AURVISTA GOLD CORPORATION

(An Exploration Company)

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three and six months ended June 30, 2016 and 2015

(Second Quarter, 2016)

This management's discussion and analysis (”MD&A”) of Aurvista Gold Corporation, (“Aurvista” or the “Company”), follows rule 51-102 of the Canadian Securities Administrators regarding continuous disclosure.

The following MD&A is a narrative explanation, through the eyes of the management of Aurvista, on how the Company performed during the three and six months ended June 30, 2016 and the comparable three and six months ended June 30, 2015 and a review of the Company's financial condition as at June 30, 2016.

This MD&A complements the audited financial statements for the years ended December 31, 2015 and 2014. The MD&A helps the reader understand and assess the significant trends, and the risks and uncertainties related to the results of operations. The MD&A should be read in conjunction with the more fulsome disclosures of the audited financial statements with its accompanying audit report and notes to the financial statements for the years ended December 31, 2015 and 2014.

The audited financial statements for the years ended December 31, 2015 and 2014 have been prepared in accordance with IAS 1, Presentation of Financial Statements.

All figures are in Canadian dollars unless otherwise stated. Additional information relating to the Company can be found on SEDAR at www.sedar.com . The shares of Aurvista are listed on the TSX Venture Exchange under the symbol "AVA" and on the OTC BB in the US under the symbol “ARVSF” and Frankfurt, Germany under the symbol AV2/A1JL1Z).

This MD&A was prepared with the information available as at August 25, 2016.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

This document is required by securities legislation to contain and does contain forward-looking statements, opinions about future events and comments regarding risks and opportunities, which reflect the Company's current expectations regarding future events. To the extent that any statements in this document contain information that is not historic, the statements are essentially forward-looking and are often identified by words such as, but not limited to, "anticipate", "expect", "estimate", "intend", "project", "plan" “might”, “could” and "believe". In the interest of providing shareholders and potential investors with information regarding Aurvista, including management's assessment of future plans and future operations, certain statements in this MD&A are forward-looking and are subject to the risks, uncertainties and other important factors that could cause the Company's actual performance to differ materially from that expressed in or implied by such statements. Such factors include, but are not limited to volatility and sensitivity to market metal prices, impact of change in foreign currency exchange rates and interest rates, imprecision in reserve estimates, imprecision in the Company's Preliminary Economic Assessment, environmental risks including increased regulatory burdens, unexpected geological conditions, adverse mining conditions, changes in government regulations and policies, including laws and policies; and failure to obtain necessary permits and approvals from government authorities, and other development and operating risks.

Although the Company believes that the expectations conveyed by the forward-looking statements are based upon information available on the date that such statements were

made, there can be no assurance that such expectations will prove to be correct. The reader is cautioned not to rely on these forward-looking statements. The Company disclaims any obligation to update these forward-looking statements unless required to do so by applicable Securities laws. All subsequent forward-looking statements, whether written or orally attributable to the Corporation or persons acting on its behalf, are expressly qualified in their entirety by these cautionary statements.

Approval of financial statements

On August 25, 2016, the Board of Directors, on the recommendation of the audit committee, approved Aurvista's unaudited Interim Financial Statements, for the three and six months ended June 30, 2016 and 2015 and this MD&A.

Nature of activities

Aurvista Gold Corporation ("Aurvista") was incorporated on June 3, 2010, under the *Ontario Business Corporations Act*. On June 22, 2011, the Company was continued under the *Canada Business Corporations Act* by articles of continuance. Aurvista is involved in the acquisition, exploration and development of mining properties in Canada.

Aurvista's only asset is the Douay Gold Project ("Douay"), consisting of a 100% owned interest in 250 contiguous claims totaling 13,310 hectares or 133.1 sq. km. plus a 90% interest in 5 contiguous claims totaling 23 hectares or 0.2 sq. km. plus a 75% interest in 32 contiguous claims totaling 1,194 hectares or 11.9 sq. km. in total 287 claims totaling 14,527 hectares or 145.3 sq. km. located along a 20 km segment of the Casa Berardi Deformation Zone in the prolific Abitibi Greenstone Belt of northern Quebec.

On October 30, 2014, the Board of Directors of the Company announced the appointment of Mr. Jean Lafleur, M.Sc., and P.Geo, as President and CEO, and Director.

On November 30, 2014, Gerald P. McCarvill was appointed Chairman of the Company.

On August 25, 2016, the Board of Directors announced the appointment of Keith C. Minty, P. Eng. (Mining), MBA, as Chief Operating Officer of the Company. Mr. Minty has over 30 years' experience in developing and building mines in Canada and around the world. Keith's role is to assist Jean Lafleur in the management of the project and the selling aspects thereof. This will allow Mr. Lafleur to focus on project exploration. This appointment reflects the fact that the Douay Project has quickly advanced its stature in the junior exploration sector, its pace of development and its scope of activities, all of which have had a positive impact in the capital markets.

Management

Jean Lafleur, was appointed as President and CEO on October 30, 2014, and is a Professional Geologist with 30 plus years of experience in various capacities within the mineral exploration industry, including company, project and property evaluations and audits, project planning and execution, supervision and management, and resource estimations. He received his B. Sc. and M. Sc. degrees in Geology from the University of Ottawa, and has been active in mineral exploration, both in Canada and internationally (Africa, Mexico and Ecuador), with a wide range of industry-leading companies, such as Newmont, Falconbridge and Placer Dome.

From 1998 to 2003, Mr. Lafleur worked with McWatters Mining Inc., a Quebec-based junior exploration and mining company, and was instrumental in the discovery of new ore reserves for the company's gold projects in the Val-d'Or and Malartic Mining camps, including developing the bulk gold exploration program at the Canadian Malartic Gold Property for McWatters, which later became the 11.1 million ounce Canadian-Malartic Deposit for Osisko Mining. The Canadian Malartic gold Property hosts geological and mineralization similarities to Aurvista's Douay Gold Project. Previously Mr. Lafleur held the position of VP Exploration for Aurvista from January 2012 to April 2014. Mr. Lafleur orchestrated the exploration drive to advance the bulk gold potential of the Douay Gold Project.

Mr. Lafleur has been instrumental in leading exploration teams to discovery and development, including bulk gold deposits in Nova Scotia, and the Quebec and Ontario segments of the Abitibi Belt (Timmins, Malartic and Val-d'Or). As a senior geologist, Director and executive of several junior mineral exploration companies since 2003, Mr. Lafleur has been a leading figure in early and late stage junior exploration companies. Mr. Lafleur has contributed to the advancement of these companies through marketing and financing as well as actively overseeing gold deposits from early to late exploration stages. He is a Professionnal Geologist with *l'Ordre des Géologues du Québec* ("OGQ") and is a Qualified Person under National Instrument ("NI") 43-101 regulations.

Keith C. Minty, B. Sc., P. Eng. (Mining), MBA has more than 30 years professional experience in mineral resource exploration and development in precious and base metals, industrial minerals and coal in Canada and internationally. Mr. Minty has been directly involved in the realizing of mineral resource projects value by constructing, operating and managing gold and platinum group metal projects. Keith has been associated with premier mineral resource exploration and developing companies such as Hunter Dickinson Inc., Viceroy Resources, North American Palladium and Thani Investments in many senior operating and management positions. From 2008 – 2013, he was the Chief Operating officer for Thani Investment Ltd.,(a private Dubai based Venture Capital Group) subsidiary Thani Emirates Resources Ltd., and was primary responsible for unlocking value from their worldwide mineral resource projects. Mr. Minty is member of the board of directors of three mineral resource companies. Keith obtained a B.Sc. in Mining Engineering from Queen' University, Kingston Ontario, Canada in 1978 and in 2014 received from Athabasca University his Masters of Business Administration degree.

Bryan Keeler is CFO in addition to his role as Director of the Company. Mr. Keeler has served in numerous operating and finance roles mostly at the CFO and Board level in the mining industry for over 25 years. Mr. Keeler received his B.Comm from the University of Toronto and articled as a Chartered Accountant with Clarkson Gordon & Co. Mr. Keeler worked for Westar Timber, Noranda Forest, Denison Mines and then with Gerald McCarvill in building Repadre Capital, McCarvill Corporation and Norvista Resources.

Performance in the Comparable Periods

Stock Performance

Since the Company filed its First Quarter Financial Statements and MD&A on May 28, 2016 the market for junior gold exploration companies, in general, and Aurvista Gold, in particular, has changed dramatically in the positive. On February 11, 2016 the Company hit a 52 week low of $0.025. On July 15, 2016 the Company hit a 52 week high of $0.385 an increase of 15.4 times over a period of a little over five months. The change in markets was caused by a confluence of several factors including an increase in the price of gold above $US1350, a further decline in Canadian dollar exchange rates, a seeming belief that the Bear Market had ended, the seeming belief that a new commodity Bull Market was near and that the junior gold exploration values had declined inordinately over the prior three years. In addition to the overall market changes the Company made a series of changes which promoted Aurvista extremely well against its peers. An insider to Aurvista introduced the Company to Zimtu Capital Corp. which is a publicly held investment issuer and company builder focused on private, micro- and small-cap resource companies. Zimtu opened up introductions to PI Financial and together they opened up introductions to important institutional accounts, funds, and strategic high wealth investors. Aurvista has closed two financings, the first for $1,097,880 of both flow-through and non-flow-through shares. The 6,361,504 flow-through share units were priced at $0.08 per unit generated gross proceeds of $508,920 consisting of one flow-through common share and one common share warrant. The 9,816,000 non-flow-through units were priced at $0.06 per unit generating gross proceeds of $588,960 the unit consisting of one common share and one common share warrant. Each common share warrant will entitle the holder to purchase one additional common share at an exercise price of $0.10 per share during the 12 months following the closing date. The Company then closed a non-brokered private placement of $500,000. The Private Placement consisted of 5,000,000 units at a price of $ 0.10 per unit for gross proceeds of $500,000. Pricing was based on the closing share prices on July 8th, 2016 and was approved by the TSX-V at that time. Share prices increased sharply after that price reservation. Each unit consisted of one common share and one half warrant. Each whole warrant entitled the holder to purchase one additional common non-flow-through share of the Company at an exercise price of $ 0.13 per share for a period of 36 months from the date of the closing.

In addition to resolving the prior quarter's liquidity problems and other financial technical issues, the financings and the capital markets support has changed the Company's priority towards the possibility of limited and relatively short-term production potential. The market has indicated that it has only secondary interest in the Company's ability to bring the Douay West Gold project into production. The market's primary interest is demonstrating 5 million ounces gold and then conducting exploration that could possibly lead to 10 million ounces.

Operating Performance

The Company's Head Office is in Montreal near the centre of the Quebec Government mines administration with the business office located in Toronto at the centre of the world's largest capital market for small to medium sized exploration companies.

Jean Lafleur identified Douay, as well as the Canadian-Malartic property as having lower grade bulk gold potential as early as 2003. Mr. Lafleur believes the greatest potential at Douay remains fundamentally unexplored and untested. The current area of focus extends approximately 5 km in the central portion of Douay with a further 10 km extending along the Casa Berardi Deformation Zone to the limit of Aurvista's claims to the northwest. A further 5 km exists on the Casa Berardi Deformation Zone to the limit of Aurvista's claims to the southeast making a total northwest to southeast strike length distance of 20 km. Twenty kilometers is the same distance as between the Val-d'Or and Malartic Mining Camps (combined past production and current reserves-resources in excess of 40 million ounces of gold) and is located in the same Abitibi Gold Belt some 155 km further to the south of Douay. Accordingly Aurvista is planning a basic exploration program to cover the entire limit of the claims to the northwest. The full detail of the plan is contained under the Exploration Activities.

On April 16, 2014, Yamana Gold Inc. and Agnico Eagle Mines Limited announced a C$3.9 billion acquisition of 100% of Osisko Mining Corporation, based on the multi-million ounces lower grade bulk gold operation at the Canadian-Malartic Deposit. Aurvista concluded from the announcement that our longer term bulk gold focus may be stronger than we had anticipated. This transaction which closed in June 2014 is an endorsement by two well respected major gold producers that bulk mining in the Abitibi Gold Belt is economically viable.

No matter how one interprets these results the impact is clearly positive for Aurvista. The events could very well demonstrate longer term viability for the Douay Gold Project. What remains for the future is for Aurvista to demonstrate sufficient gold reserves and each of the economic variables and the extent of the economies of scale with the Douay bulk gold potential.

Accounting Change

In anticipation of the 2015 year-end audit the Company prepared its annual valuation and going-concern tests which are done on two levels. The first level is a test on carrying value of Mining Properties plus Exploration and Evaluation Assets, which ensures that the accounting balance sheet carrying amounts for each asset is below its expected realizable values. The negative results of this test are seen often in the financial press. As a first step the Company utilizes recent NI 43-101 standard reports as the basis of such test adjusted only for current gold prices and differences between geological and accounting bases. Realizable value at December 31, 2015, at March 31, 2016, and again at June 30, 2016 exceeded the carrying value on exactly the same basis employed in prior years. Due to the strengthening of gold prices expressed in Canadian dollars the excess of realizable value had actually increased versus the excess as at December 31, 2014. As an additional step management adds reasonable assumptions of possible reserve additions to the NI 43-101 reports and recalculates realizable value. In this case realizable value significantly exceeds the carrying value.

The second level of testing relates to Company liquidity and availability of financing further to the Going Concern basis of accounting. These tests indicated the following as at December 31, 2015, the time of the accounting change, as a result of an inability of the Company to obtain financing in 2014 and 2015:

- There was a deficit of working capital at December 31, 2015 of $96,587. A deficit of working capital is an excess of current liabilities over current assets. There had been a slightly positive working capital as at September 30, 2015. This deficit existed again at March 31, 2016 but had grown to $202,440. The financing closed in May 2016 eliminated this deficit but as a condition of the financing the Company is, in compliance with Use of Funds declared, required to spend the funds raised into exploration and evaluation activities. Even after the July 25 2016 closing of $500,000, but without further additional financing, the working capital deficit is likely to return before December 31, 2016.
- A forecast of sources and uses of cash for 2016 prepared as at December 31, 2015 indicated that the Company had sufficient cash only into the third quarter of 2016 not for the full year as required by the Going Concern definition and such cash sufficiency made assumptions of co-operative creditors and unpaid employees and a separate financing of CRA amounts due. The financing closed in May 2016 will lengthen the time of sufficient cash availability and even after the July 25, 2016 financing, additional

financing will be require near the end of Q3'16 in order to return the Company to a complete exploration plan.

- There was no certainty as at December 31, 2015 that exploration and evaluation work programs would be sufficient to maintain control over all mining claims. The planned exploration resulting from the May 2016 financing has currently eliminated this concern.
- Continuing accounting losses and;
- At that time, a continuing weakness in capital markets. This weakness has to date disappeared.

All of the above noted issues, with the exception of continuing accounting losses which is after-all the nature of exploration companies and the going concern issue which will be resolved only through the May 30, 2016, the July 25, 2016 and the Q3'16 financings. Management believes that the closing of a $2 million to $4 million financing prior to December 31, 2016 should resolve the going concern issue.

The net result at December 31, 2015, was that although Mining Properties and Exploration Assets passed the economic requirements, an Impairment Provision was required as a result of potential problems with Liquidity and Going Concern issues. Accounting rules do not allow the assumption that financing can be raised. The Audit Committee was concerned that the impairment would, despite explanations, be misunderstood in the market as an economic failure, which was clearly not the case. The decision was made to avoid the threat of this misunderstanding by changing the accounting principles retroactively to expense all property costs as incurred. This policy, which is used as a basis of accounting and is a generally accepted accounting principle in the Junior Exploration industry, would allow explicit commentary on the extent of the excess realizable value based on year-end gold prices as opposed to the current system where such sufficiency is implied/implicit.

The Board of Directors supported the view of the Audit Committee and a change of accounting principles was retroactively applied as at December 31, 2015. The Auditors have noted the change in their December 31, 2015 audit report. The details, including changes to each line item for each statement in the financial statements, have been fully detailed under Change in Accounting Policy in Note 3 to the Audited Financial Statements for the years ended December 31 2015 and 2014.

Financial Performance

Aurvista recorded a Net Profit (Loss) in the three months ended June 30, 2016 of ($490,584) compared with ($314,820) in the second quarter of 2015. On a per share basis this equates to a loss of ($0.007) in the second quarter of 2016 compared to ($0.005) in the second quarter of 2015. The Exploration and Evaluation budgets in the second half of 2015 and in 2016 prior to the May 30, 2016 financing, had been virtually eliminated because of diminished cash and an inability to raise financings in 2014 and 2015. Aurvista commenced its Summer Exploration Program as the May 30, 2016 financing closed. Exploration and Evaluation expenditures in the second quarter were $327,092 up from $8,895 in the first quarter of 2016 all compared with $541,449 in the year to date June 30, 2015. Please see the detailed comparisons below under Selected Quarterly Information.

Spending on Exploration and Evaluation was $8,895 in the first quarter of 2016 compared to spending of $348,804 in the same period in 2015. Spending in 2016 was largely the reopening and the reclosing of the Douay camp in order to allow a review of core in support of a major partnership opportunity. That opportunity is still alive. Spending in the first quarter of 2015 was on the Preliminary Economic Assessment, which was filed early in 2015, and on preliminary expenses associated with the 2015 start of the Generative Exploration Program. Spending on Exploration and Evaluation was $327,092 in the second quarter of 2016 compared to spending of $192,645 in the same period in 2015. It was in the second quarter of 2015 that the Company commenced to shut-down its exploration activities. Spending in second quarter of 2016 includes the booking of an incremental $200,000 for a possible contingent Quebec Exploration Tax Credit audit re-assessment less the booking of $94,637 in increased Quebec Exploration Tax Credits receivable re 2015. Tax Credits are netted against exploration activities and hence tax credit adjustments are similarly booked. For details of the tax issues see Contingencies.

General and Administrative Costs were $215,555 in the second quarter of 2016, compared to $122,794 in the comparable period a year earlier. Travel, Promotion and Business Development costs were all up as were professional costs related to financings and tax issues. Operating costs were otherwise held steady in all significant categories except for Salaries and Management Consulting fees in which case the cost is one-half paid and one-half accrued commencing May 1, 2015 and ending May 31, 2016. The second quarter of 2016 includes an accrued amounts payable of $121,875 in unpaid salary and consulting costs.

As at June 30, 2016, the Company's cash had been replenished to $857,397 less $297,877 in funds reserved for exploration with the May 25, 2016 financing in cash and equivalents compared to $257,735 as at December 31, 2015 and compared to $1,001,593 as at December 31, 2014. The cash burn rate commencing May 2015 was significantly reduced until such time as the closing of a financing. In May 2016, the Company closed a private placement totaling $1.1 million of both flow-through and hard dollar shares. Subsequent to June 30, 2016 the Company closed an additional $500,000 financing. Please refer to further important comments under Liquidity and Capital Resources.

In summary, the weakening of capital markets in 2012, 2013, 2014 and 2015 have been very difficult, but despite the financing challenge, the Company did make progress in developing the Douay Gold Project. In April 2016 the market commenced to change becoming more open to listening to investment opportunities whereas previously the Company was unable to conclude a financing. The Company believes that the Douay Gold Project still represents one of the largest independent, undeveloped gold deposits in Quebec and eastern Canada.

Exploration Activities

The technical data that follows has been verified by Jean Lafleur, M. Sc., P. Geo., and Qualified Person as defined under *National Instrument 43-101 – Standards of Disclosure for Mineral Projects*.

The Douay Gold Project

Aurvista's only asset is the Douay Gold Project ("Douay" or the "Project"), consisting of a 100% owned interest in 250 contiguous claims totaling 13,310 hectares or 133.1 sq. km. plus a 90% interest in 5 contiguous claims totaling 23 hectares or 0.2 sq. km. plus a 75% interest in 32 contiguous claims totaling 1,194 hectares or 11.9 sq. km. in total 287 claims totaling 14,527 hectares or 145.3 sq. km. located along a 20 km segment of the Casa Berardi Deformation Zone ("CBDZ") in the prolific Abitibi Greenstone Belt of northern Quebec. The 32 joint venture claims occupy the central northern portion of Douay. Such ownership is subject to Aurvista completing a further $175,000 of approved work with no time limitation on this work.

Douay is located approximately 40 km southwest of Matagami and 110 km north of Amos, Quebec. It is accessible by paved Provincial Highway #109, which is the major north-south regional road linking the towns of Amos (Val-d'Or) and Matagami (James Bay). Access to the Project is via the public road network that extends to the Douay West Zone. This network could be used to haul mineralized material off-site to nearby toll processing facilities. Utilities are available on site including hydro-electricity provided directly from Hydro-Quebec's power grid to the Company's on-site substation.

Gold mines of the Abitibi Greenstone Belt have already produced 200 million ounces of gold (6,000 tonnes of gold) since the early 1900's. The more recently developed gold mines include Yamana's and Agnico-Eagle's Malartic Gold Mine estimated at 11.1 million ounces of reserves, is located 155 km south of the Project, and Detour Gold's Detour Lake Gold Mine with an estimated 15 million ounces of gold in reserves is located 120 km northwest of the Project. Hecla's Casa Berardi Mine (4 million ounces of combined production, reserves and resources) sits on the same CBDZ as Douay, 70 km to the northwest of Douay.

In August, 2012, independent consultant Cliff Duke, P. Eng., of Riverbend Geological Services, completed a NI 43-101 technical report on Mineral Resources estimates for Douay. The Mineral Resources were estimated in accordance with the definitions contained in the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) standards on mineral resources, and reserves definitions and guidelines that were prepared by the CIM standing committee on reserve definitions and adopted by the CIM council on Nov. 27, 2010. The technical report was filed under the company's profile on SEDAR on August 10, 2012. The updated Mineral Resources estimates included all drilling from 1976 to the end of March 2012, comprising assay results from 657 holes in more than 185,000 metres drilled on Douay.

Riverbend estimated that 8 gold zones on Douay ("Main", "531", "10", "20", "Central", "Adam-Porphyry", "Douay West" and "Northwest" zones) contained 2.7 million tonnes of Indicated Resources at 2.76 g/t gold for 238,000 ounces above a 0.3 g/t gold cut-off grade. There were additional Inferred Resources of 115 Mt at 0.75 g/t gold for 2.75 million ounces above a 0.3 g/t gold cutoff grade. The bulk of the lower grade gold mineralization is contained in the "Main Porphyry" Zone surrounding the "Adam-Porphyry" Zone. At the 3 g/t gold cut-off, Douay contained an estimated 855,000 tonnes at 5.82 g/t gold of Indicated Resources for 160,000 ounces, and additional 1,317,000 tonnes at 10.55 g/t gold for 446,700 ounces, really demonstrating once and for all the presence of both higher grade and lower gold zones at Douay, unlike the other bulk gold deposits in the Abitibi Greenstone Belt, such as Dome, Canadian-Malartic and Detour Lake which have to deal with lower grade gold closer to 1 g/t gold since all the higher grade gold zones were historically mined out via underground mining. There has never been any underground mining at Douay.

The Douay West Gold Project

In early December 2014, the Company issued results from the Preliminary Economic Assessment (the "PEA") of Douay West. The PEA was completed by Eugene Puritch, P. Eng., and Kirk Rodgers, P. Eng., of P&E Mining Consultants Inc. ("P&E") of Brampton (Ontario). P&E's National Instrument 43-101 Technical Report was subsequently filed under the Aurvista filings on SEDAR at www.sedar.com. The PEA only considers Douay West and does not include any of the other known zones that comprises Douay.

The PEA considered both open pit and underground production options for the advancement of Douay West. The study economics show a pre-tax Net Present Value (“NPV”) of C$ 25.0 million at a discount rate of 5% and post-tax NPV at a discount rate of 5% of C$ 16.6 million using an approximate two-year average gold price of US$1,350 per ounce and an exchange rate of 1.00 $C = 0.95 US$ or C$1,420. Current rates are closer to US$1,350 per ounce and an exchange rate of 1.00 $C = 0.77 US$ or C$ 1,750. The pre-tax internal rate of return (“IRR”) for the project is 55%. The initial preproduction expenditure is estimated at $12.2 million to achieve first production from the open pit. The project life is 3.7 years, after approximately one-year of open pit pre-stripping. The Life of Mine (“LOM”) cash operating cost is C$ 800 per ounce of gold, and the LOM all-in sustaining cost is C$ 1,195 per ounce of gold, with a 3.2 year pay-back period from the start of development. The Company sees this PEA as a good starting point upon which to build more ounces and a longer mine life.

The Project is considered viable with the current Mineral Resource estimates of 2,558,000 tonnes at an average grade of 2.77 g/t gold for 228,000 ounces of Indicated Mineral Resources and additional Inferred Mineral Resources of 1,413,000 tonnes at an average grade of 1.65 g/t gold for 75,000 ounces, based on a cut-off grade of 0.30 g/t gold.

Aurvista, subject to additional financing, plans additional drilling to enhance the Project’s economics. If this proposed drill campaign succeeds in increasing the size and quality of the compliant Mineral Resources and subsequently the projects production profile, this could result in a higher Net Present Value and extend the mine life. The PEA has an accuracy of +/- 40%, which is considered industry standard for preliminary capital and operating cost estimates.

Douay West is situated just southeast of the existing shaft collar and head frame built in the early 2000’s by a previous owner. The bedrock/overburden contact varies between 10 metres and 45 metres below surface. The mineralization dips at approximately 60° to 85° to the south and varies from approximately 15 metres to 30 metres in true width. The current study did not take into account the Phase 1 definition drilling results which showed the near surface gold mineralization extending a further 100 metres to the northwest. The proposed mining scenario would start by open pit followed by underground mining. The PEA proposes a conventional truck and shovel open pit, followed by ramp access, and long-hole open stoping in the underground mine. The access decline will be developed in the footwall of the mineralization to access sublevels at a vertical spacing of approximately 25 metres. Since the LOM currently being contemplated is relatively short, the mining operation would be conducted on a contractor basis.

The mine plan is to extract the upper portions of the Mineral Resources (the top 100 metres) using open pit mining methods. While the open-pit is producing, an underground portal will be established on the pit wall and an underground ramp will be extended below the proposed crown pillar. Underground mining will progress in a top-down fashion with major sublevels every 25 metres defining groups of stopes.

The PEA schedule assumes mining of 419,000 tonnes of mineralized material in the open pit at an average grade of 3.16 g/t gold (at a cut-off of 1.17 g/t gold). The average dilution factor applied is 16.3% at a diluting grade of 0.32 g/t gold. Mining recovery has been estimated at 97%. The underground operation will mine 133,000 mineralized development tonnes at a grade of 4.57 g/t gold and 608,000 stoping tonnes at a grade of 4.83 g/t gold (at a cut-off grade off 3.25 g/t gold). The average planned dilution factor applied is 14.5% at a diluting grade of 1.82 g/t gold. Unplanned dilution has been estimated by adding an additional 5% at zero grade gold to mineralization after planned dilution. A mining recovery of 85% has been assumed.

The PEA has relied on limited metallurgical test work conducted by *Laboratoire LTM Inc.* in 2005. The body of the report is contained in a *Systèmes Geostat International Inc.* ("SGI") document. SGI commissioned the work to confirm amenability to cyanidation and to assess the effect of grind on extraction. While the results could not be verified, the test work was conducted on a sample composited from 30 individual assay reject samples that returned an average calculated head of 4.87 g/t gold. Cyanidation tests conducted on material ground to seven different size distributions ranging from 75% -200 mesh to 99% -400 mesh returned extractions ranging from 90% to 95%, indicating a minor effect of grind on extraction. The laboratory estimated an extraction of 93% based on a grind of 95% -200 mesh. On this basis, the PEA considered a recovery of 92% for both open pit and underground feed.

Due to the current size of the Mineral Resources it is expected that mineralization from the Douay West would be processed at a nearby external facility. Based on the limited available test work, the contracted mill would be a direct cyanidation plant as opposed to a flotation or flotation-cyanidation mill. A conventional CIP or CIL process would be suitable.

The project as analyzed, and without consideration of expansion into the Adams Zone, is robust, although sensitive to the price of gold. The following sensitivities to gold price for pre and post-tax undiscounted cash flow are presented in the table below.

Gold Price in US$/oz (1 C$ = 0.95 US$	Undiscounted Pre-Tax Cash Flow (C$ millions)	Undiscounted Post-Tax Cash Flow (C$ millions)
1,620 (C$ 1,705)	73.3	46.6
1,553 (C$ 1,635)	63.1	40.6
1,485 (C$ 1,565)	52.9	34.5
1,418 (C$ 1,490)	42.7	28.5
1,350 (C$ 1,420)	**32.5**	**22.3**
1,283 (C$ 1,350)	22.3	16.2
1,215 (C$ 1,280)	12.0	10.0
1,148 (C$ 1,210)	1.90	3.5
1,080 (C$ 1,135)	-8.4	-4.0

Proposed initial capital expenditures will be minimal due to the decision to seek a toll milling arrangement, the existence of facilities on site, and the use of contractors in the mine operation. It is estimated that the LOM capital requirement are C$ 56.8 million. The table below presents the major capital items during the LOM (excluding the open pit pre-stripping operation which is treated as operating expenses).

LOM Capital Expenditures (C$ million)	
Infrastructure Refurbishment	1.0
Underground Development,Initial Stoping	50.1
Sustaining Capital	0.7
Closure	5.0
Total Capital Expenditures	56.8

The proposed mine plan for both the open pit and underground scenarios use a production rate of 900 tonnes per day of mineralized material. Based on this assumption, the following tables highlight the major key performance indicators.

Operating Parametres	
Average Production Rate	900 tpd
Average Gold Recoveries	92%
Overburden Stripping	C$ 4.35 / tonne
Open Pit Mining Cost	C$ 4.25 / tonne
Underground Stope Mining Cost	C$ 65 / tonne
Mineral Haulage to Toll Mill	C$ 7.00 / tonne
Crushing	C$ 3.50 / tonne
Toll Milling	C$ 30.00 / tonne
G & A Cost	Variable based on Project Phase
Life Of Mine Costs	
Cash Operating Costs	C$ 800 / ounce
All-in Sustaining Cost	C$ 1,195 / ounce

The PEA is intended to provide an initial conceptual review of Douay West. The PEA mine plan and economic model include the use of Inferred Mineral Resources which are considered speculative geologically to have any economic considerations applied to them that would enable them to be categorized as Mineral Reserves and there is no certainty that the PEA will be realized.

The Company received final reports from the engineering work at Douay West. Aurvista retained Golder Associates Ltd. (“Golder”) in August 2014 to complete an overburden and rock pit slope design for the Douay West open pit. The design was part of the Company’s Pre-Feasibility Study using a planned open pit geometry extending 300 metres in the northwest-southeast direction and 250 metres in the northeast-southwest direction to a depth of about 100 metres with overall pit slope angles of 48°. Further results from Golder’s underground stope design work, also part of the Pre-Feasibility Study, are expected.

The overall overburden slope angles proposed are in the 13° to 17° range, for the 5 metres to 40 metres thick overburden; whereas the rock slope angles are proposed with 20 metres high double benches and inter-ramp angles varying from 48° to 55°, with potential to steepen to 59° in some design sectors. While preliminary, the study indicated that continued steps should be taken to determine the feasibility of mining a portion of the Douay West Zone by open pit methods. These steps include an infill drilling program which has now commenced and is focused on the perimeter of the open pit scenario, geotechnical drilling programs that will focus on both the overburden (namely clay) and underlying rock units, and a hydrogeological study.

While reviewing the mining scenarios outlined in the Preliminary Economic Assessment (“PEA”) of the Douay West Zone, Aurvista recognized that in order to deliver a positive and bankable Feasibility, a minimum mine life of 10 years or mineral reserves of between 350,000 to 500,000 ounces with an equivalent 10 years of mineral resources was required. The Generative Exploration Program has outlined two distinct populations of lineaments: one with E-W and NW-SE directions, considered to belong to a pre- and/or syn-mineralizing event ascribed to the Casa Berardi Deformation Zone; the second set with a dominant NE-SW direction, likely belongs to a post-mineralizing or post-deformational event typically ascribed to late diabase or gabbro dykes commonly observed in the region.

One of the E-W trending subsidiary faults links the Douay West Zone to the Adams-Porphyry Zone, located 1.5 km to the east. Both zones have affinities to the Douay Syenite Porphyry (the "Porphyry"): the former sits at the boundary of the Porphyry, whereas the latter sits within the Porphyry.

The pre-existing Douay West Zone, as defined by more than 150 diamond drill holes, is oriented approximately NW-SE with a moderate to steep southerly dip. The mineralization varies from a few centimetres to more than 30 metres in true width, is at least 175 meters long in horizontal length, and is known to a minimum vertical depth close to 300 meters, remaining open at depth and along strike. The gold sits within mafic volcanics and intrusive rocks (syenite). The mineralized rock is bleached white to beige due to the albite, ankerite and sericite with a reddish tinge due to the hematite. Pyrite is the dominant sulphide ranging from 1% to 40%. Typical gold grades include: 3.0 g/t gold over 47.1 meters, including 5.6 g/t gold over 7.5 meters (D-112); 4.2 g/t gold over 13.9 meters (DO-14-141); and 3.9 g/t gold over 30.5 meters, including 17.0 g/t gold over 5.0 meters (DO-14-145). At a 3 g/t gold cut-off*, the Douay West Zone contains 828,000 tonnes @ 5.78 g/t gold (153,890 ounces of gold) in the Indicated category and an additional 181,000 tonnes @ 4.87 g/t gold (28,420 ounces of gold) in the Inferred category.

The pre-existing Adams-Porphyry Zone is associated with the Porphyry located due east of, and within, 1.5 km of the Douay West Zone. Some 85 holes were drilled to define the zone as well as the remaining Porphyry mineralization with the deepest drill intersection at -400 meters vertical depth. The zone is up to 100 meters true width, extends for at least 900 meters in length as it is linked to the remaining known Porphyry mineralization for 1.8 km to the east. It remains open at depth. It contains disseminated sulphides (pyrite) and stockworks of carbonates and/or K-feldspar and/or fluorite, with ankerite, barite, anhydrite, fluorite, albite, K-feldspar, clays and/or sericite as the alteration minerals in the host Porphyry. The gold tends to be disseminated throughout, closely linked to the presence of barite-anhydrite and sulphides. The typical mineralization shows both lower grade wide haloes encapsulating higher grade gold as exemplified by DO-12-97 which intersected 1.07 g/t gold over 183.0 meters that included two higher grade lenses of 4.75 g/t gold over 3.0 meters and 9.0 g/t gold over 9.0 meters with a sub-lens of 32.5 g/t gold over 1.5 meters. At a 3 g/t gold cut-off*, the Adams-Porphyry Zone 383,000 tonnes @ 22.29 g/t gold (274,200 ounces of gold) in the Inferred category.

The mineral resources encompassing the pre-existing Douay West and Adams-Porphyry zones, now under the Douay West Gold Project, at a 3 g/t gold cut-off*, stand at 828,000 tonnes @ 5.78 g/t gold for 153,890 ounces in the Indicated category, and an additional 564,000 tonnes @ 16.69 g/t gold for 302,620 ounces in the Inferred category. The mineralization is open at depth beyond -300 meters vertical at Douay West and -400 meters vertical at the Adams-Porphyry. Combining the two proximal zones could potentially have a positive impact on the economics of any potential mining project (because of the higher grades of the Adams Zone). It offers immediate upside potential by demonstrating a larger mineral resource base from which to define the minimum 10 years of mineral reserves and an equivalent 10 years of mineral resources for any future mining scenarios.

The Douay Priority Targeting Program

During Q4-2014, the Company initiated a property wide 2-D and 3-D geophysical interpretation program on Douay to review all the previously identified 25 potential targets. Due to poor financial market conditions this work was supended in 2015 and was re-initiated in june 2016 following the May, 2016, financing. This work continues now within a more comprehensive Generative Program incorporating into one dataset all of the current and historical geophysical, geological, geochemical and historical exploration and government work at Douay and the immediate area under the guidance of independent geophysical and geological consultant, Mr, Yvan Bussières, P. Eng., of St-Eustache (Quebec).

The Company plans a two-staged exploration campaign for the period June to December 2016 (with the prime objective of determining the best of the defined targets with a view of significantly increasing the current Mineral Resource estimates*.

The First Stage campaign will complete the Priority Targeting Program in two areas where management is confident additional gold mineralization will be uncovered. The first is in the 10 km by 3 km wide (at its longest and widest points) SE-tilted parallelogram-shaped polygon enclosing the Douay-Style Mineralization ("DSM") containing all the known gold zones ("Douay West", "10", "20", "531", "Central", "Main", "NW", "Porphyry" and the "South Porphyry") and current Mineral Resource estimates*. The second, is in the 6 km by 1 km wide cluster of EM INPUT^{TM} anomalies conductors running along the southwest boundary of the DSM that have affinities to Volcanogenic Massive Sulphide or VMS mineralization associated with gold. The Second Stage campaign will consist of a 4,000 meters of drilling to delineate additional gold and/or copper-gold mineralization on the best targets.

The Summer Program is to include an airborne geophysical Magnetic, Electromagnetic and Radiometric survey of the central portion of the Douay Project to define key contacts, faults and porphyry linked to gold and any potential base metal bearing massive sulphide lenses within the 6 km by 1 km Copper-Gold corridor to a depth of -150 metres; re-logging selective previous and historical drill core for litho-geochemical and thin section work along key gold mineralized and non-mineralized sections across Douay, all to define the chemical signatures and alteration mineralogy of the known gold and/or base metal mineralization, helping with the airborne geophysical survey in the vectoring towards additional mineralization; and the drilling of the best priority targets that could potentially lead to the expansion of, and better quality, mineral resources.

The main gold target at this time is the Porphyry Target that extends some 8 km in length, of which 3 km to the NW of the "Adam-Porphyry" Zone, bordered by the "Douay West" Zone and the "NW" Zone, is largely untested. The Porphyry Target, encompassing the "Adams-Porphyry" - at a 3 g/t gold cut-off, the Adams Porphyry contains 383,000 tonnes grading 22.29 g/t gold in the Inferred category within lower grade Mineral Resources estimates* of 55.1 million tonnes at 1 g/t (at a 0.5 g/t cut-off) also in the Inferred category in the "Main Porphyry" Zone. The "NW" Zone contains 1 million tonnes grading 2.71 g/t (at a 0.5 g/t cut-off) in the Inferred category. The overall gold potential of the Porphyry Target is significant and Aurvista is committed to drilling this sector potentially adding to the current Mineral Resource estimates*. Drilling success could potentially increase the size and quality of the Mineral Resources.

A first series of results were outlined in 2014 from the interpretation of 2011 magnetic and historic electromagnetic-magnetic ("EM") INPUT^{TM} airborne geophysical surveys, and included the Discovery of a number of sizeable EM INPUT^{TM} anomalies associated with a mix of felsic and mafic volcanic rocks that could be associated with base metal mineralization, the largest of which spans a length of 4 km. There are a number of examples in the Abitibi Greenstone Belt of such bi-modal occurrences. The largest portion of the newly discovered targets is in an area some 6 km in length and 1 km wide and contains a cluster of EM INPUT^{TM} anomalies and conductors. This cluster runs from the southern tip of the South Porphyry Zone eastwards to the limit of the Project. The discovery of these targets resulted in Aurvista map-staking 27 contiguous claims to the southwest of the Project.

The original strategy behind the on-going geophysical and geological interpretation work was to assist in identifying additional targets with similar geophysical properties to those associated with already known gold mineralization on the Project. The Company now believes that the results show the potential for additional and significant gold and base metal mineralization. Examples of such bi-modal occurrences in the region include: (1) the Dome, McIntyre, Hollinger gold deposits of the Timmins Mining Camp with the copper-zinc mineralization of the Kidd Creek deposit; (2) the Doyon gold deposit along the Cadillac Break of the Rouyn-Noranda Mining Camp with the Bousquet gold-base metal deposit; and (3) the Sigma-Lamaque gold deposits of the Val-d'Or Mining Camp with the Louvicourt base metal deposit.

The bi-modal gold and base metal potential cannot be overlooked, since the Project is of camp-scale proportion extending in length for 20 km along the CBDZ, of which only 10 km has been reasonably investigated for gold only. There are numerous EM INPUT™ conductors outside of the known gold mineralization corridor. These EM INPUT™ conductors could potentially be linked to massive sulphides based on the geological-geophysical association.

The main conclusion of the 2014 interpretation was the direct link between several multi-kilometric magnetic signatures, bedrock alterations, known gold mineralization and structural patterns. The distinct association was termed the Douay-Style Mineralization (the "DSM"). The DSM was well defined by historic and recent exploration work, although not necessarily recognized as such by the previous investigations since the 1970's.

The DSM comprises a 10 km long by 3 km or a 30 km^2 wide southeast-tilted parallelogram-shaped block (at its longest and widest points) located in the centre of the Project and bounded in all directions by southeast-northwest and northeast-southwest splay faults of the east-west trending CBDZ; mafic and felsic volcanics with related sediments and porphyry intrusives that are typical of the Abitibi Greenstone Belt gold camps; schistose and foliated host rocks due to various degrees of shearing related to the CBDZ and its numerous faults or "horsetail faults"; highly altered host rocks containing anomalous amounts of secondary pyrite, barite, anhydrite, ankerite, fluorite, and micas and/or clay minerals; the geophysical responses are unique to the DSM in that they consist of chaotic, non-linear, and distorted bands of strong magnetic highs and complementary lows that result from the faulting, shearing, and alteration of the host rocks; all of the known higher and lower grade gold mineralization, such as the "Douay West", "10", "20", "531", "Central", "Main", "Northwest", "Adam-Porphry", "Main Porphyry" and the "South Porphyry" zones; and the gold mineralization including in the porphyry zones tend to occupy magnetic lows; and the DSM completely lacks EM INPUT™ anomalies or conductive horizons.

There are several significant targets, including those of the DSM-type, which remain completely untested outside of the currently discovered gold mineralization marked by the parallelogram-shaped block. The untested locations run along the remaining 10 kilometric-long trend of the CBDZ that lies within Douay. A number of the identified targets were extensions of already known gold mineralization, however the Company still considered these viable targets as they could potentially contain higher grade gold veins and/or disseminated, and strictly disseminated, bulk gold mineralization, as well as possible Volcanogenic Massive Sulphide ("VMS"). There is one specific VMS target, 6 km long, running along the southeast boundary of the DMS, which contains a 1 km wide cluster of EM INPUT™ anomalies or conductors.

The geophysical interpretation shows that the 3 million ounces of gold in mineral resources outlined in the 2012 NI 43-101 technical report sits within a small portion of the 30 km^2 segment that remains largely untested for gold. This excludes the remaining untested 10 km trend of the CBDZ, as well as the massive sulphide targets.

All of the superpit mineralization at the Dome, Canadian-Malartic and Detour Lake deposits, which are located in the AGB along with Douay, had extensive historic underground mining which extracted most of the higher grade gold veins and stockworks. Douay, on the other hand has never been mined and contains the higher grade gold lenses surrounded by lower grade gold mineralization in very similar geological environments to the superpit deposits. Douay lacks the extensive exploration at this time to substantiate a larger mineral resource. Aurvista's 20 km strike length includes the CBDZ, a structure similar to the Porcupine-Destor and Larder Lake-Cadillac Deformation Zones, which hosts numerous gold deposits, such as the Dome, McIntyre and Hollinger mines in the historic triangle or the 25 km long Val-d'Or and Malartic gold deposit trend. Aurvista believes Douay represents one of the largest undeveloped gold mineralized systems in Quebec.

In 2015, Aurvista synthesized and interpreted the 13 Induced Polarization ("IP") surveys (2 by Aurvista; 11 by previous vendors). IP can help identify disseminated sulphides and faults potentially linked to the gold and/or VMS mineralization. The IP at Douay showed a complex array of crisscrossing faults with consistent E-W, NE-SW and NW-SE trends mirroring structures outlined by the airborne magnetic survey that are parallel to the CBDZ.

The array forms anastomosing patterns, and as in the case of the Douay West Zone, the gold mineralization appears to sit at the junction of anastomosing faults. Where narrower linear IP resistivity lows occur they are overlapped by similar linear EM-INPUT™ anomalies, corresponding to conductive linear and recessive faults typical of the CBDZ. Discrete groupings of EM INPUT™ anomalies located in felsic and mafic volcanic rocks are associated with areas of higher IP resistivity, likely a non-graphite component to the conductors, such as sulphide-bearing cherts, as observed within portions of the 6 km by 1 km EM INPUT™ grouping running westwards from the South Porphyry.

The Detailed Targeting work is highlighting historic and more recent diamond drill hole results from the 40 plus years of exploration work at Douay in 15 major exploration programs at Douay As a number of new exploration projects in Quebec have been making headlines in recent months, Douay still remains one of the premier undeveloped gold projects in Quebec based on its past drilling results and Mineral Resources estimates*. Selective historic gold assay intervals from the higher gold grade zones at a cut-off grade at 5 g/t gold are outlined in the following table:

DDH # (year drilled)	GOLD GRADE (g/t)	FROM (m)	TO (m)	CORE LENGTH* (meters)	GOLD ZONE
D-102 (2005)	**15.01**	283.10	291.30	**8.20**	Douay West
84637 (1990)	**21.18**	307.21	317.69	**10.48**	
40688 (1981)	**15.81**	312.91	328.27	**15.36**	Main
54483 (1976)	**7.12**	160.90	174.07	**13.17**	
70531-2 (1992)	**11.93**	371.03	378.26	**7.23**	531
4140-93-01 (1993)	**10.73**	182.00	187.00	**5.00**	NW
DO-12-97 (2012)	**5.36**	304.50	313.50	**9.00**	Adam-

Included in	**1.07**	255.00	438.00	**183.00**	Porphyry
DO-11-61 (2011)	**6.67**	98.00	110.00	**12.00**	10
DO-92-20 (1992)	**8.47**	412.76	416.05	**3.29**	20

* Core lengths are not true widths.

Douay was initially explored from 1973 to 2010 for its higher grade gold potential with the discovery of 7 lenses ("Douay West", "10", "20", "531", "Central", "Main" and "NW"), followed by the 2005 discovery of a lower grade bulk gold porphyry (the “Main Porphyry”). Exploration of the “Main Porphyry” was revived by Aurvista during the Company’s 2011 and 2012 drilling campaigns in light of the exploration and mining successes at the multi-million ounce Canadian-Malartic and Detour Lake bulk lower grade gold deposits. Drilling of the “Main Porphyry” led to the discovery of an additional higher grade lens, the “Adam-Porphyry” Zone, and a lower grade corridor (“South Porphyry”).

It is important to remind shareholders, stakeholders and prospective investors of past exploration successes at Douay leading to the discovery of the 8 higher grade zones and the 2 lower grade corridors. The mineralization covers a 10 km by 3 km wide segment or 30 km^2 of the 20 km trend of the Casa Berardi Deformation Zone (the “CBDZ”) on Douay. All of this work recently led Aurvista to define a sizeable Mineral Resource estimate* of 3 million ounces of gold.

Aurvista remains committed to increasing the quantity and quality of mineral resources by extending the higher grade gold lenses or by defining new ones with gold grades similar to those intersected in the past. Aurvista’s management firmly believes:

- The upside potential of the under-explored Douay Project is significant for a lower grade bulk gold-type system containing a number of higher grade gold lenses of variable sizes and grades;

- <u>There has never been any historical mining on Douay</u>, hence the higher grade gold lenses remain intact;

- The Camp-scale size gold system at Douay covers 30 km^2 of which less than one-fifth has been explored via diamond drilling in any detail based on the distribution of the known gold zones and distribution of drill holes;

- The gold system remaining open along strike beyond the 8 km known trend and at depths below -400 m;

- The main gold target is the largely untested “Main Porphyry”, encompassing the “Adam-Porphyry” Zone. which was Aurvista’s 2012 discovery containing (at a 3 g/t gold cut-off) 383,000 tonnes grading 22.29 g/t gold for 274,500 ounces in the Inferred category within a lower grade envelope of 55.1 million tonnes at 1 g/t (at a 0.5 g/t cut-off) also in the Inferred category, and the “South Porphyry”;

- The “Main Porphyry” is flanked by the largely unexplored “NW” Zone which to date contains 1 million tonnes grading 2.71 g/t for 87,000 ounces of gold in the Inferred category, and the Douay West Zone containing 2.33 million tonnes at 3 g/t gold for 225,000 ounces in the Indicated category and an additional 1.26 million tonnes at 1.8 g/t gold for 73,000 ounces in the Inferred category (both zones at a 0.5 g/t cut-off); and

- “Douay West” is sufficiently advanced in order to go into pre-feasibility or feasibility mode if deemed beneficial.

Douay has seen 15 major exploration programs since 1973:

- The first 13 programs were focused on the discovery and exploration of 7 higher grade gold zones over an 8 km stretch of the Casa Berardi Deformation Zone;

- From 1973 to 2010, the previous vendors completed 144,783 meters of drilling in 575 diamond drill holes, while Aurvista completed the last two programs and essentially focused its efforts on the higher grade Douay West Zone and the lower grade bulk gold porphyry, and drilled from 2011 to 2014 some 42,955 meters in 127 diamond drill holes; and

- Aurvista’s drilling led to the discovery of 1 higher grade gold lenses - the “Adam-Porphyry” Zone - and 2 lower grade bulk gold target – “Main Porphyry” and “South Porphyry”;

Diamond drilling for the entire project was mostly focused on the higher grade gold zones:

- Diamond drilling totaled 187,738 meters in 702 drill holes, with an additional 165 Reverse Circulation drill holes dating from the late 1980’s;

- There were 95,941 individual samples taken for gold assays, of which 317 assay intervals greater than 0.3 g/t gold were composited to delineate the 7 higher grade gold zones demonstrating the kilometric distribution, variability and continuity of the gold mineralization from bedrock surface to a -400 meter depth over a known 8 km strike length; and

- There are 43 assay intervals greater than 5 g/t gold from the “Douay West”, “Main”, “531”, “10”, “20”, “Adam-Porphyry” and “NW” zones.

Aurvista contracted *Prospectair Geosurveys* of Gatineau (Quebec) to complete and airborne helicopter magnetic, time-domain electromagnetic (“TDEM”) and radiometric survey to complement the historic EM-INPUT™ and 2011 magnetic survey. A total of 1,421 line-km were flown along N-S 150 m spaced lines with the magnetic responses mimicking those from the Aurvista 2011 magnetic survey. The TDEM survey outlined 7 strong anomalies (“A” to “G”), all associated to the strongest EM-INPUT™ anomalies, 4 in proximity to the CBDZ (“A” to “D”), NW of the DSM, and 3 in proximity to, and surrounding the ‘South Porphyry” (“E” to “G”), S of the DSM (*refer to appended Figure 1*). Characteristics of each anomaly is summarized in the following table:

TDEM ANOMALY	LOCATION	LENGTH x WIDTH	AZ.	COMMENTS
“A” NORTH	CBDZ, NW Douay	1,300m x 150-250m peak	106°	3,500m long anomaly; DDH JO-11-08: 0.16% Copper, 16.5 g/t Silver / 0.9 m in sulphide cherts
“A” SOUTH		1,300m x 220m	130°	None
“B” NORTH	500m SE of “A”	800m x 220m	215°	None
“B” SOUTH		1,100m x 150-450m	225°	Left-handed offset of “B” NORTH

"C" WEST "C" EAST	1,200m E of "B"	950m x 100m	115°	Two peak conductors separated by magnetic, non-conductive NE diabase-gabbro dyke; DDH54493-0 from "C": 0.18% Zinc / 8.9 m
D	Ties onto "C" to the SE	4,000m X 200-700m	090°	3 peaks conductors; largest 450m x 300m; marker horizon(?) between felsics (higher CPS)-mafics (lower CPS) with (?)massive sulphide connection
E	6km x 1km Cluster EM -INPUT™ anomalies, 750m due S of "Adam-Porphyry", Due W of "South Porphyry, Bounded to he E by the "20" Zone	950m x 100m	125°, 090°	450m x 200m middle offshoot trending E-W; DDH DO-92-24 ("20" Zone), 300m E with semi-massive pyrite stringers in chlorite "feeder-pipes" / 73m (77m to 150m) plus altered basalt / 39.62m (41.15m to 80.77m) with 0.55 g/t gold; DDH DO-11-34, 500m N of cluster, 300m NW of DO-92-24, with pyrite stringers in chlorite "feeder-pipes" / 55.5m (28.5m to 84m)
F	1,700m due S of "E"	1,500m x 200-250m	100°	3 conductive peaks from small to large; peak conductor drilled (1987) with 9 holes, intersected black argillites in basalts: 0.08% Copper / 15.47m from 57.20m to 72.67m, including 0.57% Copper / 0.5m from 57.20m to 57.70m (DDH BD-8106)
G	300m due S of "South Porphyry"	2,600m x 500m	150°	Contiguous to, parallel to DSM

At this time, Anomaly "E" is the most significant, since it is located in proximity to the gold bearing "Main Porphyry", the "South Porphyry" and the "Adam-Porphyry". There are chlorite-sulphide bearing "feeder pipes" nearby as observed in drill holes DO-92-24 and DO-11-34, typically found in association with massive sulphide mineralization. The historical drill holes DY-99-04, 05 and 06, 46878-0, 46899-9 and 0, 64487-0, 468880-0 and D-92-32 skimmed the anomaly by drilling above or holes were too short, but explained the conductive source as graphite, but there is no graphite in the re-logged the core.

The Total Counts per Second ("CPS") of the radiometric portion of the Survey maps out 3 areas of shallow overburden (higher CPS) with felsic rocks either "granites", porphyries, cherts and/or rhyolites-rhyodacites ("1" to "3"), 8 linear troughs (lower CPS) linked to possible faults ("4" to "11"), and the N-S esker (higher CPS) ("12") under the Amos-Matagami provincial highway (higher CPS).

The Company is well advanced in the two-staged exploration campaign on Douay for the period June to December 2016 with the prime objective of determining the drill targets to increase the known Mineral Resource estimates*.

The *First Stage* campaign slated for completion in Q4-2016 will tackle Priority Targeting (the "Program") in two areas where management is confident additional gold mineralization will be discovered. The *Second Stage* will consist of a 4,000 m of drilling to delineate additional gold mineralization. The Aurvista exploration team is now focused on core re-logging of previous and historic drill holes along 26 sections across Douay, including the gold mineralized and non-mineralized segments, all to define the chemical signatures and alteration mineralogy of the known gold mineralization. This work integrated with the geophysics will assist in the vectoring towards additional gold mineralization; and the drilling of the best priority targets that could potentially lead to the expansion of, and better quality, mineral resources. Drill core re-logging of 65,000 meters of the nearly 200,000 meters of drill core stored on site from all previous vendors and Aurvista is showing a much simpler geological picture than previously interpreted.

There are two distinct but overlapping geological signatures: a primary Volcanogenic Massive Sulphide ("VMS") of Copper-Zinc affinities followed a secondary structurally hosted gold system. This is very similar to the 15+ million ounce Doyon-Bousquet-Laronde Mining Camp located 100 km S-SW of Douay, along the Cadillac Larder Lake Deformation Zone. Douay now consists of a northern corridor of fairly pristine, well preserved, volcanic tuffs of felsic to intermediate compositions. The central 3 km wide DSM corridor hosts the CBDZ with a mix of porphyries, basalts, felsic volcanic rocks and iron formations, and gold-hosted shear zones. The third, a southern corridor of mostly basalts with siliceous-chemical sediments and chlorite-sulphide bearing feeder-pipes, are both typical of VMS systems.

There is continuity of geological units and structures across Douay as was suggested by the previous 2014-2015 geophysical interpretation that is now confirmed as the iron rich host of the "Douay West" Zone, west of the "South Porphyry", was also observed E-SE of the same porphyry for over a distance of 4 km. The more E-W fault or shear zone hosting "Douay West" is the same structure hosting the "Adam-Porphyry". The volcanic stratigraphy trends in a NW-W to E-SE directions whereas the gold structures trend E-W. There are at least a dozen of these subparallel structures. The previously held interpretation of 8 independent higher-grade gold zones is incorrect. The higher grade gold zones are linked by through-going faults in magnetic iron rich volcanic rocks, now sulphide bearing, hosting either iron-carbonate, porphyry and/or some form of silicification (silica-rich alteration) and/or albitization (sodium-rich alteration).

Selected quarterly financial information

The following selected financial information is derived from the Company's unaudited interim financial statements and from audited annual financial statements. Since its incorporation, the Company has not paid nor does it plan to pay, prior to going into production, any cash dividends on its outstanding common shares. It is highly unlikely that any dividends will be paid in the near future.

Aurvista anticipates that the quarterly and annual results of operations will primarily be impacted for the intermediate future term by several factors, including the timing and extent of the exploration expenditures, the timing and nature of funding secured and efforts related to the development of the Company. Due to these fluctuations, the Company believes that, while the company remains in the exploration stage, quarter-to-quarter and year-to-year comparisons of operating results may be a misleading indication of future performance.

	Three Mths Sept 30, 2014	Three Mths Dec 31, 2014	Three Mths Mar 31, 2015	Three Mths June 30, 2015
Selected Quarterly Financial Information				
Four Quarters starting July 1, 2014				
Statements of Comprehensive (loss) Income				
Exploration and Evaluation	$ (144,400)	$ (531,806)	$ (348,804)	$ (192,645)
Operating (Expenses)	(122,643)	(197,497)	(152,900)	(122,794)
Income related to flow-through				
Finance Income	2,483	5,407	2,784	793
Finance (Expense)	(3,579)	(191)	(247)	(174)
Income Tax Recovery (Expense)	-	-	-	-
Net Profit (Loss)	(268,139)	(724,087)	(499,167)	(314,820)
Other Comprehensive Loss	(27,000)	-	(5,400)	21,600
Total Comprehensive Income (Loss)	(295,139)	(724,087)	(504,567)	(293,220)
Net Loss per share, basic and diluted	$ (0.003)	$ (0.012)	$ (0.007)	$ (0.003)
Statements of Cash Flows				
Cash Flows from operating activities	365,357	(950,523)	(489,420)	(394,953)
Cash Flows from financing activities	-	-	-	-
Cash Flows from investing activities	-	-	-	-
Increase in Cash and Equivalents	365,357	(950,523)	(489,420)	(394,953)
	As at Sept 30, 2014	**As at Dec 31, 2014**	**As at Mar 31, 2015**	**As at June 30, 2015**
Statements of Financial Position				
Cash and Cash Equivalents	$1,952,116	$1,001,593	$512,173	$117,220
Marketable Securities	81,000	81,000	75,600	97,200
Funds Reserved for Exploration	-	-	-	-
Equity	1,645,849	927,565	427,935	135,264
Total Assets	2,182,764	1,624,632	1,200,303	869,651

Selected Quarterly Financial Information				
Four Quarters starting July 1, 2015				
	Three Mths Sept 30, 2015	**Three Mths Dec 31, 2015**	**Three Mths Mar 31, 2016**	**Three Mths June 30, 2016**
Statements of Comprehensive (loss) Income				
Exploration and Evaluation	**$ 28,866**	**$ 52,026**	**$ (8,895)**	**$ (327,092)**
Operating (Expenses)	**(98,592)**	**(165,717)**	**(110,384)**	**(215,555)**
Income related to flow-through				
Finance Income	**133**	**69**	**1,314**	**(698)**
Finance (Expense)	**(4,814)**	**(26,811)**	**(455)**	**52,761**
Income Tax Recovery (Expense)	**-**	**-**	**-**	**-**
Net Profit (Loss)	**(74,407)**	**(140,433)**	**(118,420)**	**(490,584)**
Other Comprehensive Loss	**(37,800)**	**(11,200)**	**-**	**32,400**
Total Comprehensive Income (Loss)	**(112,207)**	**(151,633)**	**(118,420)**	**(458,184)**
Net Loss per share, basic and diluted	**$ (0.002)**	**$ (0.002)**	**$ (0.002)**	**$ (0.007)**
Statements of Cash Flows				
Cash Flows from operating activities	**(201,363)**	**409,460**	**(124,987)**	**(286,801)**
Cash Flows from financing activities	**221,914**	**(289,496)**		**1,011,450**
Cash Flows from investing activities	**-**	**-**	**-**	**(297,877)**
Increase in Cash and Equivalents	**20,551**	**119,964**	**(124,987)**	**426,772**
	As at Sept 30, 2015	**As at Dec 31, 2015**	**As at Sept 30, 2015**	**As at Dec 31, 2015**
Statements of Financial Position				
Cash and Cash Equivalents	**$137,771**	**$257,735**	**$132,748**	**$559,520**
Marketable Securities	**59,400**	**48,600**	**48,600**	**81,000**
Funds Reserved for Exploration	**-**	**-**	**-**	**297,877**
Equity	**26,674**	**-94,310**	**-200,620**	**237,528**
Total Assets	**932,464**	**660,264**	**448,494**	**1,368,633**

Results of operations for the three and six months ended June 30, 2016 and 2015

Net Profit (Loss)

During the three months June 30, 2016, the Company realized a Net Profit (Loss) of ($490,584) compared with a Net Profit (Loss) of ($314,820) in the second quarter of 2015. The bigger loss in 2016 is caused by higher Exploration and Evaluation Costs as compared to second quarter of 2015, which was the beginning of a shutdown exploration program. General and Administrative costs reflect increased promotion costs and higher professional costs associated with both financings and professional assistance on tax issues.

Exploration and Evaluation costs

Exploration and Evaluation costs in the second quarter of 2015 were $192,645 representing the completion of a Preliminary Economic Assessment in Q1 2015 compared to $327,092 in the second quarter of 2016 representing the start of the Summer Exploration Program. The Summer Exploration Program commenced upon the Company closing a $1.1 million financing in May 2016.

Operating expenses

General and Administrative Costs were $215,555 in the second quarter of 2016, compared to $122,794 in the comparable period of 2015. General and Administrative costs reflect increased promotion costs and higher professional costs associated with both financings and professional assistance on tax issues.

Operating costs were reduced in 2016 in all significant categories except for Salaries and Management Consulting fees in which case the cost is one-half paid and one-half unpaid but accrued commencing May 1, 2015 and ending May 31, 2016. The second quarter of 2016 includes an accrued amounts payable of $121,875 in unpaid salary and consulting costs.

Finance income

Finance income is small and represents interest income on excess cash management programs.

Finance expense

Finance expense is small and represented bank fees and charges.

Liquidity and capital resources

As at June 30, 2016, the Company had a working capital $236,163 as compared to a deficit of $220,440 at March 31, 2016 and $96,587 as at December 31, 2015 and as compared to positive working capital of $23,944 as at September 30, 2015, and $900,623 as at December 31, 2014 and $1,590,892 as at December 31, 2013.

During the second quarter the Company closed a non-brokered private placement totaling $1,097,880 of both flow-through and non-flow-through shares. Subsequent to the second quarter the Company the Company then closed a non-brokered private placement totaling $500,000. For details of the raise see Stock Performance above.

As at August 25, 2016 the shares of the Company closed at $ 0.25 per share.

Current Assets consists mostly of Cash, Cash Equivalents, Marketable Securities and Sales Tax and Mining Exploration Tax Credits Receivable. The Company has an issue with a relatively small amount of Quebec Sales Tax. Current trade accounts payable tend to be small with the exception of contractors who were unpaid as the Company shut-down operations and of management who is unpaid to the extent of one-half their compensation over 13 months. The Corporation plans to pay outstanding amounts totaling approximately $50,000 to the contractors upon Board approval. Employee payables totalling $121,875 will be paid in the near future. Current Liabilities consist of trade accounts payable and accruals a $200,000 Contingency against outstanding Revenu Quebec audits and a $442,000 accounting provision for a settlement amount with Canada Revenue Agency or settling with affected flow-through investors. This provision is the subject of a Settlement Agreement which has been reached with CRA. For details of this agreement see Contingencies.

The Company’s longer term ability to carry out its business plan is dependent on obtaining further, additional financing or in the sale of the properties or percentages of properties to third parties at a profit. Exploration programs have now recommenced with the closing of the May 30, 2016 financing.

Cash flows from operating activities
Cash (outflows)/inflows (into)/from operating activities for the three months ended June 30, 2016 was an outflow of ($286,801) compared with an outflow of ($394,953) in the same period of 2015.
Net Loss for the period was $490,584 in the second quarter of 2016 compared to a Loss of $314,820 in the same period in 2015. The second quarter of 2016 includes an accrual of $200,000 for a contingent tax audit liability which explains the difference between accrual to cash based costs.
Exploration expenditures were being shut-down in the second quarter of 2015 because of an inability to find financing and were being started back up in the second quarter 2016 as capital markets improved and financing was obtained.

Cash flows from financing activities
Cash flows (used in) financing activities was $1,011,450 in the three months ended June 30, 2016 Compare to nil in 2015.

Aurvista has closed two financings, the first, $1,097,880 of both flow-through and non-flow-through shares. The second Private Placement consisted of 5,000,000 units at a price of $ 0.10 per unit for gross proceeds of $500,000. For details of the private placements see Stock Performance.

Cash flows from investing activities
Cash out flows into investing activities was $297,877 in the three months ended June 30, 2016 and nil in 2015. The investment represents an increase in funds reserved for exploration, the preferred accounting associated with Flow-Through funds accounting.

Transactions with related parties
The Company had an administrative agreement between the Company and Norvista Resources Corporation (which shares common directors). In July 2015 the administrative agreement was assumed by one of the Directors who also assumed control of Norvista. The Company had as at December 31, 2015 a payable to the Director of $8,280 for unpaid rent of $1,500 monthly and as at June 30, 2016 had a nil balance owing. These transactions were measured at fair value and were conducted in the normal Course of business.

Under an agreement between the Company and 9134-4382 Quebec Inc, ("9134-4382") which is owned by Jean Lafleur, the President and CEO of the Company, 9134-4382 would invoice the Company for exploration and CEO services provided to the Company. During the three months ended December 31, 2015 9134-4382 billed and was paid $22,500 for services. During the first quarter ended March 31, 2016, 9134-4382 invoiced or the Company accrued $22,500 for exploration and CEO services provided to the Company. At June 30, 2016 there is an amount of $ $63,386(December 31, 2015, $40,324) due to 9134-4382 by the Company.

Under the Purchase/Sale Agreement between the Company and Societe d'Entreprise Miniere Vior Inc. ("Vior"), dated March 7, 2011, Vior had the right to protect itself against unwanted dilution of its equity interest in Aurvista. Prior to July, 2016 Vior had not exercised its rights in any financing which the Company contemplated. Share prices increased sharply, peaking at $0.34 per share after the Company established price reservations for the July 25, 2016 financing at $0.10 per share. It was in Vior's best interest to exercise its rights to acquire shares in the financing. The Company determined that it was not in the best interest of Aurvista to eliminate valuable strategic shareholders in order to make room for Vior in the financing and proceeded to negotiate with Vior a one-time arrangement. In the future Vior will be asked to determine its position with respect to its rights at the earliest possible time in the process in order maximize net proceeds to Aurvista.

Contingencies

Governmental laws and regulations regarding environmental protection regulate the Company's operations. The environmental consequences are not easily identifiable, either in terms of results, the impacts or the expiration date. Currently, and to the best knowledge of its management, the Company is in conformity with current laws and regulations.

The Company has a tax issue with respect to flow-through spending in 2010 and 2011, which is now the subject of a settlement Agreement with CRA. The details have been fully detailed under Liquidity and Capital Resources above.

The Company has a tax issues with Revenu Quebec regarding Quebec Exploration Tax Credits from 2011, 2012, 2013 and 2014. The audit has been completed, the Company has reviewed draft findings and has denied all of the claims proposed.
The Company has not received a re-assessment but anticipates that it will do so. Without prejudice, but in order to cover the eventualities, the Company accrued a contingent liability of $200,000.

Evaluation of Internal Control over Financial Reporting

Management maintains a system of internal control over financial reporting to provide reasonable assurance that assets are safeguarded from any loss or unauthorized use and that financial information is reliable and available in a timely manner. The President and Chief Executive Officer and the Chief Financial Officer have also designed or had designed internal controls over financial reporting to provide reasonable assurance that financial reporting is reliable and that the financial statements are designed to report financial information in accordance with IFRS. There were no important changes in the internal control over financial reporting during the three-month period ended June 30, 2016, that had or could reasonably be expected to materially affect the internal control over financial reporting ("ICFR").

The Company implemented NI-52-110 through its website in 2014.

Off Balance Sheet Arrangements

The Company has not entered into any Off Balance Sheet Arrangement or Off Statement of Financial Position Arrangement other than those disclosed in the Company's Financial Statements for the three and twelve months ended December 31, 2015 and 2014 and the three months ended June 30, 2016.

Subsequent events

There were no events subsequent to March 31, 2015 other than the financing described below and those reported in the financial statements.

Subsequent to the end of the first quarter of 2016, the Company closed a non-brokered private placement totaling $1,097,880 of both flow-through and non-flow-through shares. The 6,361,504 flow-through share units were priced at $0.08 per unit generating gross proceeds of $508,920 consist of one flow-through common share and one common share warrant. The 9,816,000 non-flow-through units were priced at $0.06 per unit generating gross proceeds of $588,960 consists of one common share and one common share warrant. Each common share warrant will entitle the holder to purchase one additional common share at an exercise price of $0.10 per share during the 12 months following the closing date. The financing was closed with the efforts of Zimtu Capital Corp. and PI Financial Corp.

Under the Purchase/Sale Agreement between the Company and Societe d'Entreprise Miniere Vior Inc. ("Vior"), dated March 7, 2011, Vior had the right to protect itself against unwanted dilution of its equity interest in Aurvista. Prior to July, 2016 Vior had not exercised its rights in any financing which the Company contemplated. Share prices increased sharply, peaking at $0.34 per share after the Company established price reservations for the July 25, 2016 financing at $0.10 per share. It was in Vior's best interest to exercise its rights to acquire shares in the financing. The Company determined that it was not in the best interest of Aurvista to eliminate valuable strategic shareholders in order to make room for Vior in the financing and proceeded to negotiate with Vior a one-time arrangement. In the future Vior will be asked to determine its position with respect to its rights at the earliest possible time in the process in order maximize net proceeds to Aurvista.

Going concern assumption

These financial statements have been prepared on the basis of the going concern assumption, in other words, the Company will be able to realize its assets, discharge its liabilities and pursue its mining exploration program in the normal course of operations. The Company had working capital deficit at December 31, 2015 of $202,440. As at June 30, 2016 the Company had a working capital surplus of $236,163. Management is of the opinion that the Company will be able to meet its current exploration obligations, which are currently day to day, but can keep its properties in good standing for at least the next twelve months and can return to full scale operations only with its ability to raise additional equity financing or sell assets in the near term. During the second quarter of 2016 the Company closed a financing of $1,097,880 and subsequent to June 30, 2016 the Company closed an additionalm$500,000 financing Management believes that it will raise further additional Financings which have already corrected the working capital deficit. Even if the Company has been successful in doing so in the past, there is no assurance that it will manage to obtain additional financing in the future.

Given that the Company now has had a working capital deficiency but which is now resolved and has not yet determined whether its mining properties contain mineral deposits that are economically recoverable and has an accumulated deficit of $33,356,545, these conditions raise doubts as to the to the Company's ability to continue as a going concern.

The Company's financial statements do not include any adjustments to the assets carrying amount, to the expenses presented and to the reclassification of the balance sheet items that could be necessary should the Company be unable to continue its operations.

Management is of the opinion that it is currently relying on its capacity to continue to raise additional equity financing in the near future, and that the Company still believes that it will raise such funds and be able to return to full-scale operations. There are currently no commitments other than those exploration programs pledged in the May 2016 financing. If the Company is unable to obtain additional financing, Operating Expenses may return to a significantly reduced mode. The exploration programs undertaken as a result of the May 2016 financing should keep Company properties in good standing.

The potential impact of the outstanding tax issues is disclosed in detail under Liquidity and Capital Resources above.

Other Material Accounting Assumptions

On January 22, 2015 the Company received a report from P&E Mining Consultants Inc. a report Entitled "Technical Report and Preliminary Economic Assessment" (the "Report"). The report addressed pit planning, subsequent underground mine planning and the economics of developing the Douay West Zone. The report is 43-101 and 43-101F1 compliant and has been filed on SEDAR.

The estimated net cash flow detailed in the report did not take into account the estimated future costs of completing a Feasibility study nor did it take into account any value that might have to be given or value received in achieving a toll milling or joint venture agreement. Certain costs or additional value were strictly limited by the rules prescribed under 43-101 regulations.

The resulting net cash flow adjusted to a reasonable view of other factors outside the regulations was sufficient to demonstrate that an impairment provision against the accumulated total of the Mining Properties and Exploration and Evaluation assets would not have been required at this time for economic reasons. There is no assurance that any or all of the above assumptions may change with changes in, among other things, gold prices, exchange rates, cost estimates or engineering assumptions.

However, given the uncertainty as to Liquidity and Going Concern detailed above and uncertainty whether the Company would be able without additional financing to maintain its control over mining claims, the Company decided to change its accounting policy over capitalizing such costs in the first instance. The subject of impairment of accumulated costs will be discussed explicitly quarterly in the MD&A.

Capital management

The Company's objective in managing capital is to ensure continuity as a going-concern as well as ultimately to safeguard its ability to defend the title to the Douay Property but at the same time to advance the project as quickly as possible given those constraints. An inability to raise any kind of financing in 2014 and 2015 has stressed the Capital Management process. The Company manages its capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares, raise debt and acquire or sell or merge into an interest in mining properties to improve its financial performance and flexibility.

The Company defines its capital as the shareholders' equity. To manage effectively the Company's capital requirements, the Company has in place a planning and budgeting process to help determine the funds required to ensure the Company has appropriate liquidity to meet its operating and growth objectives. As needed, the Company raises funds through private placements or other equity financings. The Company does not utilize long-term debt, as the Company does not currently generate operating revenues. There is no dividend policy. The Company is subject to regulatory requirements related to the use of funds obtained by flow-through share arrangements. These funds have to be expended on eligible exploration expenses. The Company expects following completion of the 2010 and 2011 flow-through issue with CRA to be in compliance of these regulatory requirements.

The Company's management of capital remained unchanged since the prior year.

Capital								
	2016	2016	2015	2015	2015	2015	2014	2014
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
	$237,528	-200,620	-94,310	26,674	135,264	427,935	927,565	1,645,849

IFRS Accounting policies and estimates

The Company's significant accounting policies and estimates under IFRS are disclosed in the audited annual financial statements for years ended December 31, 2015 and 2014.

Other requirements in the Management Discussion and Analysis

The following selected financial information is derived from audited and unaudited financial statements.

Disclosure of outstanding share data (as at June 30, 2016)				
Common shares outstanding;		85,689,121		
Share options outstanding:		5,620,000		
Average exercise price of:		$0.13		
	Expiry Date	Number of Shares	Exercise Price	Remaining Life
	Jan'17	500,000	$0.40	0.5
	Dec'18	1,620,000	$0.12	2.5
	Oct'19	500,000	$0.12	3.3
	Nov'20	3,000,000	$0.10	4.4
		5,620,000	$0.13	3.4
Warrants Outstanding:		16,946,020		
Average exercise price		$0.10		

Risk and uncertainties

Aurvista is subject to a variety of risks, some of which are described below. If any of the following risks occur, the business, results of operations or financial condition could be materially adversely affected.

Interest risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has not entered into any derivative contracts to manage this risk.

The Company's policy as it relates to its cash balances is to invest excess cash in highly liquid, low-risk, short-term interest-bearing investments (such as money market funds, banker's acceptances, term deposits, guaranteed investment certificates or bonds) with maturities of 360 days or less from the original date of acquisition.

The Company has limited exposure to financial risk arising from fluctuations in interest rates earned on cash equivalents and the volatility of these rates. As at March31 2016, cash equivalents total $559,520 and interest income was small.

Liquidity risk

Liquidity risk management serves to maintain a sufficient amount of cash and cash equivalents to meet its financial obligations as they fall due. The inability to raise any kind of financing in 2014 and 2015 has stressed the liquidity management process. For this reason the Company reduced Exploration spending in 2013 and in 2014 and again in 2015. The Company establishes budget and cash estimates to ensure it has the necessary funds to fulfill its obligations. Obtaining additional funds makes it possible for the Company to restart full-scale operations, and while it has been successful in doing so in prior years, there can be no assurance it will be able to do so in the future. Please see our more fulsome comments under Liquidity and Capital Resources.

Credit risk

Credit risk is the risk that one party will fail to discharge an obligation to a financial instrument and cause the other party to incur a financial loss. The Company's financial assets exposed to credit risk are primarily composed of cash and cash equivalents and Quebec tax credits and refunds. To mitigate exposure to normal trade credit risk, the Company policy is to limit the concentration of credit risk and to ensure counterparties demonstrate minimum acceptable worthiness. The Company's cash and cash equivalents are held at large Canadian Banks.

Market risk

The Company holds common shares of a public company in the mineral exploration industry. The holding is strategic but the holding does expose the Company to market risk in ultimately trading these shares and to unfavourable market conditions, which could result in the disposal at less than their value as at June 30, 2016. The value of these common shares and warrants was $81,000 at June 30, 2016.

Exploration and Mining risk

The business of mineral exploration involves a high degree of risk. Few properties explored are ultimately developed into production. At present, other than the original Douay West high-grade ore body, which is currently relatively small, there are no technically demonstrated concentrations of obviously commercial ore on the Company's mineral properties. However, that being said, taking the mineral resources as a whole, the Company believes that there is a favourable probability that a commercial mine will be built. Unusual or unexpected formations, fires, power outages, labour disruptions, flooding, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the conduct of exploration programs. The Company from time to time increases its internal exploration and operating expertise with advice from consultants and others as required. The economics of developing gold and other mineral properties is affected by many factors including the cost of operations, variation of the grade of ore mined and fluctuations in the price of any minerals produced. There is no underground or surface plant or equipment on the Company's mineral properties, nor any known body of commercial ore. Programs conducted on the Company's mineral property would be an exploratory search for ore.

Titles to property

While the Company has diligently investigated title to the various properties in which it has interest, and to the best of its knowledge, title to those properties are in good standing, this should not be construed as a guarantee of title. The properties may be subject to prior unregistered agreements or transfer, or native or government land claims, and title may be affected by undetected defects. The Company must spend $175,000 to effect its 75% joint venture interest in small number of certain claims. There is no time limit on this spending requirement.

Permits and licenses

The Company's operations will require licenses and permits from various governmental authorities. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects. The Company has commenced application on certain claims.

Metal prices

Even if the Company's exploration programs are successful, factors beyond the control of the Company may affect marketability of any minerals discovered. Metal prices have historically fluctuated widely and such fluctuation can be caused by numerous factors beyond the Company's control, including international, economic and political trends, expectations for inflation or deflation, currency exchange fluctuations, interest rates, global or regional consumption patterns, speculative activities and worldwide production levels. The effect of these factors cannot accurately be predicted. The price which management watches is the long-term forecast price of gold.

Competition

The mining industry is intensely competitive in all its phases. The Company competes with many companies possessing greater financial resources and technical facilities than itself for the acquisition of mineral interests as well as for recruitment and retention of qualified employees. Having said that, and acknowledging the risk, it could be of great benefit to attract such a competitor or competitors as partners to explore fully, in joint venture, the large Douay property or to bring the Douay West zone into production.

Environmental regulations

The Company's operations are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions of spills, release or emission of various substances produced in association with certain mining industry operations, such as seepage from tailing disposal areas, which could result in environmental pollution. A breach of such legislation may result in imposition of fines and penalties. In addition, certain types of operations require submissions to and approval of environmental impact assessments. Environmental legislation is evolving in a manner that means stricter standards and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. The Company makes every effort to comply fully with all environmental regulations.

Conflicts of interest

Certain directors are also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company, by law, are required to disclose any interest that they may have in any project or opportunity of the Company and to act honestly and in good faith with a view to the best interests of the Company. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter.

Stage of development

The Company's properties are partially in the advanced exploration stage and partially in the early exploration stage and to date none, other than the Douay West Zone, has a proven ore body. The Company does not have a history of earnings or providing a return on investment, and in future, there is no assurance that it will produce revenue, operate profitably or provide a return on investment.

Industry conditions

Future mining and milling operations are subject to government regulations. Operations may be affected in varying degrees by government regulations such as restrictions on production, price controls, tax increases, expropriation of property, pollution controls or changes in conditions under which minerals may be mined, milled or marketed. The marketability of minerals may be affected by numerous factors beyond the control of the Company, such as government regulations. The effect of these factors cannot be accurately determined.

Uninsured hazards

Hazards such as unusual geological conditions are involved in exploring for and developing mineral deposits. The Company may become subject to liability for pollution or other hazards against which the Company cannot be insured or against which the Company may elect not to insure because of high premium costs or other reasons. The payment of any such liability could result in the loss of Company's assets or the insolvency of the Company.

Future financing

Completion of future programs will require additional financing, which will dilute the interests of existing shareholders.

Key employees

Management of the Company rests on a few key officers and members of the Board of Directors, the loss of any of whom could have a detrimental effect on its operations. The development of the Company's business is and will continue to be dependent on its ability to attract and retain highly qualified management and mining personnel. The Company faces competition for personnel from other employers.

Canada Customs and Revenue Agency

No assurance can be made that Canada Customs and Revenue Agency will agree with the Company's characterization of expenditures as Canadian exploration expenses or Canadian development expenses or the eligibility of such expenses as Canadian exploration expenses under the *Income Tax Act* (Canada). The Company has concluded a Settlement Agreement with CRA to settle a claim against flow-through investors. The Company accrued $442,000 as a current liability and as an accounting provision regarding settlement with or on behalf of the flow-through investors. At this time it is unknown as to the amount or the nature of the final result.

Certification of Quarterly filings

The President and Chief Executive Officer and the Chief Financial Officer have signed the Basic Certifications of Annual and Quarterly Filings as required by National Instrument 52-109 for venture issuer, thus confirming, the review, the absence of misrepresentations and the fair presentation of the annual filings.

The President and Chief Executive Officer and the Chief Financial Officer confirm to have reviewed the annual audited financial report, the quarterly financial report, the MD&A and the Annual Information Form (if applicable),(together, the “annual filings”) of the Company for the three and six months ended June 30, 2016 and 2015.

Based on their knowledge, having exercised reasonable diligence, the President and Chief Executive Officer and the Chief Financial Officer confirm that the annual and quarterly filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, for the period covered by the quarterly and annual filings.

Based on their knowledge, having exercised reasonable diligence, the President and Chief Executive Officer and the Chief Financial Officer confirm that the annual financial report together with the other financial information included in the quarterly and annual filings fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of the date of and for the period presented in the filings.

The President and CEO and the CFO have provided separate certificates regarding ICFR under Evaluation of Internal Control over Financial Reporting.