Management's Discussion and Analysis

Golden Valley Mines Ltd.

For the period ended September 30, 2014

Dated: November 28, 2014

INTRODUCTION

The following is Management's Discussion and Analysis of the financial condition and results of operations of Golden Valley Mines Ltd. (the "**Company**" or "**Golden Valley Mines**") for the period ended September 30, 2014 which have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board and Interpretations of the International Financial Reporting Interpretations Committee. This discussion and analysis should be read in conjunction with the audited consolidated financial statements of the Company for the year ended December 31, 2013 and the related notes thereto. All figures are in Canadian dollars unless otherwise specified. The technical content in this Management's Discussion & Analysis has been prepared under the supervision of Glenn J. Mullan who is a "Qualified Person" as such term is defined in National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*.

Forward-Looking Statements

This document contains certain forward-looking statements. In some cases, words such as "plans", "expects", or "does not expect", "budget", "scheduled", "estimates", "forecasts", "anticipate" or "does not anticipate", "believe", "intend" and similar expressions or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur, be achieved or continue, have been used to identify these forward-looking statements. These forward-looking statements are subject to a variety of risks and uncertainties beyond the Company's ability to control or predict and are not to be interpreted as guarantees for future performance. These forward-looking statements could cause actual events or results to differ materially from those anticipated in such forward-looking statements. All forward-looking statements speak only as of the date hereof and, except as required by law, the Company does not undertake any obligation to update or publicly release any revisions to such forward-looking statements to reflect events, circumstances, or changes in expectations after the date hereof. Accordingly, readers should not place undue reliance on such forward-looking statements.

NATURE OF OPERATIONS

Golden Valley Mines is a mineral exploration company whose assets and those of its subsidiaries (including the Reporting Subsidiaries (as hereinafter defined), include 107 exploration properties located in the following areas: (i) the Abitibi Greenstone Belt (Ontario and Québec); (ii) the James Bay, Mistassini and Otish regions of northern Québec; (iii) the Nunavik (Ungava and Labrador) region of northern Québec; (iv) the Athabasca Basin of Saskatchewan; and (v) the James Bay Lowlands of Ontario.

Golden Valley Mines' primary objective is to conduct basic exploration while the Company owns 100% of most of its properties. In instances where the exploration results are less than conclusive (such as when favourable geological conditions are encountered, but without an economically significant discovery) the Company will typically seek joint-venture partners (normally other public mining companies) to conduct follow-up exploration programs and continue the exploration effort. In most instances, Golden Valley Mines continues to act as the operator during the earn-in phase thus allowing the Company to reduce dilution to its share capital and decrease the amount of self-funded expenditures, while continuing exploration on these same properties with larger budgets than its own initial investment (most of the agreements allow the partner to earn into a property by incurring exploration expenditures typically over periods of three to six years). Furthermore, in addition to third party disbursements for exploration funding, the Company's option agreements typically provide for receipt by Golden Valley Mines of either cash or shares, or both from its partners and the retention of a free-carried interest or an NSR royalty. This allows the Company to focus primarily on other early-stage, 100%-owned properties while partners fund exploration on more expansive option/joint ventures and remote projects.

Golden Valley Mines' exploration strategy is based on four principles: (a) majority ownership during the initial early stage exploration program; (b) exploration for a wide variety of commodities including precious and base metals; (c) drill testing of priority anomalous targets during the early stage grassroots exploration; and (d) retention of largest possible interest (carried interest or NSR) following vesting of the option and formation of the joint venture.

On July 19, 2011, the Company effected a plan of arrangement (the "Arrangement") resulting in Abitibi Royalties Inc. ("Abitibi Royalties"), Nunavik Nickel Mines Ltd. ("Nunavik Nickel"), and Uranium Valley Mines Ltd. ("Uranium Valley", together, the "Reporting Subsidiaries") becoming reporting issuers. See section 3 herein, *Property Interests Assigned to the Reporting Subsidiaries* with respect to each of the Reporting's Subsidiaries Property holdings.

The information detailed in this report and pertaining to Abitibi Royalties, Nunavik Nickel, and Uranium Valley, has been extracted from each of the respective issuer profiles of the Reporting Subsidiaries, which are publicly available for viewing through the internet on the SEDAR website at www.sedar.com.

OVERALL PERFORMANCE

1. Exploration Activity:

A. Abitibi Greenstone Belt ("AGB") Grassroots Exploration Project, located in Québec and Ontario, 100%-owned Projects

The AGB properties are comprised of gold (53), copper-zinc-silver (28), nickel-copper-PGE (7), molybdenum (1) and cobalt-silver-nickel (2) prospects located in Québec (6) and Ontario (25). Golden Valley Mines' exploration strategy consists of a systematic approach designed to reduce grassroots exploration risk, and increase the possibility of exploration success, through the sequential exploration of a large number of grassroots properties. Preliminary fieldwork conducted over the Company's 100%-owned properties includes grid establishment, geophysical and/or geochemical surveys, prospecting, reconnaissance and grid mapping and sampling, with the objective of upgrading and advancing each property to the group of "drill-ready" prospects. This exploration pattern is consistently being repeated throughout the year as much as financial and logistical circumstances permit.

During the third quarter ending September 30, 2014, the Company's exploration work was focused on the completion of property compilations (for mandatory government assessment report filing and business development purposes), and on project generation activities directed to identifying and evaluating new opportunities. Additionally, preliminary fieldwork was conducted on selective properties consisting of a "boot and hammer" prospecting and sampling (rock grab and channel saw sampling) program over a number of high-priority grassroots projects, where previous work by the Company has outlined surface mineralization and/or geophysical anomalies identified in the 2013 exploration program, and ground magnetic survey.

The objective of this work is to identify priority targets for detailed follow-up geological-structural mapping, selective surface stripping, channel sampling, and if warranted, diamond drilling. The best results that were returned from the prospecting and sampling program included 6.19 g/t Au and 1.85 g/t Au (channel samples) from the *Oregon Prospect*; 2.54 g/t, 1.635 g/t Au, and 1.09 g/t Au (rock grab samples) from the *Magoma Prospect* and 3.74% Mo (rock grab sample) from the *Steeloy Prospect*. The ground magnetic survey outlined new targets for follow-up prospecting and sampling on the *Island 27 Prospect*.

2. Option and Joint Venture Properties Portfolio Review:

Abitibi Greenstone Belt Programs

A. Integra Gold Corp. ("Integra") Joint Venture – AGB

In 2008, the Company earned a 70% interest in the group of nine properties located on the AGB (Québec and Ontario) and a joint venture was formed thereon with Integra (the "GZZ-I JV"). The Company is the operator during the joint venture phase. In January 2012, the Company and Integra granted an option (the "GZZ-I Option") to Golden Cariboo Resources Ltd. ("Golden Cariboo") to acquire a 70% interest in certain properties comprising the GZZ-I JV. Upon the GZZ-I Option being exercised, Golden Valley Mines and Integra shall retain a combined 30% free carried interest to production (22.5% Golden Valley Mines/7.5% Integra. For additional information with respect to the transaction between the Company, Integra, and Golden Cariboo, and the exploration activities conducted on the properties under option by the Company and Integra to Golden Cariboo, please refer to Section C herein. As of the date hereof, the GZZ-I JV is in good standing.

During the third quarter of 2014, a prospecting and sampling program was completed over parts of the *Matachewan Prospect*. The main objective of the program was to sample some of the syenite outcrops that have been mapped as being geologically aligned with the syenite outcrops that host AuRico Gold Inc. Young Davidson gold deposit that is presently being mined (Map 2110 Powell and Cairo Townships, Lovell, 1967). The highest grade gold assay that was returned from the twenty-five samples collected and submitted for analysis, graded 0.527 g/t Au.

B. Cambrian Corp. Option Agreement – Broker's Fee Prospect

Pursuant to a Third Amended and Restated Mining Option Agreement dated April 2, 2013 (the "Cambrian Option Agreement") Cambrian Corp. ("Cambrian"), a private company, holds an option on the Company's Broker's Fee Prospect located in Arnold Township, 20 km northeast of Kirkland Lake, Ontario. Pursuant to the terms of the Cambrian Option Agreement, Cambrian may earn a 70% undivided interest in the property by incurring aggregate exploration expenditures of $6,000,000 over a six year period, of which $200,000 must be spent on or before October 7, 2013, making a $5,000 cash payment (paid), issuing 600,000 common shares (issued), and delivering a definitive feasibility study on the property on or before the 6th anniversary of the effective date of the Cambrian Option Agreement. Cambrian has not fulfilled its obligations under the Cambrian Option Agreement. The

Company has a right to terminate the option agreement and retain 100% interest in the property, however in view of prevailing market conditions; the Company is reviewing the alternatives.

No exploration work was conducted on this property during the quarter ending September 30, 2014. Notwithstanding that Cambrian has not incurred the expenditures required under the agreement, given current market conditions; the Corporation has not taken steps to terminate the Cambrian Option.

C. Golden Cariboo Resources Ltd. – GZZ Properties and GZZ-I Properties

The Company granted an option to Golden Cariboo to acquire a 70% interest in certain properties held as to a 100% interest by the Company (the "GZZ Option") and located in the Abitibi Greenstone Belt of northwestern Québec and northeastern Ontario (the "GZZ Properties"). Concurrently, and subject to net smelter return royalty interests and advance royalty interests in favour of the original vendors (one of which is a director and officer of the Company), Golden Valley Mines and Integra granted an option to Golden Cariboo to acquire a 70% interest in certain properties located in the Abitibi Greenstone Belt of northwestern Québec (the "GZZ-I Option"); these properties are held as to a 70% interest by Golden Valley Mines and as to a 30% interest by Integra pursuant to a joint venture agreement between Integra and Golden Valley Mines (the "GZZ-I Properties"). The GZZ Option and the GZZ-I Option are together referred to herein as "the Option". Golden Valley Mines is the operator during the Option phase.

The agreement governing the Option was amended and restated by the parties on January 10, 2013. In order to maintain in force the Option granted to it, and to exercise the Option, Golden Cariboo must: (i) issue to the Company 770,961 common shares (the "GCC Payment Shares") (issued); (ii) incur expenditures in an aggregate amount of $4,500,000 over a 6 year period (the "Expenditures") to be allocated between the GZZ Properties and the GZZ-I Properties as Golden Cariboo may determine provided that no more than $4,000,000 of the Expenditures shall be incurred with respect to the GZZ Properties and at least $500,000 of the Expenditures shall be incurred with respect to the GZZ-I Properties; and (iii) reimburse Golden Valley Mines for all costs related to the preparation of any technical reports. Upon the GZZ Option being exercised, Golden Valley Mines shall retain a 30% free carried interest to production in respect of the GZZ Properties. Upon the GZZ-I Option being exercised, Golden Valley Mines and Integra shall retain a combined 30% free carried interest to production (22.5% Golden Valley Mines/7.5% Integra). The agreement governing the Option is in good standing as of the date hereof.

Fieldwork for the first year exploration program was initiated in the third quarter of 2014 and is currently in progress, as part of the initial work commitment of $250,000 of the option agreement.

Phase I of the 2014 first-year field program is budgeted at $125,000 and will be primarily focused on preliminary fieldwork consisting of the establishment of grids over priority target areas (prospective geological and ore deposit model attributes and/or previously untested geophysical anomalies) to facilitate the completion of detailed ground geophysical surveys. Initial fieldwork activities are planned for the North Contact, Venus New, Bogside, and Rivière d'Alembert prospects located in the Val-d'Or-Cadillac-Rouyn-Noranda Abitibi region of Québec and the Cook Lake and Claw Lake prospects located in the Kirkland Lake and Shining Tree Abitibi regions in Ontario (please refer to the Company's July 18, 2012 news release for details on the property descriptions). The objective of this work will be directed to upgrading and advancing each of the properties to a "drill-ready" status.

James Bay Properties

F. Sirios Resources Ltd. – Cheechoo and Sharks Prospects

Pursuant to an binding term sheet dated June 12, 2012, as amended and restated October 23, 2013, Sirios has provided the Company with notice (the "Option Notice") of its intent to acquire the remaining 55% interest in the Sharks and Cheechoo prospects (the "S&C Properties"), located in the James Bay area of northern Québec, from Golden Valley Mines. In accordance with the agreement Sirios has issued 2,898,374 common shares to Golden Valley Mines (the "Payment Shares"). In addition, within 3 years of the Option Notice Sirios will have to: (i) further complete approximately $4,000,000 in exploration expenditures; and (ii) pay $500,000 in cash or in shares to the Company. The Company retains a royalty equal to 4% of the net returns from all mineral products mined or removed from the S&C Properties. Notwithstanding the foregoing, the royalty relevant to gold mineral products mined or removed from the S&C Properties (the "Gold Portion") may vary between 2.5% and 3.5% depending on the market price of gold at the time of the payment of the Gold Portion.

Sirios is the operator and the exploration expenditures incurred on the S&C Properties shall include an amount representing 10% of same in lieu of the payment of operator's fees in cash by the Company. Sirios must keep the S&C Properties in good standing during the Option period and for a period of at least one year from the lapse or termination of the Option.

On October 23, 2013, Sirios abandoned the claims comprising the Sharks Prospect in favour of the Company resulting in the Golden Valley Mines retaining a 100% interest in the Sharks Prospect.

On September 12, 2014 Sirios announced drill results from two drill holes from their diamond drilling campaign conducted over the period of May-June 2014. Subsequently on October 14, 2014, diamond drilling activities were resumed. For additional details with respect to the exploration and field work completed to date or to be completed on the project, as well as for the details on the expenditures made to date by Sirios on the property, please refer to Sirios' continuous disclosure documents available for viewing by the public through the internet at the SEDAR website (www.sedar.com) by accessing Sirios' issuer profile.

3. Property Interests Assigned to the Reporting Subsidiaries:

A. Abitibi Royalties Inc.

Malartic CHL Prospect

In contemplation of the Arrangement, the Company assigned its interest in the Malartic CHL Prospect to Abitibi Royalties. The Malartic CHL Prospect is located immediately east of the Canadian Malartic Mine operated by the Canadian Malartic Corporation pursuant to a transaction involving Osisko Mining Corporation ("Osisko") and noted below, Agnico Eagle Mines Limited ("Agnico") and Yamana Gold Inc. ("Yamana") which is detailed below.

The Malartic CHL Property covers a number of known mineralized zones including the historic Shaft Zone and Porphyry 12 Zone hosted in the Malartic CHL Porphyry Intrusion (located within the Cadillac fault), the deep Norrie Zone (located approximately 1500 metres east of the known eastern limit of Osisko's Canadian Malartic deposit. The zone straddles the boundary between the Malartic CHL Property and the Canadian Malartic Property, the Mammoth Zone (is the eastern extension of the

Barnat Zone) and further along strike to the east, the Jeffrey Zone (located some 800 metres east of the Mammoth Zone).

On April 19, 2013, Abitibi Royalties announced having received a technical report of the audit completed at its request by Micon International Limited ("Micon"), of the year-end 2012 gold reserve and resource estimate completed by Osisko. The results of this audit are summarized in the Abitibi Royalties' news release of April 19, 2013. The complete report entitled "*A Mineral Resource Update and Mineral Reserve Estimate for Abitibi Royalties Inc.'s Malartic CHL Property Joint Venture, Malartic, Québec*" can also be found by accessing the Abitibi Royalties' issuer profile through the internet on the SEDAR website at www.sedar.com

On March 28, 2014, Abitibi Royalties announced via news release the receipt of the year-end 2013 gold reserve and resource estimate completed by Osisko in respect of the Company's interests in the Malartic CHL property and the NSR (as defined below). For further details, please refer to the March 28, 2014 news release by accessing the Abitibi Royalties' issuer profile through the internet on the SEDAR website at www.sedar.com.

Abitibi Royalties and Osisko are deemed to have entered into a joint venture in respect of the Malartic CHL Property; as a result, Abitibi Royalties retains a 30% free carried interest in the Malartic CHL property with no further expenditure requirements until the Malartic CHL property achieves commercial production. For details of the expenditures made on this property by Osisko, and the anticipated timing and costs to take the Malartic CHL Property to the next stage of the project plan, please refer to Osisko's continuous disclosure documents available for viewing by the public through the internet at the SEDAR website (www.sedar.com) by accessing Osisko's issuer profile.

On April 16, 2014, Osisko, Agnico, and Yamana entered into an arrangement agreement pursuant to which Osisko agreed to transfer its Canadian Malartic assets to a new partnership that would ultimately be owned by Agnico and Yamana as to 50% each. The Malartic CHL Property, however, was not transferred to the partnership and continues to be held by Osisko. For further information please refer to the Contingencies section of this report.

Canadian Malartic 2% NSR

In contemplation of the Arrangement, the Company assigned to Abitibi Royalties a 2% net smelter royalty interest (the "**NSR**") on a claim block (the "**Royalty Claim**") originally acquired by Golden Valley through staking and subsequently sold to Osisko. The Royalty Claim is located on a single claim held by Osisko; such claim is located just to the south of the Canadian Malartic main pit, and covers the historic Charlie Zone. At this time, there is no production on this claim block, and Abitibi Royalties does not receive any revenue from this NSR. During the year ended December 31, 2012, Abitibi Royalties announced that it had received initial gold mineral reserve and resource estimates from Osisko on the portion of the Charlie and Gouldie gold deposits that lie within the Royalty Claim. The details of initial gold mineral reserve and resources estimates received from Osisko can be found in Abitibi Royalties' news release dated September 20, 2012.

On March 6, 2013 Abitibi Royalties announced receipt of the year-end 2012 gold reserve and resource estimate completed by Osisko in respect of Abitibi Royalties' interest in the Malartic CHL Property and the Royalty Claim. Abitibi Royalties commissioned Micon to audit the year-end 2012 gold reserve and resource estimate completed by Osisko with respect to the Mammoth/Barnat, and Jeffrey

Zones only, and prepare a corresponding National Instrument 43-101 technical report thereon. Further to its March 6, 2013 news release, on April 19, 2013 Abitibi Royalties announced the receipt of the technical report of the audit completed by Micon (the "Report"). The gold reserves and resources from the Malartic CHL Property contained in the Report and which were previously reported in Abitibi Royalties' March 6, 2013 news release are reproduced in Abitibi Royalties' April 19, 2013 news release. In addition, Micon included in the Report an economic analysis consisting of a preliminary, before tax, cash flow evaluation of the three zones, Gouldie, Mammoth/Barnat and Jeffrey. The complete report, entitled *"A Mineral Resource Update and Mineral Reserve Estimate for Abitibi Royalties Inc.'s Malartic CHL Property Joint Venture, Malartic, Québec"* and which includes the assumptions and disclaimers set out by Micon in preparing the cash flow estimates of the economic analysis can be found by accessing the Abitibi Royalties' issuer profile through the internet on the SEDAR website at www.sedar.com.

In May 2013 Abitibi Royalties reported on exploration and development activities completed by project operator (Osisko) during 2012 on the Malartic CHL Prospect. Drilling summary and statistics exclude the single "NSR-claim" covering the Charlie Zone and part of the Gouldie Zone both situated southeast of the Canadian Malartic deposit. For the details of the 2012 drill Program and the 2012 drill holes and targets tested on the property and provided to Abitibi Royalties by Osisko, please refer to Abitibi Royalties' news release dated May 6, 2013.

In addition, subsequent to quarter end, Abitibi Royalties reported on the third and final series of assay results from the 2012 drill program conducted by Osisko on the Malartic CHL Prospect. For the details of the 2012 drill program and more specifically the results of the last series of assay provided to Abitibi Royalties by Osisko, please refer to Abitibi Royalties' news release dated July 15, 2013.

On March 28, 2014, Abitibi Royalties announced the receipt of the year-end 2013 gold reserve and resource estimate completed by Osisko in respect of Abitibi Royalties' interest in the NSR Royalty, the details of which can be found in Abitibi Royalties' news release dated March 28, 2014 available via the internet at www.sedar.com.

McFauld's Lake ("Ring of Fire") Area

In contemplation of the Arrangement, the Company assigned its 100% interest in the Luc Bourdon and Bourdon West prospects (the "Bourdon Prospects") to Abitibi Royalties. As a result of the option granted to White Pine Resources Inc. ("White Pine") and Noront Resources Ltd. ("Noront") on the Bourdon Prospects being terminated, Abitibi Royalties retains a 100% interest in the Bourdon Prospects. Abitibi Royalties is now seeking new partnerships to fund future exploration programs and, if warranted by the results, to further develop the Bourdon Prospects.

The information detailed above has been has been extracted from Abitibi Royalties' issuer profile which is publicly available for viewing through the internet on the SEDAR website at www.sedar.com.

Golden Valley Mines holds an approximate 57.31% interest in Abitibi Royalties.

B. Nunavik Nickel Mines Ltd.:

In contemplation of the Arrangement, the Company assigned its interest in each of the Marymac Prospect (Labrador Trough, Nunavik, Québec), Fortin Prospect, Shoot Out Prospect (East and West), Donnybrook and Overtime Prospects (South Raglan Trend, Nunavik, Québec) to Nunavik Nickel.

Marymac Prospect

Nunavik Nickel holds a 100% interest in the Marymac Prospect located in the Labrador Trough of Québec. The Marymac Prospect consists of 215 Map Designated Units that collectively encompass approximately 10,000 hectares. The Marymac Prospect is subject to a 2% net smelter royalty interest in favour of Capex Group Inc. (formerly 862539 Alberta Ltd.), which was granted to 862539 Alberta Ltd. pursuant to an agreement dated March 1, 2001.

A technical report dated July 22, 2010 and amended on August 18, 2010 (the "**Marymac Report**"), pertaining to the Marymac Prospect reviews the Marymac Prospect's geology and mineralization and recommends a Phase I follow-up exploration program to be conducted on the Marymac Prospect based on results from the historical and 2003 exploration program results and, contingent upon the exploration results obtained from Phase I, a follow-up Phase II exploration program. The Marymac Prospect is a magmatic nickel-copper-PGE (ruthenium, rhodium, palladium, osmium, iridium, and platinum) target. The Marymac Report is available for viewing by the public through the internet at the SEDAR website (www.sedar.com) by accessing the Company's issuer profile.

After the completion of an air-borne electromagnetic geophysical survey in 2011, no additional work has been done on the Marymac Prospect. Should Nunavik Nickel succeed in raising financing for exploration, Nunavik Nickel has indicated that it intends to invest it primarily in the development of the Marymac Prospect. Nunavik Nickel is also seeking partners to fund future exploration programs and, if warranted by the results, to further develop the Marymac Prospect.

Fortin Property

The Fortin Property is located in the central part of Ducros Township, approximately 80 kilometres northeast of the Town of Val-d'Or, Québec, and consists of five contiguous mining claims. Nunavik Nickel holds a 100% interest in this property, subject to a 1.5% NSR in favour of the original vendors. The Company retains the right to buy back the NSR at any time as follows: (i) 0.5% in exchange for $500,000; and (ii) 1% in exchange for $1,000,000.

The Fortin Property is without known resources or reserves. A technical report dated December 18, 2010 as amended on March 15, 2011, pertaining to the Fortin Property (the "**Fortin Report**") reviews the Fortin Property's geology and mineralization and recommends a Phase I exploration program and, contingent upon the exploration results obtained from Phase I, a follow-up Phase II diamond-drilling program. The proposed exploration program would require a budget of $276,000 and, if results warrant it, a Phase II $360,000 follow-up diamond-drilling program. No work has been completed nor is currently ongoing on the Fortin Property. The Fortin Report is available for viewing by the public through the internet at the SEDAR website (www.sedar.com) by accessing the Company's issuer profile.

Shoot Out Prospect

The Shoot Out Prospect (Shoot Out East and Shoot Out West) consists of 185 claims covering a surface area of approximately 7,526 hectares located in the Raglan Belt of Northern Québec. The Shoot Out Prospect is subject to a 3% NSR in favour of the original vendors, one of which is a director and officer of Nunavik Nickel. No exploration work was carried out on the Shoot Out Prospect during the year ended December 31, 2013 nor as of the date of Nunavik Nickel's management discussion and analysis for the quarter ended September 30, 2014. The Company is seeking partners to fund future exploration work and, if warranted by the results to further develop the Shoot Out Prospect.

Nunavik Nickel has indicated in its disclosure documents that it continues to believes in the potential of the Fortin and shoot Out Prospects, and that it intends to renew the claims comprising said properties; however the difficulty in raising financing to carry out exploration work has led Nunavik Nickel to adopt a prudent accounting approach and to impair the book value of the Fortin and Shoot Out Prospects as of December 31, 2013.

The information detailed above has been extracted from Nunavik Nickel's issuer profile which is publicly available for viewing through the internet on the SEDAR website at www.sedar.com.

Golden Valley Mines holds an approximate 70.11% interest in Nunavik Nickel.

C. Uranium Valley Mines Ltd.:

Mistassini-Otish Basins Project

In contemplation of the Arrangement, the Company assigned its interest in the *Mistassini-Otish Projec*t to Uranium Valley. Until May 12, 2011, the property was the object of a joint venture with Lexam VG Gold Inc. (formerly Lexam Explorations Inc., hereinafter "Lexam"). Effective May 12, 2011, Uranium Valley purchased Lexam's interest in the property, as a result of which Uranium Valley now holds a 100% interest in the property and the joint venture with Lexam was terminated.

On March 28, 2013, the Government of Québec announced it had decreed a "moratorium" on all exploration, development and mining for uranium. Following this announcement, Uranium Valley has indicated that it is of the view that it will be difficult and potentially impossible, to conduct exploration programs on its Otish and Mistassini Prospects which are located in Quebec. Consequently, Uranium Valley's financial statements for the year ended December 31, 2012 reflect its decision to impair the carrying value of its uranium properties located in the Province of Québec. As a result, any further uranium exploration activities by Uranium Valley will be executed outside the Province of Québec.

2973090 Canada Inc. - Porcupine Miracle Prospect

On July 3, 2014, Uranium Valley was granted an option by 2973090 Canada Inc., ("**297**") to acquire a 100% interest in the Porcupine Miracle Prospect consisting of four (4) claims located in the Langmuir Township in the province of Ontario, Canada. As consideration for the grant of the option, Uranium Valley shall issue an aggregate 200,000 common shares, incur exploration expenditures of $50,000 in the aggregate by 2016, and keep the property in good standing. As additional consideration, 297 retains 3% net smelter return royalty on the property and shall receive, commencing in 2017 royalty payments of $10,000 per annum; the advance royalty payments will be deducted from the amounts payable under the royalty. Uranium Valley has adopted a $52,619 budget for the realization of a phase 1 exploration program on the property which is to include compilation of all available property data, ground magnetic and induced polarization surveys, sampling program on any geophysical anomalies and other potential targets identified on the property.

The information detailed above has been extracted from Uranium Valley's issuer profile which is publicly available for viewing through the internet on the SEDAR website at www.sedar.com.

Golden Valley Mines holds an approximate 37.35% interest in Uranium Valley.

4. Calone Mining Company (S.L.) Ltd. ("Calone SL") /Calone Mining Ltd. ("Calone Canada"):

Calone Canada, Golden Valley Mines' wholly-owned Canadian subsidiary acquired all of the shares held by the Golden Valley Mines in Calone SL. Subsequently, Calone Canada divested of its interest in Calone SL in favour of K&K Investment GMBH ("K&K") pursuant to an amended and restated share purchase agreement (the "SPA"). Pursuant to the SPA, K&K and Calone SL have agreed to pay to Calone Canada a royalty (the "Royalty") equal to 5% of net returns from mineral products mined or removed from the property within 10 years of closing of the transactions contemplated by the SPA. K&K and Calone SL shall have the right to repurchase a portion of the Royalty as follows: (i) 1% for the price of US$2M leaving Calone Canada with a 4% royalty; or (ii) 2% for the price of US$4M, leaving Calone Canada with a 3% royalty, or (iii) 3% for the price of US$6M, thereby leaving Calone Canada with a 2% royalty. No further work has been done in the past 12-months.

SELECTED QUATERLY INFORMATION

	2014	2013	2012
Total Revenue ($)	10,729	Nil	2,721
Net loss and total comprehensive loss for the period ($)	(802,220)	(349,324)	(371,311)
Basic and diluted net loss per share ($)	(0.002)	(0.004)	(0.005)
Total Assets ($)	13,847,608	14,791,157	18,089,091
Total Liabilities ($)	1,170,531	1,025,850	1,498,877

DISCUSSION AND RESULTS OF OPERATIONS

In the third quarter ended September 30, 2014, the Company reported a loss before income taxes of $896,809 compared to $695,966 in 2013, due to an increase in operating expenses from $674,930 to $786,980. There was an increase in professional and legal fees, due to Abitibi Royalties having retained external counsel for its legal proceedings in the Malartic CHL matters. For further information, see also "Contingencies" below.

Revenues

Revenue in the amount of $10,729 was generated from the Company's active option and joint-venture properties for the third quarter ended September 30, 2014 (Nil in September 30, 2013).

Other Revenue

Other sources of income are interest and dividend income from cash and short-term financial assets ($562 for the third quarter ended September 30, 2014 compared to $1,410 for the same period in 2013). The Company did not sell any short-term investments held in its portfolio during the third quarter ended September 30, 2014 (gain on sale of short-term investments of $3,916 in the same period in 2013).

The Company held money market investment and mutual funds having a market value of $111,220 as at September 30, 2014 as well as publicly traded securities comprised of common shares of third party optionees issued to the Company in accordance with the terms of certain property option agreements having a market value of $333,878 as at September 30, 2014. The Company also has a guaranteed investment certificate (at an interest rate of 0.95% maturing in January 2015) in the amount of $175,000.

Non-Exploration Expenditures

In response to the economic uncertainties which have negatively impacted the markets, making it difficult for exploration companies to finance their exploration and prospecting campaigns, prior to the quarter ended September 30, 2014, the Company deemed it appropriate to reinstate certain austerity measures to curb and or eliminate, as much as possible, discretionary expenses and maintain, as much as possible, its financial position resulting in similar general and administrative expenses in this quarter compared to the corresponding period in 2013. Total operating expenses increased from $674.930 in 2013 to $786.980 in 2014. Salaries and other employee benefits decreased to $506,820 in 2014 (compared to $602,629 in 2013). Included in this amount are director's fees, in the amount of $103,833 ($101,958 in 2013) that are being accrued but not being paid as a result of the austerity measures implemented in 2012 and reinstated in the third quarter of 2013. Part XII.6 and other taxes increased to $442 (compared to ($412) in 2013). Professional and legal fees increased from $27,921 to $200,534 in 2014. The increase can be attributed to the increased professional fees expended by Abitibi Royalties Inc. in connection with the motion brought against Osisko Mining Corp., and the consequent legal proceedings arising as a result. For further details, please review the Management Discussion and Analysis for Abitibi Royalties for the 9 month period ended September 30, 2014 which can be accessed under Abitibi Royalties' issuer profile at www.sedar.com. The following expenditures, travelling (from $140 in 2013 to $22,570) and advertising and exhibition (from $2,702 to $6,821) increased as a result of the Company's subsidiary Abitibi Royalties having expanded its investor relations activities. Office expenses increased slightly to $43,091 (compared to $38,576 in 2013) Management fees remained the same $4,125 in 2014 and 2013.

Exploration Activities and Expenditures

For the nine month period ended September 30, 2014, total investments in exploration and evaluation assets increased to an aggregate $11,160,637 from $10,941,564 as at December 31, 2013.

The Company's and the Reporting Subsidiaries' property interests in Québec, Ontario and Saskatchewan are considered to be prospective for precious (i.e. gold, silver and platinum group metals), base-metals (i.e. nickel, copper, zinc, and cobalt), and energy minerals (i.e. uranium. During the third quarter of 2014, no new properties were acquired.

During the third quarter ending September 30, 2014, the Company's exploration program expenditures were allocated to the following activities: (i) regional and property compilation maps and reports for mandatory government assessment report filing and business development purposes; and (ii) project generation activities, directed at identifying and evaluating new opportunities.

The primary focus for the Company's project generation activities during the second quarter ending September 30, 2014 was in the Abitibi Greenstone Belt ("AGB") region of Québec and Ontario. No new properties and/or claims were added to the existing properties in the third quarter ending September 30, 2014. Claim maintenance fees for this period on the Company's AGB properties amounted to $22,990.

$9,579 was incurred for a ground magnetic survey during the third quarter of 2014.

Technical and field staff expenditures amounted to $42,295 during the third quarter ending September 30, 2014 for the Company's self-funded AGB Grassroots Exploration Project, project generation activities and/or related corporate developments, and $3,784 for the Golden Valley Mines/Integra Joint Venture relate property costs.

No drilling activities were completed during the second quarter ending June 30, 2014. The Company has drilled a total of 195 targets (25,475m) on 51 properties (50 100%-owned and 2 optioned/joint-venture funded properties) in the AGB Grassroots Exploration Project since the program was originally initiated in 2003.

Related exploration program expenditures included $602 for sampling and testing $286 for travel and transport, and $385 and $810 respectively for the Golden Valley Mines/Integra Joint Venture relate property costs.

SUMMARY OF QUARTERLY RESULTS

The following selected financial information is for the 8 most recently completed quarters as derived from the Company's respective financial statements and notes thereto. The following information should be read in conjunction with the referenced financial statements, the notes to those statements and "Results of Operations" herein.

	Sep 14	Jun 14	Mar 14	Dec 13	Sep 13	Jun 13	Mar 13	Dec 12
Total revenues ($)……….	10,729	2,523	0	8,108	0	2,023	0	4,633
Net loss($)	(802,220)	(966,611)	(364,149)	(2,592,937)	(695,966)	(332,509)	(380,120)	(2,802,693)
Basic and diluted net loss per share($).......................	(0.002)	(0.008)	(0.004)	(0.028)	(0.004)	(0.003)	(0.004)	(0.021)

FINANCIAL CONDITION

Liquidity and Capital Resources

Working capital as at September 30, 2014 was $1,676,040 compared to $849,265 as of December 31, 2013. The increased working capital position stems from the $2,000,000 private placement closed by Abitibi Royalties on July 17, 2014. Cash and cash equivalents increased from $552,383 as at December 31, 2013 to $1,906,748 as at September 30, 2014.

Financings

Non-brokered private placement, closed May 30, 2014 and June 6, 2014

The Company has closed a non-brokered private placement for gross proceeds of $450,000. Under the offering, Golden Valley issued 2,999,998 Units at a per Unit price of $0.15. Each Unit consists of one common share in the capital of Golden Valley and one-half of one non-transferable share purchase warrant, each whole warrant entitling the holder to purchase one common share of Golden Valley at a per share price of $0.22 until November 30, 2015 and December 5, 2015.

The proceeds raised from the private placement offering will be used by Golden Valley for general corporate purposes.

On July 17, 2014, Abitibi Royalties closed the non-brokered private placement it had previously announced. It has issued 800,000 of its common shares at a price of $2.50 per share for gross proceeds of $2,000,000. Mr. Rob McEwen who was the sole subscriber for this offering has also been granted the right to maintain his pro-rata ownership in the Company on future financings.

The Company received $6,832 in July 2014, for a refundable income tax credit that it had claimed in 2013.

Management is of the view that the Company's liquidity position is adequate to cover its exploration commitments for 2014, given that the Company has an option to participate in any exploration program carried out under its joint venture agreements. However, should the Company elect not to participate in such programs; its respective interests in the particular property shall be correspondingly diluted.

Contractual Obligations

		Payments due by period	
Obligation	Total	1 year or less	2 years or more
Office Lease	$ 98,213	$ 56,121	$ 42,091

CAPITAL STOCK INFORMATION

Authorized

The Company is authorized to issue an unlimited number of common shares without nominal or par value and an unlimited number of preferred shares without nominal or par value, issuable in one or more series with restrictions as determined by the Company's Board of Directors. The holders of the common shares of the Company shall be entitled to vote at all shareholder meetings and to receive such dividends as the Board of Directors of the Company in their discretion shall declare.

Issued and Outstanding

The following details the issued and outstanding securities of the Company as at November 28, 2014:

Common shares: 93,459,373

Preferred Shares: Nil

Escrowed Shares: Nil

Share Purchase Warrants: 3,410,000

Incentive Stock Options:

Expiry Date	**Outstanding**	**Exercise Price**
December 22, 2015	790,000	$0.50
October 5, 2016	2,225,000	$0.35
July 23, 2017	700,000	$0.15
August 1, 2018	2,950,000	$0.07
June 30, 2019	854,025	$0.17
TOTAL:	**7,519,025**	

Convertible Unsecured Debenture

On December 20, 2013, the Corporation completed a private placement with SIDEX, Limited Partnership ("SIDEX") of a convertible unsecured debenture. This convertible unsecured debenture totaling $100,000, is payable at the Corporation's discretion on December 20, 2016 in cash or in shares. Pursuant to the Agreement, the 12% interest shall be payable per semester in cash or common shares. The effective interest rate is 25%. The holder has an option to convert the debenture to common shares at any time prior to December 20, 2014 at $0.07 per common share and at $0.10 after December 20, 2014, until December 20, 2016. The Corporation has also issued 700,000 compensation warrants allowing SIDEX to subscribe to an additional 700,000 common shares at an exercise price of $0.09 per share during a period of 18 months following the closing date.

On July 18, 2014, the Corporation issued 33,019 common shares at a deemed per share price of $0.18 to SIDEX in settlement of $6,000 of accrued interest to June 20, 2014.

Shares for debt issued by Abitibi Royalties

On September 8, 2014, after receiving Exchange approval and pursuant to share for debt subscription agreements between Abitibi Royalties and its executive officers and directors, the company issued 38,055 common shares, at a price of $3.70 per common share, in settlement of $140,803 in accrued executive officer salary and director fees, covering the period from June 1, 2013 to July 31, 2014. This is the maximum number of shares in replacement of cash that could be issued in accordance with the policies of the Exchange.

RELATED PARTIES TRANSACTIONS

The compensation paid or payable to key management includes directors and senior executives. The compensation paid to key management for employee and consulting services is presented below:

	Nine-Month period ended September 30	
	2014	2013
Short-term employee benefits		
Salaries including bonuses	182,152	170,826
Benefits	50,715	14,717
Director's Fees (1)	262,920	
Total short-term employee benefits	495,787	185,543
Other transaction with consultants		
Management Fees (2)	12,375	23,338
Professional fees (3)		30,000
Expenses capitalized in exploration and evaluation assets (2)	70,955	94,063
Total transactions with consultants	83,330	147,401
Share-based payments	554,785	472,851
Total remuneration	1,133,902	805,795

Notes follow on next page

(1) This amount represents director's fees. Abitibi Royalties paid $130,000 to its three independant directors of which some of this amount was paid in shares. Also, $29,087 from Abitibi Royalties and $103,833 from Golden Valley Mines have been deferred and not yet paid.

(2) Aggregate amount paid to 2973090 Canada Inc., a private company controlled by Mr. Glenn J. Mullan, an officer and director of the Company, and Rosatelli Exploration Services Enr., a company controlled by Mr. Michael P. Rosatelli, an officer of the Company.

(3) Aggregate amount paid to 9184-0876 Quebec Inc., a private company controlled by Mr. C. Jens Zinke, a director of the Company.

The fees detailed above are equivalent to what the Company would otherwise pay to an unrelated third party in the industry and were completed in the normal course of the Company's operations.

OFF BALANCE SHEET ARRANGEMENTS

The Company does not have any off balance-sheet arrangements.

OUTLOOK

Notwithstanding that Calone Canada (a wholly owned subsidiary of the Company) divested its interest in Calone SL, the Company continues to review other international exploration opportunities, although no new acquisitions have been committed to, or have been completed as of the date hereof.

In addition, the Company is actively searching and evaluating certain strategic business opportunities and potential acquisitions in the exploration/mining industry due to the current volatile financing conditions in capital markets. A number of internal reviews have recently been completed or are in progress for distressed companies and certain assets, both in Canada and abroad.

Furthermore, the general public market volatility that has continued to affect the overall state of the exploration industry has offered Golden Valley Mines new opportunities for its project generation ("PGEN") activities, where previously the demand for prospective land was at a much more competitive state. One of the Company's most important attributes is its ability to identify new high priority exploration opportunities and flexibility to adapt quickly to changing market conditions. Our exploration team routinely assesses government data and/or historical work reports to acquire prospective mining claims. The results of this grassroots exploration generative business model have led to the identification of new mineral discoveries (Co-Ag-Ni, Ni-Cu-PGE and Au-VMS) in the Abitibi Greenstone Belt on 100%-owned properties; it has also assisted the Company in the successful creation of several option/joint venture agreements allowing for diamond drilling, in particular on those projects on which reconnaissance work has already been completed to identify prospective drill targets. In this manner, the Company remains focused on its core business of early-stage acquisitions, PGEN and drill target definition, while working with partners to conduct the more expensive and detailed drill-based exploration programs.

CONTINGENCIES

Abitibi Royalties Inc.

On May 28, 2014, Abitibi Royalties filed a Motion with the Québec Superior Court to institute proceedings for the issuance of provisional, interlocutory and permanent injunction orders under Articles 110 and 751 *et seq.* of the Québec *Code of Civil Procedure* for the enforcement of its contractual rights under the joint venture arrangement between Abitibi and Osisko Mining Corporation ("Osisko") to explore and develop a mining property known as the Malartic CHL Prospect in the Fournière Township of Abitibi County, Québec, which they hold as undivided co-owners. Abitibi Royalties filed these proceedings in response to Osisko, Agnico Eagle Mines Limited ("Agnico") and Yamana Gold Inc. ("Yamana") entering into an arrangement agreement dated April 16, 2014 (the "Arrangement Agreement") pursuant to which Osisko agreed to transfer all of its Canadian Malartic assets, including the Malartic CHL property, to a new partnership that would ultimately be owned by Agnico and Yamana as to 50% each. Following the issuance of Abitibi Royalties' proceedings, Osisko, Agnico and Yamana agreed to make some changes to the Arrangement Agreement in response to Abitibi Royalties' claims. On June 13, 2014, the Québec Superior Court ordered that Abitibi Royalties' claims be sent to arbitration without costs to either party. Abitibi Royalties initially appealed the Québec Superior Court's decision to hear its claims in arbitration, but it has since dropped the appeal. Abitibi Royalties is considering all of its options in order to protect its rights and interests in the Malartic CHL Property, which may include proceeding with arbitration against Osisko.

The information detailed above has been extracted from Abitibi Royalties' issuer profile which is publicly available for viewing through the internet on the SEDAR website at www.sedar.com.

POST-REPORTING DATE EVENTS

There are no post-reporting date events

RISKS AND UNCERTAINTIES

The Company does not generate income or cash flows from its operations. As at September 30, 2014, the Company had an accumulated deficit of $15,892,555 ($14,715,129 as at December 31, 2013). These material uncertainties cast significant doubt regarding the Company's ability to continue as a going concern.

The Company's ability to continue as a going concern is dependent upon its ability to raise additional financing to further explore its mineral properties. Even if the Company has been successful in the past in doing so, there is no assurance that it will manage to obtain additional financing in the future.

Arbitration Proceedings

There can be no assurance that the Company will be successful in protecting all of its rights and interests in the Malartic CHL Project as intended, or at all. An unfavourable decision by the arbitrator in the proceedings could have a material adverse effect on the Company and its properties.

Investment of Speculative Nature

Investing in the Company, at this early stage of its development, is of a highly speculative nature.

Nature of Mineral Exploration and Mining

There is no known mineral resource on the Company's properties. Mineral exploration and development involves a high degree of risk, requires substantial expenditures and few properties that are explored are ultimately developed into producing mines.

Mineral Deposits and Production Costs; Metal Prices

The economics of developing mineral deposits are affected by many factors including variations in the grade of ore mined, the cost of operations, and fluctuations in the sales price of products. The value of the Company's mineral property interests is heavily influenced by metal prices. Metal prices can and do change by substantial amounts over short periods of time, and are affected by numerous factors beyond the control of the Company, including changes in the level of supply and demand, international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production arising from improved mining and production methods and new discoveries. There can be no assurance that the prices of mineral products will be sufficient to ensure that the Company's properties can be mined profitably. The grade of any ore ultimately mined from a mineral deposit may differ from that predicted from drilling results. Production volumes and costs can be affected by such factors as the proximity and capacity of processing facilities, permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. Short-term factors relating to ore reserves, such as the need for orderly development of ore bodies or the processing of new or different grades, may also have an adverse effect on the results of operations. Moreover, there can be no assurance that any gold or other minerals recovered in small scale laboratory tests will be repeated under production scale conditions. Although precautions to minimize risks will be taken, processing operations are subject to risks such as equipment failure or failure of tailings impoundment facilities, which may result in environmental pollution and consequent liability.

Exploration and Development Risks

Resource exploration and development is a speculative business, involving considerable financial and technical risks, including the failure to discover mineral deposits, market fluctuations and government regulations, which are beyond the control of the Company.

Additional Financing

Future exploration and development activities will require additional equity and debt financing. Failure to obtain such additional financing could result in delay or indefinite postponement of exploration and development of the property interests of the Company.

Stress in the Global Economy

The adverse effects on the capital markets generally make the raising of capital by equity or debt financing much more difficult and the Company is dependent upon the capital markets to raise financing.

Global Financial Condition

Global financial conditions have been subject to increased volatility. Access to financing has been negatively impacted by various factors and the liquidity crisis affecting the asset-backed commercial paper market. As such, the Company is subject to counterparty risk and liquidity risk. The Company is exposed to various counterparty risks: (i) through financial institutions that hold the Company's cash; (ii) through companies that have payables to the Company, and: (iii) through the Company's insurance providers. The Company is also exposed to liquidity risks in meeting its operating expenditure requirements in instances where cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact the ability of the Company to obtain loans and other credit facilities in the future or may result in terms unfavourable to the Company. If these increased levels of volatility and market turmoil continue, the Company's operations could be adversely impacted and the trading price of the Company's shares could be adversely affected.

Permits and Licenses
The operations of the Company require licenses and permits from various governmental and non-governmental authorities. There can be no assurances that the Company will be able to obtain all necessary licenses and permits required to carry out exploration, development and mining operations for its proposed projects.

Competition
The mineral exploration and mining business is competitive in all of its phases. The Company competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources than the Company's, in the search for and the acquisition of attractive mineral properties. The ability of the Company to acquire properties in the future will depend not only on its ability to develop its present properties, but also on its ability to select and acquire suitable properties or prospects for mineral exploration. There is no assurance that the Company will continue to be able to compete successfully with the competition in acquiring such properties or prospects.

No Assurance of Title to Property
While Golden Valley Mines has conducted title searches on its properties, and to the best of its knowledge, title to its properties are in good standing this should not be construed as a guarantee of title. The Company's claims may be subject to prior unregistered agreements or transfers or third party and aboriginal land claims and title may be affected by undetected defects. If any such title issues arise and are unresolved, any mineral prospect or mineral deposit defined or delineated may fail to meet the definition of a "mineral reserve" pursuant to applicable legislation. Furthermore, there is no assurance that the interests of the Company are free of risk from being challenged or impugned.

Dependence on Key Individuals
The Company is dependent on a relatively small number of key personnel, the loss of any one of whom could have an adverse effect on the Company. The Company does not maintain key-person insurance on the lives of any of its key personnel. In addition, while certain of the Company's officers and directors have experience in the exploration of mineral producing properties, the Company will remain highly dependent upon contractors and third parties in the performance of their exploration and development activities. 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 upon commercially acceptable terms.

Environmental and other Regulatory Requirements
The operations of the Company require permits from various levels of government. Such operations are subject to laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Golden Valley Mines believes it is in substantial compliance with all material laws and regulations that currently apply to its activities. There can be no assurance, however, that all permits which the Company may require for construction of mining facilities and conduct of mining operations, particularly environmental permits, will be obtainable on reasonable terms or that compliance with such laws and regulations would not have an adverse effect on the profitability of any mining project that the Company may undertake. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate

those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws. The Company may be liable for environmental contamination and natural resource damages relating to properties that it currently owns, operates or has an interest in, or at which environmental contamination occurred while or before it owned, operated or acquired an interest in the properties. No assurance can be given that potential liabilities for such contamination or damages caused by past activities at these properties do not exist. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Unknown Environmental Risks for Past Activities

Exploration and mining operations involve a potential risk of releases to soil, surface water and groundwater of metals, chemicals, fuels, liquids having acidic properties and other contaminants. In recent years, regulatory requirements and improved technology have significantly reduced those risks. However, those risks have not been eliminated, and the risk of environmental contamination from present and past exploration or mining activities exists for mining companies. The Company may be liable for environmental contamination and natural resource damages relating to properties that they currently own, operate or have an interest in, or at which environmental contamination occurred while or before they owned, operated or acquired an interest in the properties. No assurance can be given that potential liabilities for such contamination or damages caused by past activities at these properties do not exist.

Political Regulatory Risks

Any changes in government policy may result in changes to laws affecting the Company's ability to undertake exploration and development activities in respect of present and future properties.

Currency Risk

Currency fluctuations may affect the cash flow which the Company may realize from its operations, since most mineral commodities are sold in a world market in U.S. dollars. The Company's costs are incurred primarily in Canadian dollars.

Conflicts of Interest

The directors and officers of the Company will not be devoting all of their time to the affairs of the Company. Some of the directors and officers of the Company are also directors and officers of other companies, some of which are in the same business as Golden Valley Mines. 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.

Insurance
The Company does not have insurance to adequately protect itself against certain risks associated with mineral exploration. Even if they were to obtain insurance, the Company will remain at risk and will be potentially subject to liability for hazards which it cannot insure against or which it may elect not to insure against because of premium costs or other reasons. In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. It is not always possible to fully insure against such risks and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company.

Influence of Third Party Stakeholders
The lands in which the Company holds interests, or the exploration equipment and roads or other means of access which the Company intends to utilize in carrying out work programs or general exploration mandates, may be subject to interests or claims by third party individuals, groups or companies. In the event that such third parties assert any claims, the work programs of the Company may be delayed even if such claims are not meritorious. Such delays may result in significant financial loss and loss of opportunity for the Company.

Fluctuation in Market Value of Shares
The market price of a publicly-traded stock is affected by many variables not directly related to the corporate performance of the entity, including the market in which it is traded, the strength of the economy in general, the availability and attractiveness of alternative investments, and the breadth of the public market for the stock. The future effect of these and other factors on the market price of the Company's shares on the Exchange cannot be predicted.

ADDITIONAL INFORMATION

Additional information about Golden Valley Mines may be obtained from the Company's website at www.goldenvalleymines.com or on SEDAR at www.sedar.com by accessing the Company's issuer profile.