever it is necessary to reflect other than temporary impairment. Cumulative gains and losses arising upon the sale of the instrument are included in operations. Regular way purchases and sales of financial assets are accounted for at the trade date. The Company's investments were classified as available-for-sale assets.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial liabilities that are not classified as held-to-maturity are classified as other financial liabilities, and are carried at amortized cost using the effective interest method. Any gains or losses arising from the realization of other financial liabilities are recognized in the statement of loss and comprehensive loss. The Company's accounts payable and accrued liabilities and loans payable are classified as other financial liabilities.

The Company classifies its fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels: (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1); (b) inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices) (Level 2); and (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3). As at November 30, 2014 and August 31, 2014, the Company had no financial instruments that were carried at fair value.

Impairment of financial assets
Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that the estimated future cash flows of the assets have been negatively impacted. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced by the amount of the impairment and the loss is recognized in the statement of loss and comprehensive loss.

If in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent that the carrying value of the asset does not exceed what the amortized cost would have been had the impairment not been recognized. Any subsequent reversal of an impairment loss is recognized in the statement of loss and comprehensive loss.

If an available-for-sale asset is impaired, an amount comprising the difference between its cost and its current fair value, less any impairment previously recognized in profit or loss, is transferred from equity to profit or loss. Reversals in respect of equity instruments classified as available-for-sale are not recognized in the statement of loss and comprehensive loss.

Impairment of non-financial assets
At each date of the statement of financial position, the Company reviews the carrying amounts of its non-financial assets to determine whether there is an indication that those assets have suffered an impairment loss. If such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. The recoverable amount is the higher of the fair value less costs to sell and the value in use. If the recoverable amount is less than the carrying amount of the asset, the carrying amount is reduced to the recoverable amount and the impairment loss is recognized in the statement of loss and comprehensive loss.

Foreign currency translation
The Canadian dollar is the functional and reporting currency of the Company. Under this method, all monetary assets and liabilities are translated at the rate of exchange at the statement of financial position date and non-monetary assets and liabilities are translated at historical exchange rates, unless such items are carried at market, in which case they are translated at the exchange rates in effect on the statement of financial position date. Income and expenses are translated at the rates approximating those at the transaction dates. Gains and losses arising from translation of foreign currency monetary assets and liabilities are recognized in the statement of loss and comprehensive loss.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Exploration and evaluation expenditures
All of the Company's property interests are in the exploration and evaluation phase. The Company records its interests in properties and areas of geological interest at cost. Expenditures incurred prior to obtaining the legal right to explore are expensed. All direct and indirect costs relating to the acquisition and exploration of these interests are capitalized on the basis of specific claim blocks or areas of geological interest until the properties to which they relate are placed into production, sold or management has determined there to be impairment. These costs will be amortized on the basis of units produced in relation to the reserves available on the related property following commencement of production. The Company classifies the costs between intangibles and property and equipment based on the nature of the costs incurred.

The cost of property interests includes any cash consideration paid and the fair market value of shares issued, if any, on the acquisition of property interests. Acquisition costs of properties acquired under option agreements, whereby payments are made at the sole discretion of the Company, are recorded in the accounts when the payments are made. The recorded amounts of property claim acquisition costs and their related exploration and evaluation costs represent actual expenditures incurred and are not intended to reflect present or future values.

The Company reviews capitalized costs on its mineral exploration properties on a periodic basis and when events or changes in circumstances indicate that its carrying amount may not be recoverable. The Company will recognize an impairment in value based upon current exploration results and upon management's assessment of the future probability of revenues from the property or from the sale of the property.

Restoration, rehabilitation and environmental obligations
A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized to the carrying amount of the asset, as soon as the obligation to incur such costs arises. Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using the unit-of-production method. Changes to the current market based discount rate, amount or timing of the underlying cash flows needed to settle the obligation impact the carrying value of the asset and liability. The related liability is adjusted each period for the unwinding of the discount rate with a corresponding charge to the statement of loss and comprehensive loss. As at November 30, 2014 and August 31, 2014, the Company had no material restoration, rehabilitation or environmental obligations.

Provisions
Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

A provision for onerous contacts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

The Company had no material provisions at November 30, 2014 and August 31, 2014.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-based payment transactions
In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

The fair value of stock options granted to employees is recognized as an expense over the vesting period with a corresponding increase in the equity settled share-based payments reserve account. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors of the Company.

The fair value is measured at the grant date and recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option-pricing model, taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of stock options that are expected to vest.

Where the terms of an equity-settled award are modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

Income taxes
Income tax on the profit or loss for the period presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax provides for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the financial position reporting date. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reviewed at each reporting date and to the extent that the Company does not consider it probable that a deferred tax asset will be recovered, it is not recognized.

Loss per share
The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options and share purchase warrants, in the weighted average number of common shares outstanding during the period, if dilutive. The "treasury stock method" is used for the assumed proceeds upon the exercise of the options and warrants that are used to purchase common shares at the average market price during the period. During the period ended November 30, 2014 and August 31, 2014, the outstanding stock options and warrants were anti-dilutive.

Comprehensive loss
Other comprehensive loss represents the change in net equity for the period that arises from unrealized gains and losses on available-for-sale financial instruments. Amounts included in other comprehensive loss are shown net of tax. Cumulative changes in other comprehensive loss are presented separately in the statement of changes in equity.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of estimates
The preparation of these consolidated financial statements in conformity with IFRS requires the Company's management to make judgments, estimates and assumptions about future events that affect the amounts reported in the consolidated financial statements and related notes to the financial statements. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates and these differences could be material. The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

Carrying values for assets and impairment charges
In the determination of carrying values and impairment charges, management looks at the higher of recoverable amount or fair value less costs to sell in the case of assets and at objective evidence, significant or prolonged decline of fair value on financial assets indicating impairment. These determinations and their individual assumptions require that management make a decision based on the best available information at each reporting period.

Capitalization of exploration and evaluation costs
Management has determined that exploration and evaluation costs incurred during the period have future economic benefits and are economically recoverable. In making this judgment, management has assessed various sources of information including but not limited to the geologic and metallurgic information, proximity of operating facilities, operating management expertise and existing permits.

Impairment of exploration and evaluation assets
While assessing whether any indications of impairment exist for exploration and evaluation assets, consideration is given to both external and internal sources of information. Information the Company considers includes changes in the market, economic and legal environment in which the Company operates that are not within its control that could affect the recoverable amount of exploration and evaluation assets. Internal sources of information include the manner in which exploration and evaluation assets are being used or are expected to be used and indications of expected economic performance of the assets. Estimates include but are not limited to estimates of the discounted future after-tax cash flows expected to be derived from the Company's mining properties, costs to sell the properties and the appropriate discount rate. Reductions in metal price forecasts, increases in estimated future costs of production, increases in estimated future capital costs, reductions in the amount of recoverable mineral reserves and mineral resources and/or adverse current economics can result in a write-down of the carrying amounts of the Company's exploration and evaluation assets.

Estimation of decommissioning and restoration costs and the timing of expenditure
Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities.

Income taxes and recoverability of potential deferred tax assets
In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. Also, future changes in tax laws could limit the Company from realizing the tax benefits from the deferred tax assets. The Company reassesses unrecognized income tax assets at each reporting period.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-based payments
Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

Adoption of new and amended IFRS pronouncements
We have adopted the new and amended IFRS pronouncements listed below as at September 1, 2013, in accordance with the transitional provisions outlined in the respective standards.

IFRS 10 Consolidated Financial Statements ("IFRS 10") provides a single model to be applied in the control analysis for all investees, including entities that currently are special purpose entities in the scope of SIC 12. In addition, the consolidation procedures are carried forward substantially unmodified from IAS 27 Consolidated and Separate Financial Statements. The Company adopted IFRS 10 effective September 1, 2013. The adoption of IFRS 10 did not have a material impact the Company's financial statements.

IFRS 12 – Disclosure of Interests in Other Entities ("IFRS 12") was issued by the IASB in May 2011. IFRS 12 is a new standard which provides disclosure requirements for entities reporting interests in other entities, including joint arrangements, special purpose vehicles and off balance sheet vehicles. The adoption of this standard did not result in any changes to the Company's disclosure requirements for interests in other entities.

IFRS 13, Fair Value Measurement ("IFRS 13") defines fair value, sets out a single IFRS framework for measuring fair value and outlines disclosure requirements for fair value measurements. IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is a market-based measurement, not an entity-specific measurement, so assumptions that market participants would use should be applied in measuring fair value. The Company adopted IFRS 13 effective September 1, 2013. The adoption of IFRS 13 did not materially impact the Company's financial statements.

Future accounting changes
Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or IFRIC that are mandatory for accounting periods beginning on or after September 1, 2013 or later periods.

IFRS 9 Financial Instruments: Classification and Measurement ("IFRS 9") introduces new requirements for the classification and measurement of financial instruments. Management anticipates that this standard will be adopted in the Company's consolidated financial statements for the period beginning September 1, 2018, and has not yet considered the potential impact of the adoption of IFRS 9.

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Adoption of new and amended IFRS pronouncements
IAS 32 Financial Instruments: Presentation ("IAS 32") was amended by the IASB in December 2011 to clarify certain aspects of the requirements on offsetting. The amendments focus on the criterion that an entity currently has a legally enforceable right to set off the recognized amounts and the criterion that an entity intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. The amendments to IAS 32 are effective for annual periods beginning on or after January 1, 2014. There was no significant impact from the adoption of IAS 32 on the Company's consolidated financial statements.

IAS 36 Impairments of Assets ("IAS 36") was amended by the IASB in May 2013 to clarify the requirements to disclose the recoverable amounts of impaired assets and require additional disclosures about the measurement of impaired assets when the recoverable amount is based on fair value less costs of disposal, including the discount rate when a present value technique is used to measure the recoverable amount. The amendments to IAS 36 are effective for annual periods beginning on or after January 1, 2014. There was no significant impact from the adoption of IAS 32 on the Company's consolidated financial statements.

5. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. Management considers the Company's capital structure to primarily consist of the components of shareholders' equity.

The Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the period ended November 30, 2014. The Company and its subsidiaries are not subject to externally imposed capital requirements.

6. FINANCIAL RISK FACTORS

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no changes to the Company's approach to mitigating risk exposures during the period ended November 30, 2014.

Credit risk
The Company's credit risk is primarily attributable to receivables. The receivables relate to sales tax due from the Federal Government of Canada and amounts due from related parties. The Company has no significant concentration of credit risk arising from operations. Management expects that repayment of the receivable from related parties will occur, however, it does anticipate that the repayment term will be longer than desirable.

(EXPRESSED IN CANADIAN DOLLARS)

6. FINANCIAL RISK FACTORS (Continued)

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

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

Foreign currency risk
The Company's functional and presentation currency is the Canadian dollar. Certain expenditures are transacted in foreign currencies. As a result, the Company is exposed to fluctuations in these foreign currencies relative to the Canadian dollar. Management does not hedge its foreign exchange risk. A 1% change in foreign exchange rates between the Canadian and US dollar at November 30, 2014 would not have a material impact on the Company's financial statements.

Commodity price risk
Commodity price risk could adversely affect the Company. In particular, the Company's future profitability and viability of development depends upon the world market price. A decline in the market price of commodities may also require the Company to reduce its mineral resources, which would have a material and adverse effect on the Company's value. As at November 30, 2014, the Company is not in production. As a result, commodity price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

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

7. RECEIVABLES

The receivables balance is comprised of the following items:

	November 30, 2014	August 31, 2014
Sales tax due from Federal Government	$ 34,182	$ 23,833
Other	4,900	4,900
Total	$ 39,082	$ 28,733

(EXPRESSED IN CANADIAN DOLLARS)

8. PREPAID EXPENSES

The prepaid expense balance is comprised of the following items:

	November 30, 2014	August 31, 2014
Consulting (Note 12)	$ 343,598	$ -
Rent (Note 13)	7,048	7,048
Shareholder communication	7,069	-
Total	$ 357,715	$ 7,048

9. INVESTMENTS

In September 2010, the Company received 200,000 shares of Hawkeye Gold & Diamond Inc. ("Hawkeye") pursuant to the terms of the option agreement for the Scotia Property dated July 2010. The value of the shares on acquisition date, using quoted market prices, was $37,000. During the year ended August 31, 2013, the Company sold its Hawkeye shares for net proceeds of $7,951.

10. RECLAMATION BONDS

The reclamation bond balance relates to the following mineral exploration properties:

	November 30, 2014	August 31, 2014
Scotia	$ 5,040	$ 5,040
Red Hills	40,287	37,183
Middle Mountain	26,656	24,602
Total	$ 71,983	$ 66,825

11. ASSET PURCHASE AGREEMENT

During the period ended November 30, 2014, the Company signed an agreement with a private Uruguay Company to pursue the development and commercialization of cannabinoids. The Company paid $40,000 and issued 2,423,322 shares with a value of $97,133.

During the period ended November 30, 2014, the Company decided to terminate the agreement and wrote-off $137,133.

(EXPRESSED IN CANADIAN DOLLARS)

12. CONSULTING AND LICENSE AGREEMENT

In October 2014, the Company entered into a Consulting and License agreement with Affinor Growers Inc. ("AFI" or "Affinor") whereby the Company will license certain technology from Affinor and retain Affinor for consulting services.

As consideration for the consulting services to be rendered by Affinor, the Company issued 6,000,000 for two years' of consulting services (issued at a value of $300,000. At November 30, 2014, $343,598 remains in prepaid expenses). The Company decided to forego further share issuances for consulting services. There are no penalties associated with forgoing the share payment.

The Company will also pay a 3% royalty to Affinor based on the net sales of licensed products.

The Company issued 1,000,000 common shares (valued at $50,000) as a finder's fee in connection with the agreement.

13. EXPLORATION AND EVALUATION ASSETS

During the period ended November 30, 2014, expenditures incurred on mineral exploration properties were as follows:

	Scotia Property, BC	Shakespeare, Ontario	Nine months ended November 30, 2014	Year ended August 31, 2014
Acquisition Costs:				
Balance, beginning of the period	$ 297,721	$ 61,475	$ 359,196	$ 650,510
Additions during the period	-	-	-	61,475
	297,721	61,475	359,196	711,985
Write-offs during the period	-	-	-	(352,789)
Balance, end of period	297,721	61,475	359,196	359,196
Deferred Exploration Costs:				
Balance, beginning of period	77,279	152,924	230,203	1,444,476
Reports and surveys	-	29,934	29,934	29,000
Assays and lab tests	-	-	-	4,158
Geological consulting	19,662	-	19,662	52,635
Field expenses	-	6,500	6,500	4,598
Licences, permits and maintenance fees	-	-	-	31,382
Drilling and transportation	-	-	-	117,902
Travel and accommodation	7,272	-	7,272	13,738
Other	955	8,400	9,355	4,186
	105,168	197,758	302,926	1,702,075
Write-offs during the period	(27,889)	-	(27,889)	(1,471,872)
Proceeds from sale of property	(55,000)	-	(55,000)	-
Balance, end of period	22,279	197,758	220,037	230,203
Total	$ 320,000	$ 259,223	$ 579,223	$ 589,399

(EXPRESSED IN CANADIAN DOLLARS)

13. EXPLORATION AND EVALUATION ASSETS (Continued)

Shakespeare, Ontario

In October 2013, the Company entered into an option agreement to acquire mining claims, located near Webbwood, Ontario. As consideration for the acquisition, the Company will issue 1,500,000 shares and incur $300,000 in exploration expenditures over a period of two years. The vendor retains a 2% Net Smelter Royalty ("NSR") of which 1% can be purchased for $2,000,000. In January 2014, the Company issued 1,500,000 shares (valued at $60,000).

Scotia Property, British Columbia

In 2005, the Company entered into an option agreement to earn a 50% interest in a mineral property located in the Scotia River area of the Skeena Mining district of British Columbia. In 2006, the Company issued 100,000 common shares (valued at $9,500) pursuant to this property option agreement.

During the year ended August 31, 2007, the option agreement was replaced by a purchase agreement subsequently amended, whereby the Company paid $310,000 cash issued 300,000 common shares (valued at $29,500) to acquire the property. The property is subject to a 2% NSR of which 1% may be purchased by the Company for $1,000,000.

During the year ended August 31, 2010, the Company entered into an option agreement with Hawkeye Gold & Diamond Inc. ("Hawkeye") whereby Hawkeye could earn up to a 60% interest in the Scotia Property. During the year ended August 31, 2011, the Company received $25,000 cash and 200,000 common shares of Hawkeye valued at $37,000 prior to termination of the agreement due to default.

During the year ended August 31, 2014, the Company wrote the exploration and evaluation assets down to $375,000, representing the earn-in amount pursuant to an agreement entered into an agreement with Glenmark Capital Corp. ("Glenmark") whereby Glenmark can earn a 100% interest in the Scotia property in British Columbia. To earn the interest Glenmark must pay $375,000 and complete $750,000 in exploration over 36 months as follows:

Date	Cash	Exploration
Upon Glenmark closing a minimum $350,000 financing	$75,000 ($55,000 received)	$Nil
12 months from date of closing	$100,000	$250,000
24 months from date of closing	$100,000	$250,000
36 months from date of closing	$100,000	$250,000
Total	**$375,000**	**$750,000**

The agreement is subject to a 2% underlying NSR payable to a third party and a 1/2% NSR payable to the Company of which 1% of the underlying NSR can be purchased by Glenmark for $1,000,000.

Middle Mountain Property, Arizona

During the year ended August 31, 2008, the Company entered into an agreement, subsequently amended, to acquire the right to lease 100% of the state mineral permits and federal lode mining claims known as the Middle Mountain property, located in the south-central Arizona. As at August 31, 2013, the Company had paid a total of US$330,000 and issued 800,000 common shares (valued at $81,000).

During the year ended August 31, 2013, based on the drill results at Middle Mountain, the Company decided to drop its interest in the property and the capitalized costs were written off accordingly.

(EXPRESSED IN CANADIAN DOLLARS)

13. EXPLORATION AND EVALUATION ASSETS (Continued)

Red Hills, Arizona

During the year ended August 31, 2008, the Company entered into an agreement, subsequently amended, to acquire interest in the Red Hills property, located near Florence in Pinal County, Arizona. As at August 31, 2013, the Company had paid a total of US$180,000 and issued 350,000 common shares (valued at $36,500).

During the year ended August 31, 2014, the Company has abandoned the property and all capitalized costs have been written off accordingly.

Silver Bell, Arizona

During the year ended August 31, 2009, the Company entered into a letter of intent, subsequently amended, to enter into a lease-option agreement to earn a 100% interest in the Silver Bell West property located in Arizona. As at August 31, 2013, the Company had paid a total of US$180,000 and issued 150,000 common shares (valued at $15,750).

During the year ended August 31, 2014, the Company has abandoned the property and all capitalized costs have been written off accordingly.

Mink Lake, Ontario

During the year ended August 31, 2013, the Company acquired the Mink Lake property in Chabanel Township, Sault Ste. Marie, Ontario. As consideration for the acquisition, the Company issued 100,000 common shares valued at $5,000 and granted the vendors a 2% NSR of which 1% can be purchased for $1,000,000.

During the year ended August 31, 2013, the Company announced that it entered into an option agreement to acquire 7 unpatented mining claims contiguous to the Mink Lake claims. As consideration for a 100% earn-in, the Company will issue an aggregate of 2,100,000 shares, pay $50,000 and incur $700,000 in expenditures over a three year period. On June 26, 2013, pursuant to the terms of the agreement, the Company issued 600,000 shares valued at $24,000.

During the year ended August 31, 2014, the Company has abandoned the property and all capitalized costs have been written off accordingly.

Malartic West, Quebec

During the period ended August 31, 2014, the Company entered into an agreement to purchase a 100% interest in the Malartic West project. The Company will pay $20,000 and issue 2,000,000 common shares over a one year period. The property is subject to a 2% NSR is in place with the Company having the right to buy back 1% of the Royalty for $1,000,000.

On May 14, 2014 the Company announced it has determined not to proceed with the acquisition.

14. ACCOUNTS PAYABLE

The payables balance is comprised of the following items:

	November 30, 2014	*August 31, 2014*
Trade payables	$ 497,433	$ 475,235
Accrued liabilities	31,190	25,690
Total	$ 528,623	$ 500,925

(EXPRESSED IN CANADIAN DOLLARS)

15. RELATED PARTY TRANSACTIONS

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

Trading Transactions

The Company entered into the following transactions with related parties:

	Nature of transactions	Notes	Three months ended November 30, 2014	November 30, 2013
England Communications	Management fees	a (i)	$ 12,000	$ -
England Communications	Office, rent and miscellaneous	a (ii)	$ 40,125	$ 52,125
Olga Nikitovic	Professional fees	c	$ -	$ 10,500

a) The Company paid or accrued $52,125 to England Communications Ltd. ("ECL"), a management company controlled by a director and officer of the Company. ECL provides a CEO, CFO, corporate secretary, administrative services and office space. Allocation of costs are as follows.

i) Management fees of $12,000 (2013 - $12,000) for the CEO.

ii) CFO and Corporate Secretary fees of $4,500 (2013- $4,500), and rent and office expenses $9,000 (2013 - $9,000). These charges are recorded as office, rent and miscellaneous expense.

As of November 30, 2014, there was $31,253 (August 31, 2014 - $70,022) owing to this company which was included in accounts payable. As at November 30, 2014, $7,048 (August 31, 2014 - $7,048) of rent was included in prepaid expenses

b) The Company incurred $Nil (2013 - $10,500) charged by the former CFO of the Company. The amount is included in professional fees. As at November 30, 2014, $Nil (August 31, 2014 - $Nil) was included in accounts payable.

During the period ended November 30, 2014, the Company obtained loans of $9,500 from ECL. The loans were non-interest bearing and was repayable on demand.

During the year ended August 31, 2014, the Company obtained loans of $47,500 from ECL. The loans were non-interest bearing and were repaid during the year ended August 31, 2014.

Compensation of key management personnel

	Notes	Three months ended November 30, 2014	November 30, 2014
Management fees	a	$ 12,000	$ 27,000
Share-based payments	b	$ 10,981	$ 12,651

a) The salaries include the fees for the CEO, CFO and Corporate Secretary included in trading transactions above.

b) Share-based payments are the grant date fair value of options granted to key management (CEO, CFO, and Corporate Secretary) and directors.

16. CAPITAL STOCK, STOCK OPTIONS AND WARRANTS

Capital stock

The Company has authorized an unlimited number of common shares without par value.

During the period ended November 30, 2014, the Company:

i) completed its non-brokered private placement of 11,545,000 units at a price of $0.05 per unit for gross proceeds of $577,250. $272,500 was received in advance and $92,500 related to non-cash proceeds.. Each unit is comprised of one common share and one share purchase warrant of the Company. Each warrant will entitle the holder to purchase one share at a price of $0.10 per share purchase warrant until September 3, 2016, subject to an acceleration clause. In connection to the Offering, the Company issued a total of 34,800 finder's warrants to purchase up to 34,800 shares at a price of $0.10 per share for a period of 12 months, subject to the acceleration clause. In addition, the Company paid cash commissions to the finders totaling $1,740. All securities issued pursuant to the private placement are subject to a hold period expiring on January 4, 2015.

ii) issued 480,000 common shares pursuant to the exercise of options for gross proceeds of $24,000. Accordingly, the Company transferred $10,541 to capital stock from share-based payments reserve.

iii) issued 2,428,322 shares (valued at $97,133) pursuant to the terms of the asset purchase agreement.

vi) issued 7,000,000 shares (valued at $350,000) pursuant to the terms of the asset purchase agreement.

During the year ended August 31, 2014, the Company:

i) completed a private placement with the issuance of 5,150,000 units at a price of $0.05 per unit for gross proceeds of $257,500. Each unit consisted of one common share and one warrant of the Company. Each warrant entitles the holder to purchase one share at an exercise price of $0.075 per share for the first year after closing and $0.10 for the second year following closing. Share issue costs totalled $4,538.

ii) issued 100,000 common shares pursuant to the exercise of options for gross proceeds of $5,000. Accordingly, the Company transferred $4,414 to capital stock from share-based payments reserve.

iii) completed a non-brokered private placement of 4,200,000 flow-through units at a price of $0.05 per unit for aggregate gross proceeds of $210,000. Each unit consisted of one common share and one share purchase warrant of the Company. Each Warrant will entitle the holder to purchase one share for a period of 24 months from the closing date at an exercise price of $0.075 per share. Finder's fees of $1,000 were paid and 20,000 finder's warrants (valued at $334) were issued. The finder's warrants are exercisable at $0.10 for a period of two years. Cash share issue costs of $5,140 were incurred.

iv) issued 1,500,000 shares (valued at $60,000) pursuant to the terms of the Shakespeare option agreement.

v) completed a non-brokered private placement of 2,000,000 units at a price of $0.05 per unit for aggregate gross proceeds of $100,000, of which $52,500 was exchanged for accounts payable. Each unit consisted of one common share and one share purchase warrant of the Company. Each warrant will entitle the holder to purchase one share for a period of 24 months from the closing date at an exercise price of $0.075 per share. Cash share issue costs of $2,336 were incurred.

vi) completed a non-brokered private placement of 1,574,500 units at a price of $0.05 per unit for gross proceeds of $78,725. Each unit consisted of one common share and one share purchase warrant of the Company. Each warrant will entitle the holder to purchase one share at a price of $0.075 per warrant until April 8, 2016. Cash share issue costs of $1,219 were incurred.

vii) issued 400,000 common shares pursuant to the exercise of options for gross proceeds of $20,000. Accordingly, the Company transferred $6,272 to capital stock from share-based payments reserve.

(EXPRESSED IN CANADIAN DOLLARS)

16. CAPITAL STOCK, STOCK OPTIONS AND WARRANTS (Continued)

Share purchase warrants

At November 30, 2014, warrants were outstanding enabling holders to acquire shares as follows:

Expiry Date	Exercise Price	Number of warrants	Remaining contractual life (years)	Currently exercisable	Remaining contractual life (years)
August 29, 2015	$ 0.10	1,200,000	0.75	1,200,000	0.99
September 3, 2015	0.10	34,800	0.76	34,800	0.99
September 23, 2014	0.075				
	then	5,150,000	0.81	5,150,000	0.06
September 23, 2015	0.10				
December 20, 2015	0.075	3,200,000	1.05	3,200,000	1.30
December 20, 2015	0.10	20,000	1.05	20,000	1.30
December 30, 2015	0.075	1,000,000	1.08	1,000,000	1.33
February 6, 2016	0.075	2,000,000	1.17	2,000,000	1.44
April 8, 2016	0.075	1,574,500	1.36	1,574,500	1.61
September 3, 2016	0.10	11,545,000	1.76	11,545,000	1.76
		25,724,300	1.09	25,724,300	1.09

The following is a summary of the warrant transactions during the period ended November 30, 2014 and and year ended August 31, 2014:

	Three months ended November 30, 2014		Year ended August 31, 2014	
	Number Of Warrants	Weighted Average Exercise Price	Number Of Warrants	Weighted Average Exercise Price
Balance, beginning of the period	14,144,500	$ 0.08	11,217,500	$ 0.12
Warrants issued - pursuant to private placements	11,545,000	0.10	12,944,500	0.08
Warrants issued - pursuant to broker`s warrant	34,800	0.10	-	-
Warrants expired	-	-	(10,017,500)	0.08
Balance, end of period	25,724,300	$ 0.09	14,144,500	$ 0.08

The following weighted average assumptions were used for the Black-Scholes option pricing model valuation of warrants issued in the period ended November 30, 2014 and year ended August 31, 2014:

	Three months ended November 30, 2014	Year ended August 31, 2014
Risk-free interest rate	1.12%	1.07%
Expected life of warrants	1.0 years	2.0 years
Expected annualized volatility	142 %	136 %
Expected dividend rate	0%	0%

(EXPRESSED IN CANADIAN DOLLARS)

16. CAPITAL STOCK, STOCK OPTIONS AND WARRANTS (Continued)

Stock options

The Company may grant stock options pursuant to a stock option plan which was initially established in accordance with the policies of the TSX-V. During the period ended November 30, 2014, the Company moved it listing from the TSX-V to the CSE, and did not change the stock option plan. The Board of Directors administers the Plan, pursuant to which the Board of Directors may grant from time to time incentive stock options up to an aggregate maximum of 10% of the issued and outstanding shares of the Company to directors, officers, employees, consultants and advisors. The options can be granted for a maximum of five years.

As at November 30, 2014, the following incentive stock options were outstanding:

		Options Outstanding and Exercisable	
Expiry Date	Exercise price	Number of Options Outstanding	Weighted average remaining contractual life (years)
June 10, 2015	$ 0.05	300,000	0.53
July 8, 2015	0.05	50,000	0.60
July 25, 2015	0.05	50,000	0.65
September 29, 2015	0.05	950,000	0.83
October 1, 2015	0.05	570,000	0.84
January 10, 2017	0.10	475,000	2.12
June 19, 2017	0.10	250,000	2.55
December 27, 2017	0.10	150,000	3.08
January 31, 2018	0.10	150,000	3.17
September 26, 2018	0.05	550,000	3.82
February 11, 2019	0.10	300,000	4.28
April 3, 2019	0.05	700,000	4.34
		4,495,000	2.42

480,000 options were exercised during the period ended November 30, 2014.

The following is a summary of the option transactions during the period ended November 30, 2014 and August 31, 2014:

	Three months period ended November 30, 2014		Year ended August 31, 2014	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Balance, beginning of the period	3,525,000	$ 0.07	2,300,000	$ 0.10
Options granted	2,000,000	0.05	2,900,000	0.06
Options exercised	(480,000)	0.05	(500,000)	0.05
Options expired	(550,000)	0.06	(1,175,000)	0.10
Balance, end of the period	4,495,000	$ 0.06	3,525,000	$ 0.07

During the year ended August 31, 2014, 500,000 options were exercised at $0.05. The weighted average fair value of the options at the date of exercise was $0.048.

(EXPRESSED IN CANADIAN DOLLARS)

16. CAPITAL STOCK, STOCK OPTIONS AND WARRANTS (Continued)

Stock options (continued)

The following weighted average assumptions were used for the Black-Scholes option pricing model valuation of options granted for the period ended November 30, 2014 and year ended August 31, 2014:

	Three months ended November 30, 2014	Year ended August 31, 2014
Risk-free interest rate	1.11%	1.49%
Expected life of options	1 year	3.34 years
Expected annualized volatility	138%	140%
Expected dividend rate	0%	0%

Share based compensation

During the period ended November 30, 2014, the Company

i) granted 1,200,000 options exercisable at $0.05 for a period of one year to consultants. The options vested immediately.

ii) granted 800,000 options exercisable at $0.05 for a period of one year to officers, directors and consultants. The options vested immediately.

Accordingly, share-based compensation expense for the period ended November 30, 2014 was $39,623 with a weighted average fair value of $0.02 per option granted.

During the year ended August 31, 2014, the Company

i) granted 2,600,000 options exercisable at $0.05 for a period of one to five years to officers, directors and consultants. The options vested immediately.

ii) granted 300,000 options exercisable at $0.10 for a period of five years to a consultant. The options vested immediately.

Accordingly, share-based compensation expense for the year ended August 31, 2014 was $99,680 with a weighted average fair value of $0.03 per option granted.

17. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Significant non-cash investing and financing transactions for the period ended November 30, 2014 consisted of:

a) At August 31, 2014, the Company had $160,676 of accounts payable that related to exploration and evaluation expenditures.
b) Transferred $10,541 from share-based payment reserve to share capital upon exercised options.

Significant non-cash investing and financing transactions for the period ended November 30, 2013 consisted of:

a) A decrease in accrued exploration and evaluation expenditures of $97,229 and a decrease in receivable from exploration partner of $117,539.
b) An increase in accrued share issue costs of $1,894.

(EXPRESSED IN CANADIAN DOLLARS)

18. SEGMENTED INFORMATION

The Company primarily operates in one reportable segment, being the acquisition and exploration of resource properties in Canada and the United States. Segmented information on a geographic basis is as follows:

	November 30, 2014	August 31, 2014
Canadian exploration assets and reclamation bonds	$ 584,274	$ 594,439
US exploration and evaluation assets and reclamation bonds	66,943	63,785
	$ 651,217	$ 658,224

Substantially all of the other assets and operating expenditures are in Canada.

19. COMMITMENTS AND CONTINGENCIES

The Company's exploration and evaluation activities are subject to various federal, provincial and state laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

The Company was obligated to spend $68,829 by December 31, 2013 as part of the flow through funding agreement for shares issued in December 2012 and is obligated to spend $205,800 by December 31, 2014 as part of the flow through funding agreement for shares issued in December 2013 ($164,553 incurred to August 31, 2014). The flow-through agreements require the Company to renounce certain tax deductions for Canadian exploration expenditures incurred on the Company's mineral properties to flow through participants. The Company indemnified the subscribers for any related tax amounts that become payable by the subscribers as a result of the Company not meeting its expenditure commitments. The Company incurred an expenditure shortfall of $1,104 on its December 31, 2013 obligation and has accrued $442 related to the indemnification of the subscribers.

In February 2014, the Company entered into a Financial Public Relations Service Agreement. Pursuant to the terms of the agreement, the Company will pay a monthly fee of $7,500 plus applicable taxes for a twelve month period. In addition, the Company issued 300,000 options exercisable at $0.10 (Note 16).

20. SUBSEQUENT EVENT

Subsequent to November 30, 2014, the Company signed a definitive agreement to acquire all of the assets from a related company, Greenstock Publishing LTD.,a Canadian music publisher for 10,000,000 shares. Greenstock Publishing owns 50% of the music publishing for the band, Franklins Dealers. The Greenstock Publishing business model is based on creating and acquiring music catalogs to place into major motion pictures. Greenstock is related as the CEO of Greenstock is also a director of GeoNovus.

GeoNovus Minerals Corp.

Management Discussion and Analysis
For The Three Months Ended November 30, 2014

January 29, 2015

The following discussion and analysis should be read in conjunction with the unaudited condensed consolidated interim financial statements for the three months ended November 30, 2014 and 2013 and the audited consolidated financial statements for the years ended August 31, 2014 and 2013. All monetary amounts, unless otherwise indicated, are expressed in Canadian dollars. Additional regulatory filings for GeoNovus Minerals Corp. ("GeoNovus" or the "Company") can be found on the SEDAR website at www.sedar.com. The Company's website can be found at www.geonovusminerals.com.

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Forward-Looking Statements

In making and providing the forward-looking information included in this MD&A the Company's assumptions may include among other things: (i) assumptions about the price of metals; (ii) that there are no material delays in the optimisation of operations at the exploration and evaluation assets; (iii) assumptions about operating costs and expenditures; (iv) assumptions about future production and recovery; (v) that there is no unanticipated fluctuation in foreign exchange rates; and (vi) that there is no material deterioration in general economic conditions. Although management believes that the assumptions made and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate. By its nature, forward-looking information is based on assumptions and involves known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements, or results, to be materially different from future results, performance or achievements expressed or implied by such forward-looking information. Such risks, uncertainties and other factors include among other things the following: (i) decreases in the price of base metals; (ii) the risk that the Company will continue to have negative operating cash flow; (iii) the risk that additional financing will not be obtained as and when required; (iv) material increases in operating costs; (v) adverse fluctuations in foreign exchange rates; and (vi) environmental risks and changes in environmental legislation.

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

Overview

GeoNovus Minerals Corp. was incorporated on October 11, 2011 under the laws of the Business Corporation Act (BC, Canada). The Company's principal business is the acquisition and exploration of mineral properties. The Company began trading on the under the symbol "GNM" on January 5, 2012. The Company's common shares were delisted from trading on the TSX Venture Exchange ("TSX-V") on

September 5, 2014 with trading of its common shares on the Canadian Securities Exchange commencing on September 8, 2014.

The Company's head office is located at 789 West Pender Street, Suite 1220, Vancouver, BC, V6C 1H2.

The condensed consolidated interim financial statements were approved by the Board of Directors on January 27, 2014.

Overall Performance

For the three months ended November 30, 2014, the Company had a net loss of $482,418 compared with a net loss of $538,003 for the prior year. While the Company did incur increases in consulting fees, shareholder communication and promotion, transfer agent and filing fees and interest expense, all other expense categories decreased.

Music Publishing

Subsequent to November 30, 2014, the Company signed a definitive agreement to acquire all of the assets from a related company, Greenstock Publishing Ltd. a Canadian music publisher for 10,000,000 shares. Greenstock Publishing owns 50% of the music publishing for the band, Franklins Dealers. The Greenstock Publishing business model is based on creating and acquiring music catalogues to place into major motion pictures. Greenstock is related as the CEO of Greenstock is also a director of GeoNovus.

New Directors and advisory board members

Tim Marlowe

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

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

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

"We are extremely pleased to have a man of Mr. Marlowe's caliber join GeoNovus. His connections are invaluable to us as we commence our journey in the entertainment industry."

Joe Wowk

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

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

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

Martin Kramer

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

Martin Kramer has been in the music business for over 50 years. He's worked and toured the world with such acts as The Rolling Stones, Ringo Starr, Joe Cocker, The Monkees and many more. He's personally managed, toured or represented such Artists as The Guess Who, Bachman Turner Overdrive, Nick Gilder, Randy Bachman and Burton Cummings.
Originally from Winnipeg, Marty Kramer is best known for working with Burton Cummings for 27 years. He was later recruited by Randy Bachman and worked for Bachman Turner Overdrive and then The Randy Bachman Band for almost a decade.

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

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

Medical Marijuana, Industrial Hemp and Cannabinoid Science Industries

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

Under the agreement, the Company will begin its due diligence process in furtherance of a potential business relationship with the private company, which will include a site visit to its active medical marijuana production facility, currently producing under its MMAP licence. At this time, management anticipates that the due diligence process will complete on or before June 15th, 2014.

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

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

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

- Medical marijuana growing facilities in Uruguay

- Cannabinoid sciences and product development (CBD/THC)
- New cannabis medicine trials
- Industrial hemp

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

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

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

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

The vertical growing technology GeoNovus is licensing is a fully sustainable and complete indoor agricultural solution developed over 12 years with R&D based on predecessor systems, prototypes, and significant third party validation. GeoNovus will be utilizing and re-selling technology aimed at year round farming systems with controlled precision farming techniques. Crop varieties chosen for best suitability with the GeoNovus and Affinor VDL system include leafy greens, strawberries and marijuana. A proprietary mechanical pollination system allows food to be grown indoors, year round regardless of seasonality, with near zero water waste.

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

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

Under the terms of this agreement, GeoNovus is acquiring exclusive licensing and access to Affinor's vertical growing technology for use in Uruguay and in the city of Langley, British Columbia Canada, by issuing 12,000,000 common shares of its capital to the Licensor as follows: (i) an initial amount of 6,000,000 Shares as soon as is commercially practicable (issued), and (ii) the remaining 6,000,000 Shares on or before that date which is 6 months from the date of the Agreement.

A finder's fee will be payable on this transaction.

Langley Land

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

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

Operating Activities

Shakespeare, Ontario, Canada

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

The historic mine is situated in northeast-trending folded ~2.4 billion-year old Huronian Supergroup, intruded by the ~2.21 billion-year old Nipising diabase dikes and sills, and the ~1.1 billion-year old northwest-trending Keweenawan diabase dikes. The Murray Fault is a regional structure that strikes ENE and passes 300 meters north of the mine. The mineralized zone is broadly concordant with the schistose Matinenda Formation, consisting of quartzite and greywacke that also trends ENE and dips steeply to the south. Historic sampling in the mine area reported 1.12-1.85 ounces per ton over an average width of one meter (*see Ontario Geological Survey Mineral Deposits Circular 18, 1979, part 2, 294p.*). The Corona Project claim package was assembled to enclose the ENE-trending Matinenda Formation that hosts mineralization, including the down-dip projection of the ore zone at the Shakespeare Mine. A collection of in-house reports and data included in the acquisition are presently undergoing review, and will be used to guide exploration in the immediate future.

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

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

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

GeoNovus president and chief executive officer Michael England stated: "These early drilling results at Corona confirm our review of historic data that suggested we would intersect similar alteration in the rocks that host gold mineralization at Shakespeare. Drill core is being prepared for assay to confirm our visual assessment, and the drill rig is being positioned to determine the along-strike and down-dip extent of the mineralization."

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

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

Table 1. Drill Hole Location Data

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

Table 2. Summary of Significant Assay Data

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

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

President & CEO Michael England states, "Significant mineralization and gold grades have been encountered in every hole drilled by GeoNovus at the Corona Project to date. Our team is very encouraged to see that the historically delineated zones of high chargeability are associated with gold mineralization. Our current drill rig is poised to resume testing targets further along strike and down-dip and we look forward to seeing assay results from the next set of holes as our drilling campaign continues."

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

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

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

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

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

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

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

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

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

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

Scotia Property, British Columbia

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Results of Operations

The results of operations reflect the overhead costs incurred to provide an administrative infrastructure to manage the acquisition, exploration, and financing activities of the Company. General and administrative costs can be expected to increase or decrease in relation to the changes in activity required as property acquisitions and exploration continue. As at November 30 2014, the Company had not recorded any significant revenues from its mineral exploration and development projects.

Revenues

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

General and Administrative Expenses

For the period ended November 30, 2014, the Company had a net loss of $482,418 compared with a net loss of $538,003 for the period in the prior year. During the period ended November 30, 2014, the Company incurred:

- consulting fees a $174,096 (2013 – $42,500). The increase is due to fees related to new projects in the current period.
- professional fees of $53,393 (2013 - $11,460). The increase is due to higher legal fees relating to legal work on the agreements..
- share based compensation of $39,623 (2013 - $29,520). The increase is due to more options granted during the current period.
- shareholder communications and promotion of $26,955 (2013 - $3,173). The increase was primarily due to increased promotion activities.
- Transfer agent and filing fees of $4,306 (2013 - $232). The increase was primarily due to increased activities during the period.
- write-off of exploration and evaluation assets of $31,589 (2013 - $393,382). Please refer to Note 13 of the November 30, 2014 consolidated audited financial statements on www.sedar.com for details.
- write-off of asset purchase agreement of $97,133 (2013 - $Nil). Please refer to Note 11 of the November 30, 2014 consolidated audited financial statements on www.sedar.com for details.

Summary of Quarterly Results

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

Three Months Ended	November 30, 2014	August 31, 2014	May 31, 2014	February 28, 2014
	$	$	$	$
Revenue (interest income)	-	-	-	-
Exploration and evaluation assets	579,234	589,399	1,838,721	1,822,084
Loss and Comprehensive loss	(482,418)	(1,904,160)	(75,329)	(125,854)
Loss per Common Share	(0.01)	(0.05)	(0.00)	(0.00)
Three Months Ended	**November 30, 2013**	**August 31, 2013**	**May 31, 2013**	**February 28, 2013**
	$	$	$	$
Revenue (interest income)	-	-	-	83
Exploration and evaluation assets	1,702,680	2,094,986	2,036,713	2,024,753
Loss and Comprehensive loss	(569,317)	(119,927)	(82,928)	(855,884)
Loss per Common Share	(0.02)	(0.00)	(0.00)	(0.04)

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

Liquidity and Capital Resources

The Company's cash position was $407 at November 30, 2014 compared to $774 at August 31, 2014. The Company had a working capital deficiency of $140,919 at November 30, 2014 compared with working capital deficiency of $464,370 at August 31, 2014.

During the period ended November 30, 2014, cash flow activities consisted of:

i) cash flows spent on operating activities of $705,973 (2013 - $178,126). Please refer to the the statement of loss and statement of cash flows on the condensed consolidated interim financial statements for the three months period ended November 30, 2014 on www.sedar.com for details.

ii) cash flows received from financing activities of $883,138 (2013 - $260,056). The cash flows are primarily a result of proceeds from private placements of $593,725 and subscriptions received in advance of $272,750.

iii) cash flows spent on investing activities of $193,636 (2013 - $98,305), primarily on exploration and evaluation expenditures.

During the year ended November 30, 2014, the Company:

i) completed its non-brokered private placement of 11,545,000 units at a price of $0.05 per unit for gross proceeds of $577,250, of which $60,000 was exchanged for accounts payable, $272,500 related to subscriptions received in advance and $50,000 related to prepaid consulting services. Each unit is comprised of one common share and one share purchase warrant of the Company. Each warrant will entitle the holder to purchase one share at a price of $0.10 per share purchase warrant until September 3, 2016, subject to an acceleration clause. In connection to the Offering, the Company issued a total of 34,800 finder's warrants to purchase up to 34,800 shares at a price of $0.10 per share for a period of 12 months, subject to the acceleration clause. In addition, the

Company paid cash commissions to the finders totaling $1,740. All securities issued pursuant to the private placement are subject to a hold period expiring on January 4, 2015

ii) issued 480,000 common shares pursuant to the exercise of options for gross proceeds of $24,000. Accordingly, the Company transferred $10,541 to capital stock from share-based payments reserve.

iii) issued 2,428,322 shares (valued at $97,133) pursuant to the terms of the asset purchase agreement.

vi) issued 7,000,000 shares (valued at $350,000) pursuant to the terms of the asset purchase agreement

Related Party Transactions

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

Trading Transactions

The Company entered into the following transactions with related parties:

			Three months ended November 30, 2014	November 30, 2013
	Nature of transactions	Notes		
England Communications	Management fees	a (i)	$ 12,000	$ -
England Communications	Office, rent and miscellaneous	a (ii)	$ 40,125	$ 52,125
Olga Nikitovic	Professional fees	c	$ -	$ 10,500

a) The Company paid or accrued $52,125 to England Communications Ltd. ("ECL"), a management company controlled by a director and officer of the Company . ECL provides a CEO, CFO, corporate secretary, administrative services and office space. Allocation of costs are as follows.

i) Management fees of $12,000 (2013 - $12,000) for the CEO.

ii) CFO and Corporate Secretary fees of $4,500 (2013 - $4,500), and rent and office expenses $9,000 (2013 - $9,000). These charges are recorded as office, rent and miscellaneous expense.

As of November 30, 2014, there was $31,253 (August 31, 2014 - $70,022) owing to this company which was included in accounts payable. As at November 30, 2014, $7,048 (August 31, 2014 - $7,048) of rent was included in prepaid expenses

b) The Company incurred $Nil (2013 - $10,500) charged by the former CFO of the Company. The amount is included in professional fees. As at November 30, 2014, $Nil (August 31, 2014 - $Nil) was included in accounts payable.

Compensation of key management personnel

	Notes	Three months ended November 30, 2014	November 30, 2013
Management fees	a	$ 12,000	$ 27,000
Share-based payments	b	$ 10,981	$ 12,651

a) The salaries include the fees for the CEO, CFO and Corporate Secretary included in trading transactions above.

b) Share-based payments are the grant date fair value of options granted to key management

(CEO, CFO, and Corporate Secretary) and directors.

Off Balance Sheet Arrangements

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

Changes in Accounting Policies and Future Accounting Changes

Please refer to Note 4 of the condensed consolidated interim financial statements for the period ended November 30, 2014 on www.sedar.com for a complete description of changes in accounting policies and future accounting changes.

Financial Instruments

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

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

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

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfil its payment obligations. The Company's credit risk is primarily attributable to receivables. The receivables relate to sales tax due from the Federal Government of Canada and amounts due from related parties. The Company has no significant concentration of credit risk arising from operations. Management expects that repayment of the receivable from related parties will occur, however, it does anticipate that the repayment term will be longer than desirable.

Liquidity risk

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

Interest risk

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

Foreign currency risk

The Company's functional and presentation currency is the Canadian dollar. Certain expenditures are transacted in foreign currencies. As a result, the Company is exposed to fluctuations in these foreign currencies relative to the Canadian dollar. Management does not hedge its foreign exchange risk. A 1% change in foreign exchange rates between the Canadian and US dollar at November 30, 2014 would not have a material impact on the Company's financial statements.

Commodity price risk

Commodity price risk could adversely affect the Company. In particular, the Company's future profitability and viability of development depends upon the world market price. A decline in the market price of commodities may also require the Company to reduce its mineral resources, which would have a material and adverse effect on the Company's value. As at November 30, 2014, the Company is not in production. As a result, commodity price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

Sensitivity analysis

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

Contingencies

There are no contingent liabilities.

Management's Responsibility for Financial Statements

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

Risks and Uncertainties

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

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

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

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

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

Disclosure Controls and Procedures

TSX Venture listed companies are not required to provide representations in the annual filings relating to the establishment and maintenance of Disclosure controls and procedures ("DC&P") and Internal controls over financial reporting ("ICFR"), as defined in National Instrument 52-109. In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation, and (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's IFRS. The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding the absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitation on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in National Instrument 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Other MD&A Requirements

As at the date of this MD&A, the Company had 61,442,724 common shares issued and outstanding.

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

Expiry Date	Exercise price	Number of Options Outstanding
January 5, 2017	0.05	1,200,000
June 10, 2015	0.05	300,000
July 8, 2015	0.05	50,000
July 25, 2015	0.05	50,000
September 29, 2015	0.05	950,000
October 1, 2015	0.05	570,000
January 10, 2017	0.10	475,000
June 19, 2017	0.10	250,000
December 27, 2017	0.10	150,000
January 31, 2018	0.10	150,000
September 26, 2018	0.05	550,000
February 11, 2019	0.10	300,000
April 3, 2019	0.05	700,000
		5,695,000

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

Expiry Date	Exercise Price	Number of warrants
August 29, 2015	$ 0.10	1,200,000
September 3, 2015	0.10	34,800
September 23, 2014	0.075	
	then	5,150,000
September 23, 2015	0.10	
December 20, 2015	0.075	3,200,000
December 20, 2015	0.10	20,000
December 30, 2015	0.075	1,000,000
February 6, 2016	0.075	2,000,000
April 8, 2016	0.075	1,574,500
September 3, 2016	0.10	11,545,000
		25,724,300

Board Resignation

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