NV GOLD CORPORATION

FORM 51-102F1
MANAGEMENT DISCUSSION AND ANALYSIS
YEAR ENDED AUGUST 31, 2012

The following management discussion and analysis for *NV Gold Corporation* ("the Company") is prepared as of **December 19, 2012** and should be read together with the audited consolidated financial statements for the year ended August 31, 2012 and related notes attached thereto (financial statements), which were prepared in accordance with the International Financial Reporting Standards ("IFRS"). In addition, the following should be read in conjunction with the Company's audited financial statements as at August 31, 2011 and for the year then ended and the related MD&A which were prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP").

All dollar figures included therein and in the following MD&A are quoted in Canadian dollars. Additional information related to the Company is available for view on SEDAR under the Company's profile at www.sedar.com and on the Company's website at www.nvgoldcorp.com.

Forward-Looking Statements

Certain information included in this discussion may constitute forward-looking statements. Readers are cautioned not to put undue reliance on forward-looking statements. These statements relate to future events or the Company's future performance, business prospects or opportunities. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These forward-looking statements include statements regarding the future price of gold, the timing and amount of estimated future production, costs of production, capital expenditures, the success of exploration activities, permitting time lines, currency fluctuations, the requirements of future capital, drill results and the estimation of mineral resources and reserves. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements contained into this report should not be unduly relied upon. These statements speak only as of the date of this report. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this report. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about:

- general business and economic conditions;
- the supply and demand for, deliveries of, and the level and volatility of prices of gold as well as petroleum products;
- the availability of financing for the Company's development of a project on reasonable terms;
- the ability to procure equipment and operating supplies in sufficient quantities and on a timely basis;
- the ability to attract and retain skilled staff;

These forward-looking statements involve risks and uncertainties relating to, among other things, changes in commodity and, particularly, gold prices, access to skilled mining development personnel, results of exploration and development activities, uninsured risks, regulatory changes, defects in title, availability of materials and equipment, timeliness of government approvals, actual performance of facilities, equipment and processes relative to specifications and expectations and unanticipated environmental impacts on operations. Actual results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, the risk factors hereinabove. Additional risk factors are described in more detail hereinafter. **Investors should not place undue reliance on forward-looking statements as the plans, intentions or expectations upon which they are based might not occur. The Company cautions that the foregoing list of important factors is not exhaustive. Investors and others who base themselves on the Company's forward-looking statements should carefully consider the above factors as well as the uncertainties they represent and the risk they entail. The forward-looking statements contained in this report are expressly qualified by this cautionary statement.**

Description of Business

NV Gold Corporation (the “Company”) was incorporated under the laws of the province of British Columbia on May 23, 2007. The Company’s principal business activity is the identification, acquisition and exploration of mineral properties in the United States and Switzerland. The Company trades on the TSX Venture Exchange (“TSX-V”) under the symbol NVX.

The consolidated financial statements contained herein include the accounts of the Company and its two wholly owned subsidiaries, NV Gold Corporation (USA) Inc. (“NV Gold USA”) and SwissGold Exploration AG (“SwissGold”). All inter-company balances and transactions have been eliminated upon consolidation.

The Company is in the process of exploring and developing its mineral properties in the United States and Switzerland and has not yet determined whether these properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for mineral properties and related deferred exploration costs is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of the mineral properties and upon future profitable production.

Technical Disclosure in the Management Discussion and Analysis

Dr. Michael Gustin of Mine Development Associates, a Qualified Person pursuant to National Instrument (“NI 43-101”), is responsible for, and has reviewed and approved, the technical information contained in the Company’s new releases, which have been referred to in this MD&A. Dr. Gustin is acting as a technical adviser to the Company.

Mineral Properties

Swiss Permits, Switzerland

The Company completed a purchase and sale agreement on October 21, 2011, originally dated August 31, 2011, for the Medel Exploration Permit (“Medel Permit”) located within the community of Medel/Lucmagn, in the Canton of Graubunden, Switzerland. The Medel Permit is for the exploration for gold and precious metals covering a total area of approximately 136 square kilometers. The property is located in the Alps in a sparsely populated area.

On April 2, 2012, the Company announced that, in a plebiscite conducted in the Commune of Medel/Lucmagn proposing that the Commune grant a long term exploration permit over the Medel Property to the Company’s wholly owned subsidiary, SwissGold, the people of the Commune voted against the proposed long term permit by a majority of approximately 67%. SwissGold still holds an annual exploration permit.

As of August 31, 2012, the Company recorded a write-off of $164,730 in acquisition and exploration costs related to the Medel Permit that had expired. In addition to the Medel Permit, during the year ended August 31, 2012 the Company applied for permits to explore contiguous areas in the communities of Disentis/Muster, Sumvitg and Trun and was subsequently granted five-year exploration permits for gold and precious metals. See below, Events after the reporting period.

Afgan-Kobeh Property, Nevada, USA

The Company has an agreement with Gold Standard Royalty (Nevada) Inc., (“Gold Standard”) to acquire a 100% interest in the Afgan-Kobeh project located in Eureka County, Nevada. The Afgan-Kobeh project covers approximately 2,180 acres and consists of 109 unpatented claims. In 2004, Castleworth Ventures Inc. reported a NI 43-101 compliant resource estimate in respect of the property comprising an indicated gold resource of 50,000 ounces (1.85 million tons at an average grade of 0.027 oz Au/ton (0.926 g Au/t)) and an inferred gold resource of 34,000 ounces (1.29 million tons at an average grade of 0.026 oz Au /ton (0.891 g Au/t)) using a cut-off of 0.010 oz Au/ton (0.343 g Au/t), based on 145 drill holes completed prior to 1998. The historic report also recommends exploration of several targets established from the accumulation of earlier work. This project is located in northeastern Nevada, approximately 28 miles northwest of the town of Eureka along the Battle Mountain-Eureka Trend (also referred to as the Cortez Trend).

An updated NI 43-101 compliant resource estimate on the Afgan-Kobeh Property was released on June 13, 2011. The resource estimate was prepared by Michael M. Gustin, P. Geo. of Mine Development Associates, of Reno, Nevada, an independent consultant for the Company. Estimated resources using a cutoff value of 0.006 oz Au/ton were as follows: Indicated gold resource of 66,000 ounces (3.20 million tons at an average grade of 0.021 oz Au/ton) and an inferred gold resource of 55,000 ounces (3.97 million tons at an average grade of 0.014 oz Au /ton). The complete technical report is available for view under the Company’s profile on SEDAR.

Roberts Gold Property, Nevada, USA

The Company held a mining lease agreement on the Roberts Gold Property which comprises an aggregate of 104 unpatented claims covering approximately 2,080 acres. The property is contiguous to and north of the Company's Afgan-Kobeh Property located in Eureka County, Nevada. During the year ended August 31, 2012, the Company determined that the project was not economically feasible and abandoned its plan to develop the project. As a result, the Company charged $199,112 in capitalized costs incurred on the project to operations.

Shamrock (Cobre) Copper Property, New Mexico, USA

During fiscal 2010, the Company entered into a ten year lease with MinQuest, Inc. of Reno, Nevada on the Shamrock (Cobre) copper project located in Grant County, New Mexico, USA pursuant to which the Company paid $60,858 (US$60,000) and incurred exploration expenditures of $140,424. During the year ended August 31, 2011, the Company determined that the project was not economically feasible and abandoned its plan to develop the project. As a result, it charged $201,282 in capitalized costs incurred on the project to operations.

Overall Performance

As at August 31, 2012, the Company had $123,136 (August 31, 2011 - $939,896) in cash and working capital was $6,553 (August 31, 2011 - $826,869). The Company incurred a net loss of $971,023 (August 31, 2011 - $854,560) during the year ended August 31, 2012. The Company's business and investing activities have increased primarily as a result of commencement of activities during the year in its new subsidiary, SwissGold.

Other Events and Transactions

The following is a summary of significant events and transactions that occurred during the year ended August 31, 2012:

1. Incorporated a wholly owned subsidiary, SwissGold, on September 28, 2011, in Switzerland.

2. Completed a purchase and sale agreement on October 21, 2011, originally dated August 31, 2011, for the Medel Permit located within the community of Medel/Lucmagn, in the Canton of Graubunden, Switzerland. The vendor has a 100% interest in and to an exploration permit for gold, precious metals and other ores (the "Permit"), subject to 1% net smelter returns royalty. The vendor transferred the Permit to the Company's wholly owned Swiss subsidiary, SwissGold. As consideration, the Company issued 250,000 units valued at $73,188 to the vendor, where each unit consists of one common share and one-half of one share purchase warrant. Each whole warrant is exercisable into one common share at $1.00 per common share until October 21, 2014. The expiry of the warrants are subject to acceleration such that, should the volume weighted average price of the common shares of the Company exceed $2.00 for twenty consecutive trading day, the Company may notify the holder that the warrants will expire 30 trading days from receipt of such notice unless exercised before such date.

3. Received regulatory approval for a data acquisition and finder's fee agreement with regards to the Medel Permit originally entered into on July 22, 2011. The Company issued 265,000 common shares valued at $53,000 and paid 40,000 Swiss francs for all data related to the Medel Permit. The Company also issued 35,000 common shares valued at $7,000 as a finder's fee regarding the Medel Permit.

4. Granted 775,000 stock options to directors, officers and consultants. The stock options are exercisable at $0.40 per share expiring October 27, 2016.

5. Effective October 26, 2011, the Company appointed Paul Zyla to its Board of Directors and appointed David Bell as a technical advisor to the Company.

6. On November 23, 2011, 840,000 common shares were released from escrow.

7. Held its Annual General Meeting on January 23, 2012. All proposed resolutions were passed.

8. Announced the completion of the 2011 exploration program in Switzerland on its Medel Permit. On January 30, 2012, the Company announced the results of the recently completed exploration program. Overall, the results were encouraging. Refer to the January 30, 2012 news release for more details.

9. On May 14, 2012, 600,000 warrants exercisable at $0.40 per share expired unexercised.

Events After the Reporting Period

1. The Company's Swiss subsidiary, SwissGold, has been granted five-year exploration permits for gold and precious metals in the communities of Disentis/Muster, Sumvitg and Trun, Switzerland. The exploration permits are renewable for two additional 5-year terms. Under the terms of the exploration permits, the Company must pay an initial fee of Swiss Francs 7,500 for the permits, pay an annual fee of Swiss Francs 4,500 and incur exploration expenditures of Swiss Francs of 100,000 per year to maintain the permits in good standing. In conjunction with the granting of the exploration permits, the Company will acquire all of the common shares of Minalp, SA ("Minalp") and any mining rights vested in Minalp by paying Swiss Francs 50,000. The Company will also issue Minalp 150,000 common shares to acquire technical information in respect of the exploration permits. The granting of the exploration permits and the acquisition of Minalp are subject to regulatory approval.

   The Company is currently planning for a field exploration program in 2013. For more details refer to the November 6, 2012 news release.

2. 3,048,667 warrants exercisable at $0.40 expired unexercised.

Selected Annual Information

The following table provides a brief summary of the Company's financial operations. For more detailed information, refer to the Financial Statements.

	Year ended August 31, 2012 IFRS	Year ended August 31, 2011 IFRS	Year ended August 31, 2010 Canadian GAAP
Total interest income	$ 3,962	$ 5,439	$ 1,648
Net loss and comprehensive loss	(971,023)	(854,560)	(1,000,494)
Basic and diluted earnings (loss) per share	(0.05)	(0.05)	(0.08)
Total assets	1,557,421	2,282,381	1,166,778
Total long-term liabilities	-	-	-

The Company adopted IFRS on September 1, 2011, with a transition date of September 1, 2010. Under IFRS 1, *First time adoption of International Financial Reporting Standards* (IFRS 1), the IFRS standards are applied retrospectively at the transition date with all adjustments to assets and liabilities as stated under GAAP taken to deficit, with IFRS 1 providing for certain optional and mandatory exemptions to this principle. There are no differences between numbers reported under IFRS and numbers reported under pre-changeover Canadian GAAP.

During the year ended August 31, 2012, the Company incurred net, $401,804 in exploration and evaluation assets expenditures on its mineral properties which is comprised of $338,167 on the Swiss Permits, $62,729 on the Afgan-Kobeh Property and the balance of costs of $908 being incurred on the Roberts Gold Property. Total costs incurred on the Roberts Gold Property of $199,112 were written-off. The Company also recorded a write-off of $164,730 in costs related to the Medel Permit in Switzerland which had expired. The Company received $9,369 and $8,939 from refunded annual maintenance fees on the Afgan-Kobeh and Roberts Gold properties, respectively.

During the year ended August 31, 2012, the Company granted 775,000 stock options to directors and officers. The Company recognized a total of $136,573 in share-based compensation on the newly granted and recently vested stock options.

During the year ended August 31, 2011, the Company completed a private placement by issuing 5,597,334 common shares for total gross proceeds of $1,679,200. The Company also issued 340,300 common shares for gross proceeds of $136,120 from the exercise of warrants and agent's warrants. The Company incurred the following capitalized expenditures on its mineral properties: $98,480 on the Shamrock Property, $603,131 on the Afgan-Kobeh Property and $55,477 on the Roberts

Gold Property. In addition to this, the Company relinquished its interest in the Shamrock Property and as a result, $201,282 in mineral property acquisition and exploration costs were charged to operations during the current fiscal year.

During the year ended August 31, 2011, the Company received gross proceeds of $1,815,320 from the issuance of 5,597,334 common shares from a non-brokered private placement, 270,000 common shares from the exercise of warrants and 70,300 common shares from the exercise of agent's warrants.

On November 23, 2009, the Company completed its qualifying transaction, as described in Note 3 of the audited consolidated financial statements for the year ended August 31, 2010. The Company completed a brokered and non-brokered private placement issuing 5,093,500 common shares for total gross proceeds of $1,273,375. The Company increased its assets through acquisition and option agreements of various mineral properties in Nevada and New Mexico. The Company incurred the following capitalized expenditures: $73,126 on the Shamrock Property, $382,712 on the Afgan-Kobeh Property, $353,612 on the Fisher Canyon Property and $24,981 on the Roberts Gold Property. In addition to this, the Company also relinquished its interest in the Fisher Canyon Property. As a result, $483,319 in mineral property acquisition and exploration costs were charged to operations during the year ended August 31, 2010.

The Company has not paid any dividends and it has no present intention of paying dividends on its common shares as it anticipates all available funds will be invested to finance the growth of its business.

Mineral Property Update

Swiss Permits

On December 16, 2011, the Company announced the completion of the field portion of its 2011 Surselva gold exploration program in the Canton of Graubunden, Switzerland. Primary exploration was on the Medel Permit area. A total of 309 rock samples were collected, both on the Medel Permit area and adjacent ground. Additionally, a soil geochemical program was completed, with soil samples collected at 50-meter spacings on 11 sample lines for a total of 279 samples testing 13.4 line kilometres. All rock and soil samples have been submitted to ALS Scandinavia AB in Pitea, Sweden, for sample preparation and analysis. The Company released sampling results on January 30, 2012. Overall the results were encouraging. Of the 86 surface rock samples collected from the Medel Permit, 72 samples returned values in excess of 150 ppb Au, with 48 of those in excess of 1.0 g Au/t. Seven samples returned values in excess of 10 g Au/t. Refer to the January 30, 2012 news release for additional information on the sampling results.

On April 2, 2012, the Company announced that, in a plebiscite conducted in the Commune of Medel/Lucmagn proposing that the Commune grant a long term exploration permit over the Medel Property to the Company's wholly owned subsidiary, SwissGold, the people of the Commune voted against the proposed long term permit by a majority of approximately 67%. SwissGold still holds an annual exploration permit.

As of August 31, 2012, the Company recorded a write-off of $164,730 in acquisition and exploration costs related to the Medel Permit that had expired. In addition to the Medel Permit, during the year ended August 31, 2012 the Company applied for permits to explore contiguous areas in the communities of Disentis/Muster, Sumvitg and Trun and was subsequently granted five-year exploration permits for gold and precious metals.

Afgan-Kobeh Property

Commenced and completed a 25-hole, 2,355-metre reverse circulation drill program. The program focused on the expansion of the NI 43-101 compliant gold resource. Assays results were announced on December 16, 2010. Hole AF10-01, which was sited to offset a historical hole, intersected a down-dropped structural block of higher-grade mineralization that remained open to the south, returned the best intercept of the program, yielding 18.2 metres grading 4.2 gpt Au, including 7.6 metres of 5.49 gpt. For additional details refer to the news release from December 16, 2010.

A second drill program commenced during Summer 2011 with results being announced on November 18, 2011. The Company completed a 23-hole, 2,560 meter reverse circulation drill program. Highlights from this program include hole 11-22, which returned 4.049 g Au/t over 16.80 meters (0.118 oz Au/ton over 55 feet), including 6.735 g Au/t over 9.1 meters (0.197 oz Au/ton over 30 feet). The objectives of this drill program were to perform infill and step-out drilling on the Afgan portion of the property and the testing of new targets on the Kobeh portion.

Several holes yielded results that warrant follow-up with future drilling. For additional details, refer to the November 18, 2011 news release.

Summary of Quarterly Results

	Three month period ended August 31, 2012	Three month period ended May 31, 2012	Three month period ended February 29, 2012	Three month period ended November 30, 2011
Total assets	$ 1,557,421	$ 1,926,464	$ 2,091,482	$ 2,154,400
Working capital	6,553	148,009	257,389	475,512
Shareholders' equity	1,439,965	1,906,726	1,992,909	2,067,295
Interest income	233	1,126	1,074	1,529
Net comprehensive loss	(467,742)	(93,849)	(133,954)	(275,478)
Loss per share	(0.02)	(0.01)	(0.01)	(0.01)

	Three month period ended August 31, 2011	Three month period ended May 31, 2011	Three month period ended February 28, 2011	Three month period ended November 30, 2010
Total assets	$ 2,282,381	$ 2,630,907	$ 2,393,527	$ 1,219,088
Working capital	826,869	1,518,599	1,384,948	299,004
Shareholders' equity	2,140,246	2,581,786	2,259,487	1,116,645
Interest income	298	611	295	4,235
Net comprehensive loss	(448,768)	(166,062)	(167,358)	(72,372)
Income (loss) per share	(0.02)	(0.01)	(0.01)	(0.01)

The Company has not paid any dividends and it has no present intention of paying dividends on its common shares as it anticipates all available funds will be invested to finance the growth of its business.

Results of Operations

Year ended August 31, 2012

During the year ended August 31, 2012, the Company had a net comprehensive loss of $971,023 (2011 - $854,560). The net comprehensive loss is comprised of some of the following items:

- Advertising and promotion costs of $20,932 (2011 - $43,689) are related to press release dissemination and fees paid to third parties to increase investors' awareness about the Company's projects. The current year costs decreased significantly as the Company did not renew its contract with its investor relations consultant.

- Consulting fees of $161,782 (2011 - $267,416) have decreased significantly over the comparative period because during the prior year independent consultants assisted the Company with the financing completed in March 2011 and assisting the Company in establishing its Swiss subsidiary and introduction to the mineral property in Switzerland.

- Office and general costs of $35,816 (2011 -$23,243) have increased because to the inclusion of the operations of SwissGold.

- Professional fees of $132,126 (2011 - $154,947) are comprised of $68,826 (2011 - $97,272) for legal and $63,300 (2011 - $57,675) for audit and accounting fees. Legal fees were higher in the comparative period due to the closing of the financing in March 2011. Audit and accounting fees increased over the comparative period as a result of transitioning to IFRS.

- Property investigation costs of $11,579 (2011 - $49,886) relate to costs incurred on mineral properties to which the Company did not have a formal agreement to explore.

- Registration and filing fees of $11,975 (2011 - $11,486) consist of ongoing regulatory fees associated with maintaining public company status.

- Shareholder costs of $5,237 (2011 - $4,372) are related to the Company's Annual General Meeting held on January 23, 2012.

- Share-based compensation expense of $137,554 (2011 - $20,827) relates to the fair value assigned to stock options that have vested during the current period. The fair value was calculated using the Black-Scholes option pricing model. This is a non-cash charge to operations.

- Transfer agent fees of $7,006 (2011 - $7,637) are comparable to the prior year.

- Travel and related costs of $74,908 (2011 - $38,416) relate to directors and officers travelling to attend investment conferences and to evaluate potential investment opportunities for the Company.

- The Company had a foreign exchange loss of $10,449 (2011 - $35,462). During the prior year there were various year end audit adjustments that increased the foreign exchange loss for that year.

- Write-off $363,842 (2011 - $201,282) in exploration and evaluation assets that the Company believed were no longer economically feasible.

- Earned interest income of $3,962 (2011 - $5,439) on funds invested in guaranteed investment certificates.

Fourth quarter ended August 31, 2012

The Company had a net comprehensive loss of $467,742 for the three month period ended August 31, 2012 (2011 - $448,768). Some of the significant expense items are as followings:

- Consulting fees of $19,638 (2011 - $132,372) were paid to the Company's president, directors of the Company and independent consultants providing services to the Company. During the comparative period an independent consultant assisted the Company in Switzerland in establishing the subsidiary, SwissGold and sourcing and introducing contacts in connection with the Medel Permit.

- Office and general costs of $7,625 (2011 -$5,753) have increased due to the inclusion of the operations of SwissGold.

- Professional fees of $38,548 (2011 - $79,412) have decreased over the comparative period due to a decrease in activity.

- Travel and related costs of $33,547 (2011 - $12,535) are have increased over the comparative period due to the Company's President travelling on Company related matters.

- Recorded a write-off of $363,842 (2011 - $201,282) on exploration and evaluation assets that were deemed not to be economically feasible.

Related Party Transactions

The Company entered into the following transactions with related parties during the year ended August 31, 2012:

i) Paid or accrued $83,982 (2011 - $84,810) in consulting fees and $10,212 (2011 - $10,151) in office and general costs to John Watson, a director of the Company.

ii) Paid or accrued $9,000 (2011 - $18,000) in consulting fees to Raven Capital, a company controlled by former director, John Barnes.

iii) Paid or accrued $31,489 (2011 - $34,315) in professional fees to ASI Accounting Services Inc., a company controlled by Ron Schmitz, an officer of the Company.

iv) Paid or accrued $60,221 (2011 - $22,356) in fees to Hard Rock Mineral Exploration Inc., a company controlled by Odin Christensen, a director of the Company of which $53,021 (2011 - $22,356) have been capitalized as geological consulting fees and $7,200 (2011 - $Nil) have been expensed as property investigation costs.

v) Paid or accrued $68,601 (2011 - $Nil) in consulting fees to Ernst Schonbachler, a director of the Company's Swiss subsidiary, SwissGold.

v) Issued 200,000 common shares (2011 - Nil) valued at $50,000 (2011 - $Nil) and 100,000 share purchase warrants (2011 – Nil) valued at $8,551 (2011 - $Nil) to Paul Zyla, a director of the Company, in relation to the acquisition of the Swiss Permits.

Included in accounts payable and accrued liabilities as of August 31, 2012 is $72,553 (August 31, 2011 - $6,999, September 1, 2010 - $5,000) due to John Watson and ASI Accounting Services Inc.

Key Management Compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and Board of Director members.

During the year ended August 31, 2012, 650,000 (2011 - Nil) of the 775,000 total stock options were granted to directors and officers. The fair value of $111,020 (2011 - $Nil) was recorded as share-based compensation.

Other than disclosed above, there was no other compensation paid to key management during the year ended August 31, 2012 and August 31, 2011.

Liquidity and Capital Resources

The financial statements have been prepared on a going concern basis which assumes that the Company will be able realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future.

	August 31, 2012	August 31, 2011
Working capital	$ 6,553	$ 826,869
Deficit	(2,861,953)	(1,890,930)

Net cash used in operating activities for the year was $370,801 (2011 - $652,671). This amount consists of a net operating loss of $971,023 (2011 - $854,560), items not affecting cash consisting of $2,233 (2011 - $Nil) for the write-off of reclamation deposit, $137,554 (2011 - $20,827) for share-based compensation and $363,842 (2011 - $201,282) for the write-off of exploration and evaluation assets. Changes in non-cash working capital items consisted of a decrease in accounts receivable of $20,010 (2011 - $17,376, increase), a decrease in prepaid expenses of $8,225 (2011 - $5,836 – increase) and an increase of $68,358 (2011 - $2,992) in accounts payable and accrued liabilities.

Net cash used in investing activities for the year was $445,959 (2011 - $847,726) which is comprised of $480,471 (2011 - $821,726) spent on exploration and evaluation assets, $18,308 (2011 - $Nil) in recoveries on exploration and evaluation assets and $16,204 (2011 - $Nil) in refunded reclamation deposits.

There were no financing activities during the current year. During the comparative year, the Company received $1,784,962 from financing activities. On March 3, 2011, the Company received gross proceeds of $1,679,200 from the completion of a 5,597,334 unit private placement at $0.30 per unit. Share issue costs of $30,358 were paid in connection with the aforementioned private placement. The Company also issued 270,000 common shares pursuant to the exercise of warrants for gross proceeds of $108,000. An additional $28,120 was received in the comparative period for the exercise of 70,300 agent's warrants.

There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. If adequate financing is not available when required, the Company may be required to delay, scale back or eliminate various programs and may be unable to continue in operation. The Company may seek such additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests.

The Company's revenues, if any, are expected to be in large part derived from the mining and sale of precious minerals or base metals or interests related thereto. The economics of developing and producing mineral properties are affected by many factors including the cost of operations, variations in the grade of ore mined and the prices of minerals and metals. Depending on the foregoing, the Company may determine that it is impractical to continue commercial production. Prices, which have fluctuated significantly, are affected by many factors beyond the Company's control including anticipated changes in international investment patterns and monetary systems, economic growth rates and political developments. The supply of precious minerals or base metals is related to the economics of new mine production and operating costs for existing producers, as well as the demand from financial institutions and consumers. If the market price falls below the Company's full production costs and remains at such levels for any sustained period of time, the Company will experience losses and may decide to discontinue operations or other development of a project or mining at one or more of its properties.

Financial Instruments and Risk Management

Fair value

IFRS 7 establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – 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); and
Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at August 31, 2012, the Company's financial instruments are comprised of cash, accounts receivable, accounts payable and accrued liabilities and due to related parties. Cash is carried at fair value using a level 1 fair value measurement. The carrying value of accounts receivable and accounts payable and accrued liabilities and due to related parties approximate their fair values due to the relatively short periods to maturity of these financial instruments.

Financial risk factors

The Company has exposure to the following risks from its use of financial instruments: credit risk, liquidity risk and market risk. Management, the Board of Directors and the Audit Committee monitor risk management activities and review the adequacy of such activities.

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. Management believes that the credit risk concentration with respect to financial instruments included in cash is remote. The Company's receivables are consist of HST recoverable from the Canadian Government.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when they come due. As at August 31, 2012, the Company had a cash balance of $123,136 to settle current liabilities of $117,456. All of the Company's financial liabilities are subject to normal trade terms.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, and commodity and equity prices. These fluctuations may be significant and the Company, as all other companies in its industry, has exposure to these risks.

(a) Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's current policy is to maintain cash in its banking institutions and does not believe interest rate risk to be significant.

(b) Price risk

The Company is not a producing entity so is not directly exposed to fluctuations in commodity prices. The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

(c) Foreign currency risk

The Company has two foreign subsidiaries whose operations are in the United States and Switzerland respectively, which exposes the Company to foreign exchange risk. The Company is subject to currency risk due to the fluctuations of exchange rates between the Canadian dollar, United States dollar and the Swiss Franc. The Company does not enter into derivative financial instruments to mitigate foreign exchange risk.

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 and exploration 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. The Company defines capital that it manages as share capital.

The Company is in the exploration stage; as such the Company has historically relied on the equity markets to fund its activities. The Company will continue to assess new sources of financing available and to manage its expenditures to reflect current financial resources in the interest of sustaining long term viability.

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

The Company's capital management objectives, policies and processes have not been changed over the period presented. The Company is not subject to any externally imposed capital requirements.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements as at August 31, 2012.

Additional Disclosure for Venture Issuers without Significant Revenue

Please refer to Note 6 in the audited consolidated financial statements for the year ended August 31, 2012 for description of the capitalized exploration and evaluation assets presented on a property-by-property basis.

Outstanding Share Data

The following table summarizes the Company's outstanding share data as of the date of this Management Discussion and Analysis:

	Number of shares issued or issuable
Common shares	21,344,294
Stock options	1,690,000
Warrants	125,000

As at the date of this Management Discussion and Analysis, there are no common shares held in escrow.

First time adoption of IFRS (IFRS 1)

The Company's financial statements for the year ending August 31, 2012 are the first annual financial statements that will be prepared in accordance with IFRS. IFRS 1, First Time Adoption of International Financial Reporting Standards, requires that comparative financial information be provided. As a result, the first date at which the Company has applied IFRS was September 1, 2010 (the "Transition Date"). IFRS 1 requires first-time adopters to retrospectively apply all effective IFRS standards as of the reporting date, which for the Company will be August 31, 2012. However, it also provides for certain optional exemptions and certain mandatory exceptions for first IFRS adoption. Prior to transition to IFRS, the Company prepared its financial statements in accordance with pre-changeover Canadian GAAP.

The IFRS 1 applicable exemptions and exceptions applied in the conversion from pre-changeover Canadian GAAP to IFRS are as follows:

OPTIONAL EXEMPTIONS

Share-based payment transactions

The Company has elected not to retrospectively apply IFRS 2 to equity instruments that were granted and had vested before the Transition Date. As a result of applying this exemption, the Company will apply the provision of IFRS 2 only to all outstanding equity instruments that are unvested as at the Transition Date to IFRS. The Company did not have any unvested outstanding equity instruments as of the Transition Date.

Currency translation differences

Retrospective application of IFRS would require the Company to determine cumulative currency translation differences in accordance with IAS 21, The Effects of Changes in Foreign Exchange Rates, from the date a subsidiary or equity method investee was formed or acquired. IFRS 1 permits cumulative translation gains and losses to be reset to zero at transition date. The Company elected to reset all cumulative translation gains and losses to zero in opening deficit at its transition date.

MANDATORY EXCEPTIONS

Estimates

The estimates previously made by the Company under pre-changeover Canadian GAAP were not revised for the application of IFRS except where necessary to reflect any difference in accounting policy or where there was objective evidence that those estimates were in error. As a result the Company has not used hindsight to revise estimates.

Terminology

In accordance with IFRS 1, **mineral properties and deferred exploration costs** were renamed **exploration and evaluation assets.**

In accordance with IFRS 1, **contributed surplus** was renamed **share-based payments reserve.**

Reconciliations from Canadian GAAP to IFRS

The Company's consolidated financial statements for the year ended August 31, 2012 include reconciliations from our previous Canadian GAAP reporting to IFRS to our statement of financial position as at September 1, 2010 and August 31, 2011. There are no significant differences between IFRS and Canadian GAAP in connection with the Company's statements of comprehensive loss and cash flows.

The Company's significant accounting policies under IFRS are disclosed in our consolidated financial statements for the year ended August 31, 2012 and resulting accounting changes are highlighted in our reconciliations from previous Canadian GAAP reporting.

The only adjustment required under IFRS is the accounting of $190 in accumulated other comprehensive income which was carried from the period ended August 31, 2009, due to the translation of the subsidiary from the United States dollars to Canadian dollars. IFRS 1 permits cumulative translation gains and losses to be reset to zero at transition date. The Company elected to reset all cumulative translation gains and losses to zero in opening deficit at its transition date.

Critical Judgments and Estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates on the resulting effects of the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

All of the Company's significant accounting policies and estimates are included in Note 3 of the consolidated financial statements for the year ended August 31, 2012.

New Standards Not Yet Adopted

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee that are mandatory for accounting years beginning after January 1, 2013 or later years. Early adoption of either IFRS 10, 11 or 12 is permitted but requires the concurrent adoption of the other two standards.

IFRS 9, "Financial Instruments", is part of the IASB's wider project to replace IAS 39, "Financial Instruments: Recognition and Measurement." IFRS 9 retains but simplifies the mixed measurement model and established two primary measurement categories for financial assets; amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The standard is effective for the Company on or after January 1, 2015. The Company will continue to evaluate and monitor the developments of this new standard.

IFRS 10, "Consolidated Financial Statements", establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. The standard builds on the existing principles of 'control' by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. There will be no significant impact on the Company upon implementation of the issued standard.

IFRS 11, "Joint Arrangements", provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form (as is currently the case). The standard addresses inconsistencies in the reporting of joint arrangements by requiring a single method to account for interests in jointly controlled entities. The Company anticipates reviewing all existing arrangements for classification, particularly our mineral property agreements and may require assistance from its external advisors.

IFRS 12, "Disclosure of Interests in Other Entities", is a new and comprehensive standard on disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates and unconsolidated structured entities. The Company anticipates reviewing all existing arrangements for classification, particularly our mineral property agreements and may require assistance from its external advisors.

IFRS 13, "Fair Value Measurements", is a new comprehensive standard on measuring and disclosing fair value and will supersede all other fair value guidance in IFRS. The Company anticipates reviewing all existing fair valued accounts and may require assistance from its external auditors.

IAS 1, ***"Presentation of other comprehensive income"*** In June 2011, the IASB issued amendments to IAS 1, "Presentation of Financial Statements" to: (a) require companies to group together items within other comprehensive income ("OCI") that may be reclassified to the statement of loss; and (b) require tax associated with items presented before tax to be shown separately for each of the two groups of OCI items (without changing the option to present items of OCI either before tax or net of tax). The amendments also reaffirm existing requirements that items in OCI and income or loss should be presented as either a single statement or two separate statements.

IAS 28, ***"Investments in Associates and Joint Ventures (Amended in 2011)"***, IAS 28 (2011), "Investments in Associates and Joint Ventures", supersedes IAS 28 "Investments in Associates" and prescribes the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. The Standard defines 'significant influence' and provides guidance on how the equity method of accounting is to be applied (including exemptions from applying the equity method in some cases). It also prescribes how investments in associates and joint ventures should be tested for impairment. The amended standard is effective for annual periods beginning on or after January 1, 2013. Entities early adopting this standard must also adopt the other standards included in the 'suite of five' standards on consolidation, joint arrangements and disclosures: IFRS 10, “Consolidated Financial Statements”, IFRS 11, “Joint Arrangements”, IFRS 12, “Disclosure of Interests in Other Entities” and IAS 27 (2011), “Separate Financial Statements”.

Risks and Uncertainties

Exploration of mineral properties involves a high degree of risk and the successful achievement of a profitable operation cannot be assured. Costs of finding and evaluating an ore body are substantial, and may take several years to complete. The Company must overcome many risks associated with an early stage exploration property. Outstanding items to be completed include, but are not limited to, identification and quantification of a commercially viable ore body, confirmation of the Company’s interest in the underlying claims and leases, completion of a feasibility study, funding of all costs related to a commercial operating venture, completion of the permitting process, detailed engineering and the procurement of a processing plant, and constructing a facility to support the property. Construction and operational risks including, but not limited to, equipment and plant performance, metallurgical, environmental, cost estimation accuracy, workforce performance and dependability will all affect the profitability of an operating property.

External financing, primarily through the issuance of common shares will be required to fund future activities. There can be no assurance that such financings will be successful in the future.

Outlook

The Company's focus for the foreseeable future will be on the exploration and development of its gold projects in Nevada and Switzerland.

Corporate Governance

The Company’s Board of Directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The Audit Committee of the Company fulfills its role of ensuring the integrity of the reported information through its review of the interim and audited annual financial statements prior to their submission to the Board of Directors for approval. The Audit Committee, comprised of three directors, all of whom are independent, meets with management of the Company on a quarterly basis to review the financial statements, including the MD&A, and to discuss other financial, operating and internal control matters as required.