Management's Discussion and Analysis

Golden Valley Mines Ltd.

For the third quarter ended September 30, 2011

Dated: November 28, 2011

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 third quarter ended September 30, 2011 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, 2010 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, P. Geo. (OGQ and APGO (Temporary)) who is a "Qualified Person" as such term is defined in National Instrument 43-101.

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 mining exploration company whose assets and those of its subsidiaries (including the New Issuers (as hereinafter defined)), include 139 exploration properties located in the following areas: (i) the Abitibi Greenstone Belt (105 projects are located between Timmins, Matachewan and Kirkland Lake, Ontario and Rouyn-Noranda, Cadillac, Malartic, Val-d'Or and Chibougamau, 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; (v) the James Bay Lowlands of Ontario; and (vi) additional projects located in the Republic of Sierra Leone, West Africa.

Golden Valley Mines' primary objective is to conduct basic exploration, including initial diamond drilling, 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 with no 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. In this manner, the Company reduces dilution to its share capital and decreases the amount of self-funded expenditures, while the Company continues 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 over periods of three to four 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. 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, as well as uranium; (c) drill testing of priority anomalous targets during the early stage grassroots exploration, generally while the properties are 100%-owned; 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 its plan of arrangement (the "**Arrangement**") pursuant the *Canada Business Corporations Act*, as a result of which the Company distributed a portion of its interest in Abitibi Royalties Inc. ("**Abitibi Royalties**"), Nunavik Nickel Mines Ltd. ("**Nunavik Nickel**"), and Uranium Valley Mines Ltd. ("**Uranium Valley**") to its shareholders, and each of Abitibi Royalties, Nunavik Nickel, and Uranium Valley (together, the "**New Issuers**") have become reporting issuers in the provinces of Alberta, British Columbia, Ontario, and Québec. The New Issuers hold advanced projects and/or projects that are peripheral to the Company's core business plan (grassroots exploration) and/or outside of its main area of operations (Abitibi Greenstone Belt). See section 3 herein, Property Interests Assigned to the New Issuers for additional details.

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 (34), nickel-copper-PGE (7), molybdenum (9) and cobalt-silver-nickel (2) prospects located in Québec (83) and Ontario (22). 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 work (grid establishment, prospecting, geophysical and/or geochemical surveys, reconnaissance and grid mapping and channel sampling) is completed on one property while diamond drilling of up to (approximately) six (6) prospective targets is completed on another, with the pattern then consistently being repeated throughout the year.

The exploration budget for the Company's 2011 "AGB" Grassroots Exploration Project is approximately $615,000 and its scope includes preliminary fieldwork consisting of grid establishment, ground geophysical surveys, "boot and hammer" prospecting and sampling programs for the purpose of upgrading and advancing each property to the group of "drill-ready" prospects for the Company's self-funded (AGB) "Grassroots Exploration Project" and is to be primarily directed to gold, copper-rich volcanogenic massive sulphide (VMS) and magmatic nickel-copper-PGE ore deposit model-type targets.

The Company's "AGB" Grassroots Exploration Project continued through the third quarter of 2011, with the establishment of grids and/or the completion of ground geophysical programs on a total of six (6) prospects, ongoing project data compilations and related mandatory assessment work reporting, as well as in-house project generation and new opportunities property transactions.

In addition to the above mentioned exploration work, a summer prospecting and sampling program targeting geophysical anomalies and historical surface showings, over 100%-owned properties acquired by the Company over the last several years has been completed. A total of twenty-four (24) prospects and/or areas of interest have been prospected and sampled, with a total of 102 rock samples collected and submitted for assaying.

B. Henley Prospect - McFauld's Lake "Ring of Fire" – James Bay Lowland, Ontario:

Golden Valley Mines holds a total of 47 claims (655 claim units) covering over 10,480 hectares (approximately 105 km^2) in the area of Noront Resources' Double Eagle nickel-copper-platinum group elements (Ni-Cu-PGE) discoveries in the McFauld's Lake ("**Ring of Fire**") regional exploration play.

The Henley Prospect, comprising three claims, for a total of 32 units or 512 ha, lies along the Western strike extension of the favourable geological trend hosting nickel-copper-platinum group element, chromium and copper-zinc-silver mineralization, known as the "Ring of Fire", approximately 30 km to the west of the Luc Bourdon Prospect West. For details pertaining to the Noront Resources Ltd./White Pine Resources Inc. option (being 44 claims for a total of 655 units or 10,480 ha), please refer to section 3 *New Issuers* under the heading Abitibi Royalties Inc.

No exploration work was completed on the property during the third quarter of 2011.

2. Option and Joint Venture Properties Portfolio Review:

Abitibi Greenstone Belt Programs

A. Integra Gold Corp. Joint Venture – AGB:

At the AGB (Québec and Ontario) joint venture with Integra Gold Corp. (formerly Kalahari Resources Inc., hereinafter "**Integra**"), exploration work during the third quarter was focused on the Munro Prospect with the drill core review and re-sampling program being completed. A report has been submitted for work assessment filing.

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 Company is the operator during the joint venture phase.

B. West Kirkland Mining Ltd. Options - Island 27 and Plumber Prospects:

West Kirkland Mining Ltd. ("**WKM**") may earn a 70% interest in each of the Island 27 Prospect (subject to a 2% NSR in favor of the original vendor) and the Plumber Prospect, pursuant to and in accordance with the terms of two letter agreements dated March 31, 2011, as amended. Both properties are located in the Matachewan area, west of Kirkland Lake, Ontario. WKM is the operator on both properties.

Subsequent to the quarter ending September 30, 2011, WKM reported the drilling of three holes on the Island 27 Prospect. The Company has been advised by the project operator WKM that total exploration expenditures incurred on the property over the first three quarters of 2011 are $128,000,

At the Plumber Prospect, project operator WKM confirmed to the Company that, no work was completed on the property during the third quarter of 2011 and that total exploration expenditures incurred on the property over the first three quarters of 2011 total $7,197.

Pursuant to the terms of the amended option agreements in order to acquire its interest in each property, WKM must, amongst other things, make cash payments totaling $102,500 (paid), issue an aggregate 600,000 shares (of which 300,000 have been issued to date), incur aggregate exploration expenditures of $5,000,000 over a 4 year period, and complete a feasibility study on each property.

Upon completing all its obligations under the agreements, a joint venture shall then be formed on each property pursuant to which the Company will retain a 30% carried interest in the properties with no further expenditure requirements until the properties achieve commercial production.

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

On October 7, 2010, as amended, the Company entered into an option/joint venture agreement with Cambrian Corp. ("**Cambrian**"), a private company, in respect of its Broker's Fee Prospect located in Arnold Township, 20 km northeast of Kirkland Lake, Ontario.

Pursuant to the terms of the amended agreement, Cambrian can earn a 70% undivided interest in the Property by incurring aggregate exploration expenditures of $6,000,000 over a three year period, making a $5,000 cash payment, issuing 500,000 common shares (no later than April 20, 2012), and delivering a definitive feasibility study on the property on or before the third anniversary of the agreement. In the event that the exploration expenditures detailed above are not incurred by their respective due dates, the Company may grant Cambrian up to three (3) twelve (12) month extensions (an "Extension Period") to incur such expenditures, provided that Cambrian advise the Company in writing of its intent to avail itself of an Extension Period prior to the date by which the expenditures must be incurred, and that Cambrian issue in the aggregate to the Company up to an additional 500,000 common shares.

No exploration work was conducted on this property during the course of the third quarter of 2011.

D. Monarch Energy Limited - Centremaque Prospect

On July 26, 2011 (the "**July Effective Date**"), the Corporation granted an option to Monarch Energy Ltd. ("**Monarch**") to acquire a 70% interest in the Centremaque property (the "**Option**") provided that Monarch: (i) incur aggregate exploration expenditures of $2,250,000 over a three year period

($250,000 in year-1; $500,000 in year-2 and $1,500,000 in year-3); (ii) complete a definitive feasibility study at its sole cost on or before the 10th year anniversary of the July Effective Date; (iii) issue to the Company, on the later of TSX Venture Exchange (the "**Exchange**") approval and August 31, 2011, that numbers of common shares equal to 9.9% of Monarch's issued and outstanding share capital; (iv) make a $35,000 cash payment; and (v) reimburse the Company for legal expenses incurred with respect to the grant of the Option. Golden Valley is the operator during the Option phase. Upon Monarch exercising the Option, the Company will retain a 30% free carried interest in the property with no further expenditure requirements until the property achieves commercial production.

The first year's proposed work program is to include compilation of pre-existing exploration data and completion of a 3-D drillhole model of the historical drill data and the drilling of approximately 1,400 metres of new drill core to confirm previous assays and evaluate the new geophysical targets.

No exploration work was conducted on this property during the course of the third quarter of 2011.

E. <u>Big North Capital Inc. – Luciana Prospect</u>

On August 30, 2011 (the "**August Effective Date**"), the Company granted an option to Big North Capital Inc. ("**Big North**"), to acquire a 70% interest in the Luciana Prospect (the "**Option**")provided that Big North: (i) incur aggregate exploration expenditures of $2,000,000 over a three year period ($250,000 in year-1; $500,000 in year-2 and $1,250,000 in year-3); (ii) complete a definitive feasibility study at its sole cost on or before the 10th year anniversary of the August Effective Date; (iii) issue to Golden Valley 396,000 shares in the capital of Big North upon Exchange approval; (iv) make cash payments of $10,000 in the aggregate; and (iv) reimburse Golden Valley for legal expenses incurred with respect to the grant of the Option. Golden Valley is the operator during the option phase. Upon Big North exercising the Option, the Company will retain a 30% free carried interest in the property with no further expenditure requirements until the property achieves commercial production. Although no work was conducted on the property during the third quarter, a site visit was completed in October 2011 by representatives of Big North.

<u>James Bay Properties</u>

F. <u>Sirios Resources Joint Venture – Cheechoo and Sharks Prospects</u>*:*

It was agreed amongst the parties to complete, in the third quarter of 2011 an eight-day field program consisting of prospecting, mapping and sampling as per follow-up to the 2010 "boot and hammer" campaign conducted over the southwest sector of the Cheechoo B Prospect. The objective of the 2010-11 exploration campaigns, was designed to follow-up on the anomalous metal values detected by the 2007 and the 2010 (preliminary data) geochemical humus sampling programs, and structural features interpreted from the airborne (2005) and detailed ground magnetic (2010) survey data. Three separate mineralized zones were identified in the process of conducting the described fieldwork.

The 2011 exploration program was designed to identify for additional zones of mineralization outside of the area investigated in 2010 to the northwest and southeast. No significant gold assay results were returned from the fifty-one (51) rock samples (includes four blank samples for QA-QC) submitted for analysis. Golden Valley Mines' interest in the Cheechoo gold property was acquired in 2004, following which, in 2005 the Company increased its land position to a total of 1,016 claims covering approximately 53,324 hectares (533 km²) by entering into an agreement with Canadian Royalties Inc., now a private company, on the Sharks Gold Property and through the staking of 100%-owned properties referred to as the Top Corner Prospect group**.**

The Cheechoo ("A", "B", and "C") and "Sharks" properties are currently the subject of joint ventures (collectively the "**Sharks/Cheechoo JV Agreements**") with Sirios Resources Inc. ("**Sirios**") effective March 31, 2009 (the "**Effective Date**") and under which the Company holds a 60% interest. Pursuant to the terms of the joint venture agreements, the Company may earn an additional 20% interest in each property provided that it give notice to Sirios, prior to March 31, 2012, of its intent to complete at its sole cost a bankable feasibility study on each property and that it pay to Sirios the sum equal to double the amount of expenditures incurred by Sirios under the joint venture agreements from the Effective Date to the date of delivery of the bankable feasibility studies.

Golden Valley Mines completed field programs over the properties from 2005 to 2007. In 2008, 2009, and 2010 the Company completed detailed compilations for all the previous work carried out on the properties for future exploration planning and joint venture reporting. The Company is the project operator.

3. Property Interests Assigned to the New Issuers:

A. Abitibi Royalties Inc.

<u>Malartic CHL Prospect:</u>

In contemplation of the Arrangement, the Company assigned its interest in the property to Abitibi Royalties along with a 2% net smelter royalty interest on a claim block held by Osisko Mining Corporation ("**Osisko**") and covering the Charlie Zone, which is located immediately southeast of the Canadian Malartic deposit held by Osisko. Osisko has the right to acquire a 70% interest in the Malartic CHL Prospect in consideration for $150,000 in cash payments over a four year period (paid) and by completing a minimum $2,000,000 in exploration work over a four year period. During the quarter, Osisko provided notice to Abitibi of its intent to exercise the option. As a result, Osisko and Abitibi Royalties are deemed to have entered into a joint venture agreement respecting the Malartic CHL property and Abitibi Royalties retains a 30% free carried interest in the Malartic CHL Property until commercial production of the property.

For details on the expenditures made on this property by Osisko, and anticipated timing and costs to take the 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. Please also refer to Abitibi Royalties' news release dated 22 September, 2011 summarizing the exploration activities on the property.

As a result of the completion of the Arrangement, the Company holds an approximate 66.3% interest in Abitibi Royalties. For additional details with respect to the Arrangement, please refer to the *Corporate Development* section herein.

<u>McFauld's Lake ("Ring of Fire") Area</u>*:*

In contemplation of the Arrangement, Golden Valley Mines assigned its 100% interest in the Luc Bourdon and Luc Bourdon West prospects to Abitibi Royalties. The Luc Bourdon and Luc Bourdon West prospects were originally staked by the Company in 2008. Golden Valley Mines holds an approximate 66.3% interest in Abitibi Royalties. For additional details with respect to the Arrangement, please refer to the *Corporate Development* section herein.

For details on the expenditures made on the Luc Bourdon and Luc Bourdon West properties and anticipated timing of exploration activities, please refer to Abitibi Royalties' continuous disclosure documents available for viewing by the public through the internet at the SEDAR website (www.sedar.com) by accessing Abitibi Royalties' issuer profile.

B. Nunavik Nickel Mines Ltd.:

In contemplation of the Arrangement, Golden Valley Mines assigned its interest in each of the Marymac Prospect (Labrador Trough, Nunavik, Québec), Fortin Prospect, Shoot Out (East and West) Prospect, and the Donnybrook and Overtime Prospects (South Raglan Trend, Nunavik, Québec) to Nunavik Nickel. Golden Valley Mines holds an approximate 70.4% interest in Nunavik Nickel. For additional details with respect to the Arrangement, please refer to the *Corporate Development* section herein. For details on expenditures and anticipated timing of exploration activities of the above mentioned properties held by Nunavik Nickel, please refer to Nunavik Nickel's continuous disclosure documents available for viewing by the public through the internet at the SEDAR website (www.sedar.com) by accessing Nunavik Nickel's issuer profile.

C. Uranium Valley Mines Ltd.:

Otish-Mistassini Basins Project

In contemplation of the Arrangement, the Company assigned its interest in the *Otish-Mistassini 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.

Ditem Explorations Joint Venture - Beartooth Island Prospect:

The Beartooth Island Prospect (the "**Beartooth Prospect**") located in Saskatchewan is the object of a joint venture with Ditem Explorations Inc. ("**Ditem**") effective July 4, 2008 (the "**Beartooth Island JV**"). In contemplation of the Arrangement, the Company assigned its 40% interest in this property to Uranium Valley, as a result of which Uranium Valley is now a party to the Beartooth Island JV. For additional details with respect to the Arrangement, please refer to the *Corporate Development* section herein.

For details on expenditures and anticipated timing of exploration activities of the Otish-Mistassini Project and the Beartooth Island Prospect, please refer to Uranium Valley's continuous disclosure documents available for viewing by the public through the internet at the SEDAR website (www.sedar.com) by accessing Uranium Valley's issuer profile. Golden Valley Mines holds an approximate 37.6% interest in Uranium Valley. For additional details with respect to the Arrangement, please refer to the *Corporate Development* section herein.

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

Calone Mining Company (S.L.) Ltd. ("**Calone SL**") made the acquisition of a number of exploration licenses ("**EPL's**") in the Republic of Sierra Leone, West Africa.

The objective behind the formation of Calone SL is to pursue mineral and other business opportunities in the Republic of Sierra Leone. Calone Mining Ltd. (**"Calone Canada**"), Golden Valley Mines' wholly-owned Canadian subsidiary has acquired all of the shares held by the Company in Calone SL. As a result, Golden Valley Mines' interest in Calone SL is now held through Calone Canada.

Reconnaissance Licenses:

During the third quarter of 2011, Renewal of the Calone SL's three reconnaissance licences was completed with the Mines Ministry of Mineral Resources of the Mines Division of Sierra Leone, following the submission of the partially completed 2,950 line-kilometre Geotech Versatile Time-Domain Electromagnetic (VTEM) and Magnetic airborne geophysical survey (due to extreme weather conditions, the survey had to be postponed until after the end of the rainy season and is expected to resume during the course of the fourth quarter of 2011).

Corporate Social Responsibility ("CSR") Initiatives:

As part of the Company's on-going CSR initiatives in Sierra Leone, Calone SL has undertaken the construction of a new school, and the reinforcement and repair of several bridges leading into the village of Masimburie (Tonkolili District, east of Makeni). Golden Valley Mines has assisted with this endeavour in accordance with the terms and conditions approved by the board of directors of the Company.

Sierra Leone is located in the central portion of the Archean, West African Craton, disrupted by the opening of the Atlantic Ocean, whose Western counterpart forms the Guyana Shield along the northern coastline of South America (extending from Columbia, and Venezuela to Brazil). Several Pre-Cambrian greenstone belts are well documented from previous work within Sierra Leone. Exploration dedicated to "lode" precious metals (Au-Ag) targets is modest by North American or Western European standards, although numerous indications have been located by the Sierra Leone Geological Survey and its successors. Additionally, Sierra Leonean public statistics report that alluvial mining has recovered more than 340,000 oz of gold from streams cross-cutting the prospective greenstone belts.

SELECTED QUARTERLY INFORMATION AS AT SEPTEMBER 30, 2011 (1)

	2011	**2010**	**2009**
	IFRS		Canadian GAAP
Total Revenue..	337,078	4,660	58,006
Loss and total comprehensive loss for the period.	(1,310,528)	(270,974)	(565,290)
Basic and diluted net loss per share......................	(0,018)	(0,004)	(0,009)
Total Assets..	21,970,878	17,722,323	18,452,729
Total Liabilities	1,739,431	3,771,719	3,688,268

(1) This table represent selected quarterly information for the Company and its Subsidiaries, except the New Issuers

DISCUSSION AND RESULTS OF OPERATIONS

In the nine month period ended September 30, 2011, the Company reported a loss before income taxes of $2,750,537 compared to $1,117,855 in 2010, due to an increase in operating expenses particularly the legal and filing fees related to the completion of the Arrangement, which was completed during the third quarter. For additional details with respect to the Arrangement, please see the *Corporate Developments* section herein.

Revenues

The Company's active joint venture properties for 2011 from which revenues will be generated are the following: the Cheechoo and Sharks properties in Québec, and the nine Abitibi Greenstone Belt joint venture properties. Accordingly, revenue generated from geological fees totaled $2,021 in the third quarter of 2011. Additionally, as a result of the agreements entered into with Monarch and Big North (see section D and E of Option and Joint-Venture Properties Portfolio Review herein), the Company generated option revenues in the aggregate amount of $335,057 (cash and value of shares received).

Other revenue

Other sources of income are interest and dividend income and realized gains on the disposal of short-term investments. As required under IFRS, these sources of income are now grouped together and appear under the heading *Finance income and costs*. The details are found in Note 13 of the interim consolidated financial statements.

The Company held money market investment funds having a market value of $223,798 as at September 30, 2011 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 $610,522 as at September 30, 2011. Additionally, upon effecting the Arrangement, the Company holds an aggregate of 16,904,456 common shares in the capital of the New Issuers (the "**New Issuers Shares**") of which 15,215,810 are currently subject to escrow pursuant to the policies of the TSX Venture Exchange (the "**Exchange**"). The market value of the New Issuers Shares is, as at November 24, 2011, $13,325,351. The Company's short-term investments can be liquidated on relatively short notice, if required. Additionally, finance income totaled $29,574 in 2011, compared to $23,364 in 2010.

The Company recorded a foreign exchange gain of $1,816 (compared to a loss of 2,140 in 2010) during the third quarter of 2011.

As a result of an agreement with Canadian Royalties Inc. with respect to office space, the Company received an amount of $13,000 listed as other revenue.

Non-Exploration Expenditures

Operating expenses increased from $377,426 in 2010 to $2,209,454 in 2011. There was an increase in the amount expensed for salaries, employee benefits and office expenses ($1,736,890 in 2011 compared to $138,512 in 2010). This expense includes stock-based payments in the form of incentive stock options granted by Abitibi Royalties. For additional details, please refer to the table in Note 12.1 of the interim consolidated financial statements. Advertising and exhibitions increased from $35,319 in 2010 to $73,853 as a result of the Company's contributions to Calone SL's CSR activities (Please see section *Corporate Social Responsibility Initiatives* herein for additional details). Travelling fees ($49,455 compared to $63,776 in 2010) decreased. Management fees ($9,333 compared to $8,250 in

2010) increased as a result of the accrued management activities completed on behalf of the company by Rosatelli Exploration Services. Calone SL pays three of its directors a collective $30,000 annual fee, tabulated as directors' fees.

As a result of the Arrangement, professional and legal fees increased during the quarter ended September 30, 2011 to $301,278 from $119,118 in 2010 and fess disbursed in the form of listing fees relating to the New Issuers.

The Company had written off an amount of $20,676 for leasehold improvements relating to the Montreal office, listed as impairment of property and equipment. As a direct result of this write-off, other operating expenses such as amortization of property and equipment decreased from $12,960 in 2010 to $8,735 in 2011.

Pursuant to the terms of an Amended and Restated Arrangement Agreement dated May 24, 2011 (the "**Arrangement Agreement**") with Golden Valley and the New Issuers, all costs related to the Arrangement, including all costs related to the listing of the New Issuers' common shares on the Exchange were borne by Golden Valley, up to and including the Trading Date (as herein after defined).

Exploration Activities and Expenditures

For the third quarter ended September 30, 2011, total investments in exploration and evaluation assets increased to an aggregate $18,481,979 from $14,173,766 as at the year ended December 31, 2010. In accordance with its accounting policies, the Company reviewed certain of its exploration expenses and determined to record an amount of $7,395 as impairment of exploration and evaluation assets.

The primary focus for the Company's project generation activities during the third quarter ending September 30, 2011 was in the Abitibi Greenstone Belt Region of Québec. A total of forty-seven (47) additional mining claims totaling 2,802 hectares, were added to six (6) existing properties. Claim acquisition and maintenance fees for the third quarter of 2011 on the Company's "AGB" properties and Integra JV program amounted to $5,737.

Preliminary fieldwork consisting of grid establishment and/or geophysical surveying and reporting was completed on six (6) AGB properties during the third quarter adding to the group of drill ready prospects for the Company's AGB Grassroots Exploration Project. This work included expenditures during the three month period ended September 30, 2011 of $42,513 for line-cutting and $39,771 for geophysical surveying.

Technical and field staff expenditures amounted to $132,511 for the three month period ending September 30, 2011 for the Company's self-funded AGB Grassroots Exploration Project, project generation activities, the Cheechoo B Prospect (JV with Sirios) and the Integra JV exploration programs.

Diamond drilling activities continued throughout the last quarter on the Company's Abitibi Greenstone Belt "Grassroots Exploration Project", for a total of $1,605. The Company has drilled a total of 183 targets (23,855m) on forty-nine (49) properties in the Abitibi Greenstone Belt (AGB) "Grassroots Exploration Project" since the program was originally initiated in 2003. Related exploration program expenditures included $15,786 for sampling and testing, and $17,268 for travel and transport.

SUMMARY OF QUARTERLY RESULTS

The following selected financial information is for the eight 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 11	Jun 11	Mar 11	Dec 10	Sep 10	Jun 10	Mar 10	Dec 09
		(IFRS)			(IFRS)			(Canadian GAAP)
Total revenues	337,078	2,728	18,321	11,249	4,660	107	1,069	4,597
Net gain (loss)	(1,310,528)	(859,447)	(580,562)	919,789	(270,974)	(406,120)	(440,761)	(500,838)
Basic and diluted net gain (loss) per share.........	(0.018)	(0.013)	(0.008)	0.0143	(0.004)	(0.006)	(0.008)	(0.01)

FINANCIAL CONDITION

Liquidity and Capital Resources

Working capital as at September 30, 2011 was $3,167,141 compared to $5,206,858 as of December 31, 2010 as a result of the sale by the Company of certain short-term investments. The proceeds of the sale were used for normal course of business activities as well as for filing and legal fees resulting from the completion of the Arrangement during the quarter.

The Company's liquidity is adequate to cover its commitments for 2011 given that each of the Company and the New Issuers as applicable has an option to participate in any exploration program carried out under the joint venture agreements on each of the Beartooth Island, Cheechoo, Sharks, Otish properties and the nine Integra Gold properties, notwithstanding that should the Company or the New Issuers elect not to participate in such programs, their respective interests in the particular property shall be correspondingly diluted.

Pursuant to the terms of the Sharks/Cheechoo JV Agreement, the Company as the operator, is to prepare a draft work plan and budget for a mining operations program for each calendar year, for consideration by the management committee, such draft program to be delivered to the management committee on or before March 1 of each calendar year to which the draft program relates. The parties have waived the requirement for delivery of a draft program for the period commencing March 1, 2011 and ending February 29, 2012. Notwithstanding the foregoing, the parties have agreed to complete a program on the property of $50,000.

Provided that no extraordinary circumstances arise, management expects that the Company's current working capital is expected to cover the Company's general and administrative expenses for the balance of 2011 and the cash held for exploration expenses reserve of $14,042, as of September 30, 2011, will cover the Company's exploration programs for the remainder of 2011.

Contractual Obligations

		Payments due by period	
Obligation	Total	1 year or less	2 years or more
Office Lease	$ 254,267	$ 52,607	$ 201,660
Mobile Equipment	$ 17,264	$ 9,865	$ 7,399
Total	$ 271,531	$ 62,472	$ 209,059

CORPORATE DEVELOPMENTS

The Arrangement

On July 15, 2011 ("the Trading Date"), the New Issuers were listed on the TSX Venture Exchange. On July 19, 2011, Golden Valley Mines effected the Arrangement pursuant to the *Canada Business Corporations Act*, as a result of which each of the New Issuers became reporting issuers in Alberta, British Columbia, Ontario and Québec; each is a "venture issuer" as such term is defined by applicable securities legislation.

As a result of the Arrangement, each Golden Valley Mines shareholder received one common share in the capital of each of the New Issuers for every 25 shares of Golden Valley Mines held by that shareholder on July 19, 2011 and a capital taxable dividend was deemed to be paid to each of the Company's shareholders having received such New Issuers' shares equal to the value of the New Issuers' shares distributed to such Golden Valley Mines shareholders, being $0.16 per common share of Abitibi Royalties, $0.30 per common share of Nunavik Nickel, and $0.235 per common share of Uranium Valley.

Certificates, or a non-transferable written acknowledgment of the shareholder's right to obtain such a share certificate, representing shares of each of the New Issuers to be issued to the Company's shareholders pursuant to the Arrangement were issued on or about July 22, 2011. No fractional shares of the New Issuers were distributed to Golden Valley Mines shareholders. The residual New Issuers' shares not distributed to Golden Valley Mines registered shareholders as a result of the treatment of fractional interests were surrendered by Golden Valley Mines for cancellation and returned to the treasury of the respective New Issuer.

The shares of the New Issuers issued to shareholders of Golden Valley Mines who are non-residents of Canada were generally subjected to Canadian withholding tax at the rate of 25% of the gross amount of such shares, subject to reduction under the provisions of an applicable income tax treaty or convention between Canada and the country in which the non-resident shareholder is a resident. Registered shareholders of Golden Valley Mines who are non-residents of Canada did not receive their entire allocation of shares of the New Issuers. To provide for the non-resident registered shareholders' obligation to pay tax on the dividend, a percentage of the shares of each of the New Issuers that each non-resident registered shareholder is otherwise entitled to receive was purchased by Golden Valley Mines and Golden Valley Mines, on behalf of the non-resident registered shareholder has remitted to the Canada Revenue Agency to the account of the non-resident registered shareholder's Canadian tax obligation.

The Company holds an approximate 66.3% interest in Abitibi Royalties, an approximate 70.4% interest in Nunavik Nickel, and an approximate 37.6% interest in Uranium Valley. The New Issuers' property interests are detailed below:

(i) Abitibi Royalties holds title to interests in the Luc Bourdon and Bourdon West Prospects (also known as the McFaulds Lake Property) and the Malartic CHL Property, plus a 2% net smelter royalty interest in one claim held by Osisko Mining Corporation, which were previously held by Golden Valley Mines. Abitibi Royalties may acquire and generate other royalty interests;

(ii) Nunavik Nickel Mines Ltd. holds title to the Fortin Property, the Marymac Prospect, the Shoot Out Prospect (East and West combined) and the Donnybrook and Overtime Claims, which were previously held by Golden Valley Mines. Nunavik Nickel may acquire and generate other nickel ventures in Canada and elsewhere; and

(iii) Uranium Valley holds title to interests previously held by Golden Valley Mines in uranium properties, being a 100% interest in the Mistassini-Otish Property (previously under joint venture with Lexam VG Gold Inc.) and a joint venture uranium property in Saskatchewan (the Beartooth Island Property). Uranium Valley may acquire and generate other uranium ventures in Canada and elsewhere.

Engagement of Investor Relations Consultant

Effective October 1, 2011, Golden Valley Mines retained San Diego based Torrey Hills Capital Inc. ("**Torrey Hills**") to act as investor relations consultants for the Company. Cliff Mastricola is a principal with Torrey Hills and shall be the person responsible for the investor relation activities related to Golden Valley. Torrey Hills' engagement is for a term of six (6) months at a monthly fee of $US5,000 for the period commencing October 1, 2011 and ending December 31, 2011; and at a monthly fee of $US 7,000 for the period commencing on January 1, 2012 and ending on March 31, 2012. As additional consideration for the services, subsequent to quarter end, the Company granted Torrey Hills an aggregate 100,000 incentive stock options pursuant to and in accordance with the Company's 2007 Amended and Restated Stock Option Incentive Plan and the Policies of the TSX Venture Exchange. Other than the incentive stock options reference above, Torrey Hills has neither a direct, nor an indirect interest in the securities of the Company, nor any right or intent to acquire such an interest.

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, 2011:

Common shares: 73,424,805

Preferred Shares: Nil

Escrowed Shares: Nil

Share Purchase Warrants: 3,333,329

Incentive Stock Options:

Expiry Date	Outstanding	Exercise Price
August 6, 2012	550,000	$0.30
February 7, 2013	795,000	$0.35
June 27, 2013	425,000	$0.36
December 22, 2013	575,000	$0.20
June 22, 2014	300,000	$0.30
August 6, 2014	310,000	$0.30
December 22, 2015	1,015,000	$0.50
TOTAL:	3,970,000	

OFF BALANCE SHEET ARRANGEMENTS

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

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:

	Quarter ended September 30	
	2011	2010
	CAN$	CAN$
Short-term employee benefits		
Salaries including bonuses and benefits	86,836	45,150
Social security costs	15,490	6,325
Total short-term employee benefits	102,326(1)	51,475
Other transaction with consultants		
Rent	3,000(2)	3,000
Management Fees	9,333(3)	5,250
Professional fees	4,777(4)	12,000
Expenses capitalized in exploration and evaluation assets	45,9445)	41,150
Director's Fees (paid to Calone Mining (S.L.) Ltd.'s directors)	30,000(6)	30,000

Total transactions with consultants	60,054	58,400
Total remuneration	162,380	109,875

(1) Includes amounts paid to the board of directors of the Company, and to Ms. Annie J. Karahissarian and Ms. Luciana Zannella, who are both officers of the Company.

(2) Amount paid to 2973090 Canada Inc., a company controlled by Glenn J. Mullan who is an officer and a director of the Company.

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

(4) Aggregate amount paid to 9184-0876 Quebec Inc., a private company controlled by Dr. C. Jens Zinke, a director of the Company and J. David Allen, the managing director of Calone SL.

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

(6) Aggregate Amount paid to the following Calone SL directors: J. David Allen, Arthur Porter Sr., and Vincent Kanu;

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.

OUTLOOK

New Opportunities - Property Acquisitions:

The Company has acquired mineral exploration rights outside of its traditional exploration areas located in the mining jurisdictions of Québec, Ontario, Saskatchewan, Canada, and in the West African country of Sierra Leone through Calone SL, a subsidiary of Calone Canada. The Company is also reviewing other international exploration opportunities, although no new acquisitions have been committed to or completed as of the date hereof.

In addition, the Company is actively searching and evaluating certain strategic business opportunities in the exploration/mining industry due to the current 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 internationally.

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 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 then utilizing the latest government data and/or historical work reports, to acquire prospective mining claims. The results of this grassroots exploration business model have led to the discoveries of new mineral occurrences (Co-Ag-Ni, Ni-Cu-PGE and Au) in the Abitibi Greenstone Belt on 100%-owned properties and also leading to the successful creation of option/joint ventures agreements on more advanced-stage projects such as the Island 27 and Plumber Prospects (WKM Option JV) and those outside of the Company's primary exploration base in the Abitibi Greenstone Belt in 2010 such as those located in Saskatchewan (Beartooth Island Project: Ditem JV, assigned by the Company to Uranium Valley) and James Bay Lowlands in northern Ontario (Luc Bourdon

Prospect, White Pine-Noront Option JV, assigned by the Company to Abitibi Royalties) and the subsequent confirmation and/or new discoveries of uranium at the Otish Project and brand new copper-zinc-silver / nickel-copper-PGE mineralization on the Luc Bourdon Prospect claims.

POST-REPORTING DATE EVENTS

Grant of Incentive Stock Options

Subsequent to quarter end, the Company granted incentive stock options (the "**Options**") pursuant to its Amended and Restated 2007 Stock Option Incentive Plan to its directors, officers, consultants, and employees to purchase an aggregate 2,850,000 of its common shares. The Options are exercisable at a price of $0.35 until October 5, 2016. 2,625,000 Options are exercisable immediately, and 225,000 Options (in the aggregate) granted to three consultants of the Company, two of which provide investor relations services, vest as to 56,250 Options (in the aggregate) on a quarterly basis. The foregoing grant of Options is subject to the approval of the TSX Venture Exchange, and where applicable the availability of statutory exemptions under Canadian and US securities laws.

RISKS AND UNCERTAINTIES

Mineral exploration and mining involve considerable financial and technical risk. Substantial expenditures are usually required to establish ore reserves, to evaluate metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to assure that the current exploration programs planned by the Company will result in profitable commercial mining operations. Unusual or unexpected geological formations, unstable ground conditions that could result in cave-ins or land slides, floods, power outages or fuel shortages, labour disruptions, fires, explosions, and the inability to obtain suitable or adequate machinery, equipment or labour are risks associated with the conduct of exploration programs and the operation of mines. At this point, the Company and the New Issuers have no experience in the development and operation of mines and in the construction of facilities required to bring mines into production, and it has, to date relied, and may continue to rely, upon consultants for expertise with respect to the construction and operation of a mining facility.

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.

The directors and officers of the Company will only devote part of their time and attention to the affairs of the Company and some of them are or will be engaged in other projects or businesses that could give rise to potential conflicts of interest.

The Company may be liable for environmental contamination and natural resource damages relating to properties that it currently owns, operates or have 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.

The Company does not have insurance to adequately protect itself against all or certain risks associated with mineral exploration. Although the Company has taken steps to verify title to mineral properties in which it has an interest in accordance with industry standards, these procedures do not guarantee the Company's title. The Company's claims may be subject to unregistered agreements or transfers or third party and native land claims and title may be effected by undetected defects. There is no assurance that the interests of the Company in its properties may not be challenged or impugned.

Future exploration and development activities on the Company's and the New Issuers' properties will require additional financing. There is no assurance that additional funding will be available to the Company or the New Issuers when needed or that, if available, the terms of such financing will be commercially reasonable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of the property interests of the Company with the possible dilution or loss of such interests. The effects of these factors cannot be accurately predicted, but any of these issues could impede development or render it uneconomic. The Sierra Leonean operations operated through Calone Canada are also subject to political, regulatory, foreign exchange and currency fluctuation risks.

There can be no assurance that the New Issuers' shares will continue to meet the Exchange's continued listing requirements. There can also be no assurance that an active public market will develop or be sustained following listing of the shares of the New Issuers on the Exchange, or as to the prices at which trading in these shares will occur even if a public market does develop. The lack of an active public market could have a material adverse effect on the price of the shares of the New Issuers.

For additional discussion of risk factors, please refer to the Company's Management Information Circular dated May 26, 2011 and which is available upon request from the Company or on its issuer profile at www.sedar.com.

CONVERSION TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

In February 2008, the Accounting Standards Board announced that the accounting framework under which the financial statements are prepared for all publicly accountable companies will be replaced by International Financial Reporting Standards starting January 2011. The first set of yearly financial statements under IFRS will be for the year ending December 31, 2011, including comparative information for the year ending December 31, 2010.

The Company prepared its opening balance sheet in accordance with IFRS 1, First-time Adoption of International Financial Reporting Standards, as at January 1, 2010, and made the required adjustments to the results for the nine months ended September 30, 2010 and the year ended December 31, 2010. The interim consolidated financial statements for the nine months ended September, 30, 2010 are incorporated by reference in this MD&A and present information relating to the impact of the transition to IFRS, including a complete set of its significant accounting policies. Disclosure requirements under IFRS are significantly greater than those that were required under former Canadian GAAP. As a result, management decided to include its full accounting policies in its first IFRS interim consolidated financial statements to ensure a clear understanding by the readers of the detailed policies.

IFRS 1, First Time Adoption of IFRS, offers the possibility to utilize certain exemptions from full retrospective application of IFRS. The exceptions and exemptions adopted by the Corporation are as follows: the estimates established by the Corporation in accordance with IFRS at the date of transition to IFRS are consistent with estimates made for the same date in accordance with Canadian GAAP, after adjustments to reflect any difference in accounting principles, if applicable. Financial assets and liabilities that were derecognized before January 1, 2010 pursuant to Canadian GAAP were not recognized under IFRS. The Corporation has early applied the change in IFRS1 in this respect regarding the application date of the exception, i.e. January 1, 2010. The Corporation has chosen not to apply IFRS 2, Share-based Payment, retrospectively to options granted on or before November 7, 2002 or granted after November 7, 2002 and vested before the date of transition to IFRS. The Corporation has elected not to apply IFRS 3, Business Combinations, retrospectively to business combinations that occurred before the date of transition (January 1, 2010). See Note 17.5 for an explanation of the effect of the exemption.

Under IFRS, issuance of flow-through shares is accounted for similarly to the issuance of a compound financial instrument. The liability component represents the obligation to revert the tax benefit to the investors. Proceeds from the issuance of shares by flow-through private placements are allocated between shares issued and a liability using the residual method.

Under IFRS 2, each tranche in an award of incentive stock options with graded vesting is considered a separate grant with a different vesting date and fair value. Each grant is accounted for on that basis. Also, an estimate of the number of share-based payments expected to be forfeited is required, which is revised if subsequent information indicates that actual forfeitures are likely to differ from the estimate.

Some of the adjustments on the balance sheet as at January 1, 2010 and December 31, 2010 were the result of differences in the accounting treatment of the flow-through shares from the 2009 and 2010 flow-through private placements and the difference in accounting treatment of the incentive stock options vested in 2010. These adjustments also had an impact on the statement of income, but did not have a significant impact on the financial performance of the Corporation.

The transition from Canadian GAAP to IFRS had no significant impact on the statement of cash flows, except that, under IFRS, cash flows related to interest are classified in a consistent manner as operating, investing or financing activities each period. Under Canadian GAAP, cash flows related to interest received or paid were classified as operating activities. The Company's interest received is all related to its investing activities.

The following table shows the total effect of the transition on the consolidated statement of financial position:

		September 30, 2010		
Pre-change accounting standards description	Note 17.5	Previous GAAP	Effect of transition to IFRS	IFRS
		CAN$	CAN$	CAN$
ASSETS				
Current assets				
Cash		728,831		728,831
Fees and other accounts receivable		87,074		87,074
Short-term investments		1,725,418		1,725,418
Sales taxes recoverable		168,895		168,895
Tax credits receivable		98,383		98,383
Prepaid expenses		75,491		75,491
		2,884,092		2,884,092
Exploration funds		340,466		340,466
Property and equipment		122,380		122,380
Mining properties		14,375,385		14,375,385
		14,838,231		14,838,231
		17,722,323		17,722,323
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities				
Related companies		24,823		24,823
Others		184,159		184,159
Future incomes taxes		3,562,737	324,747	3,887,484
		3,771,719	324,747	4,096,466
SHAREHOLDERS' EQUITY				
Capital stock	a	16,675,877	(296,470)	16,379,407
Contributed surplus	c	1,468,018	12,365	1,480,383
Deficit	c	(4,193,291)	(40,641)	(4,233,932)
		13,950,604	(324,747)	13,625,858
		17,722,323	0	17,722,323

The following table shows the total effect of the transition on the consolidated statement of comprehensive loss:

		Three months ended September 30, 2010			Nine month ended September 30, 2010			
Canadian GAAP description	Note 17.5	Previous GAAP	Effect of transition to IFRS	IFRS	Previous GAAP	Effect of transition to IFRS	IFRS	IFRS description
		CAN$	CAN$	CAN$	CAN$	CAN$	CAN$	
Revenue								Revenue
Geological Fees		4,660		4,660	5,836		5,836	Geological Fees
Options on properties								
		4,660		4,660	5,836		5,836	
Operating expenses								Operating expenses
Salaries, rent and office expenses Stock-based compensation Stock-based payments for services	c	132,808	5,703	138,511	324,610	12,365	336,975	Salaries, employee benefits and office expense
Management fees		5,250		5,250	24,750		24,750	Management fees
Director's fees (Note 15)					30,000		30,000	Director's fees
Professional and legal fees		119,118		119,118	357,204		357,204	Professional and legal fees
Advertising and exhibitions		35,319		35,319	249,611		249,611	Advertising and exhibitions
Travelling		63,776		63,776	124,438		124,438	Travelling
Part XII.6 and other taxes		2,491		2,491	6,076		6,076	Income taxes
Write-down of mineral properties								Impairment exploration and evaluation assets
Amortization of property and equipment		12,960		12,960	39,124		39,124	Amortization of property and equipment
		371,722		377,425	1,155,813		1,168,178	
Operating loss		(367,062)		(372,765)	(1,149,977)		(1,162,342)	**Operating loss**
Other revenue (expenses)								
Interest Dividend Bank charges		7,621		7,621	23,364		23,364	Finance income and costs
Loss on exchange		(2,140)		(2,140)	(2,140)		(2,140)	Foreign exchange loss
Gain on investments disposal								
Changes in fair value of held-for-trading financial assets		96,311		96,311	51,539		51,539	Changes in fair value of held-for-trading financial assets
Loss before income taxes		(265,270)		(270,973)	(1,077,214)		(1,089,579)	**Loss before income taxes**
Future income taxes	a					28,276	28,276	Deferred income taxes
Net loss and comprehensive loss		(265,270)		(270,973)	(1,077,214)		(1,117,855)	**Loss and total comprehensive loss for the period**

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.