NUINSCO RESOURCES LIMITED

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2014 AND 2013

DATED NOVEMBER 7, 2014

Management's Comments on Unaudited Condensed Consolidated Financial Statements
The accompanying unaudited condensed consolidated financial statements of Nuinsco Resources Limited for the three and nine months ended September 30, 2014 and 2013 have been prepared by management, reviewed by the Audit Committee and approved by the Board of Directors of the Company.

In accordance with National Instrument 51-102, Continuous Disclosure Obligations of the Canadian Securities Administrators, the Company herewith discloses that the accompanying unaudited condensed consolidated financial statements have not been reviewed by an auditor.

Condensed Consolidated Balance Sheets

(in thousands of Canadian dollars)	*Notes*		**September 30, 2014** (unaudited)		December 31, 2013
ASSETS					
Current assets					
Cash and cash equivalents	*6*	**$**	**34**	$	249
Receivables	*7*		**86**		109
Marketable securities	*8*		**2,981**		3,656
Total current assets			**3,101**		4,014
Non-current assets					
Property and equipment	*9*		**83**		93
Exploration and evaluation projects	*10*		**13,181**		12,982
Interest in CBay Minerals	*11*		**6,430**		6,331
Participating Interest	*12*		**4,443**		4,100
Total non-current assets			**24,137**		23,506
Total Assets		**$**	**27,238**	$	27,520
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Trade and other payables	*13*	**$**	**436**	$	338
Loan payable	*14*		**2,468**		2,427
Total current liabilities			**2,904**		2,765
Total Liabilities			**2,904**		2,765
Shareholders' equity					
Share capital	*16*		**98,169**		98,169
Contributed surplus			**5,584**		5,560
Accumulated other comprehensive loss			**(686)**		(1,458)
Deficit			**(78,733)**		(77,516)
Total shareholders' equity			**24,334**		24,755
Total Liabilities and Shareholders' Equity		**$**	**27,238**	$	27,520

NATURE OF OPERATIONS (Note 1)

CONTINGENCY (Note 23)

The accompanying notes are an integral part of these condensed consolidated financial statements

Condensed Consolidated Statements of Operations

(in thousands of Canadian dollars, except per share amounts)	*Notes*	Three months ended September 30, **2014** (unaudited)	2013 (unaudited)	Nine months ended September 30, **2014** (unaudited)	2013 (unaudited)
Other expenses					
General and administrative		**$ (97)**	(175)	**$ (627)**	(715)
Share-based payments:	*18*				
Options		**(6)**	(5)	**(24)**	(77)
Amortization of property and equipment	*9*	**(4)**	(5)	**(14)**	(15)
Pre-exploration write-offs	*10*	**(61)**	(22)	**(152)**	(60)
Writedown of exploration and evaluation projects	*10*	**(20)**	-	**(46)**	-
Operating loss		**(188)**	(207)	**(863)**	(867)
Finance income	*19*	**57**	1,002	**395**	1,317
Finance costs	*19*	**(672)**	(93)	**(520)**	(215)
Net finance (costs) income		**(615)**	909	**(125)**	1,102
Loss before the undernoted		**(803)**	702	**(988)**	235
Interest in CBay Minerals	*11*	**(61)**	(80)	**(169)**	(292)
(Loss) income before income taxes		**(864)**	622	**(1,157)**	(57)
Income tax expense	*8*	**(30)**	-	**(60)**	-
Net (Loss) Income for the Period		**$ (894)**	$ 622	**$ (1,217)**	$ (57)
(Loss) earnings per share	*17*				
Basic (loss) earnings per share		**$ (0.00)**	$ 0.00	**$ (0.00)**	$ (0.00)
Diluted (loss) earnings per share		**$ (0.00)**	$ 0.00	**$ (0.00)**	$ (0.00)

The accompanying notes are an integral part of these condensed consolidated financial statements

Consolidated Statements of Comprehensive (Loss) Income

(in thousands of Canadian dollars)	*Note*	Three months ended September 30, **2014** (unaudited)	2013 (unaudited)	Nine months ended September 30, **2014** (unaudited)	2013 (unaudited)
Net (Loss) Income for the Period		**$ (894)**	$ 622	**$ (1,217)**	$ (57)
Other comprehensive (loss) income					
Net change in fair value of financial assets	*8*	**(604)**	(52)	**712**	(607)
Income tax recovery		**30**	-	**60**	-
Other comprehensive (loss) income for the period		**(574)**	(52)	**772**	(607)
Total Comprehensive (Loss) Income for the Period		**$ (1,468)**	$ 570	**$ (445)**	$ (664)

The accompanying notes are an integral part of these condensed consolidated financial statements

Condensed Consolidated Statements of Shareholders' Equity

(unaudited) (in thousands of Canadian dollars)	Notes	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Income (Loss)	Deficit	Total Equity
Balances as at January 1, 2013		$ 98,169	$ 5,436	$ (1,753)	$ (79,239)	$ 22,613
Total comprehensive loss for the period						
Net loss for the period					(57)	(57)
Other comprehensive loss						
Net change in fair value of financial assets	*8*			(607)		(607)
Total other comprehensive loss				(607)		(607)
Total comprehensive loss for the period						(664)
Transactions with owners, recorded directly in equity						
Contributions by owners in the period						
Options granted and vesting	*18*	-	77	-	-	77
Total contributions by owners		-	77	-	-	77
Total transactions with owners		-	77	-	-	77
Balances as at September 30, 2013		$ 98,169	$ 5,513	$ (2,360)	$ (79,296)	$ 22,026
Balances as at January 1, 2014		$ 98,169	$ 5,560	$ (1,458)	$ (77,516)	$ 24,755
Total comprehensive (loss) income for the period						
Net loss for the period					(1,217)	(1,217)
Other comprehensive income						
Net change in fair value of financial assets	*8*			712		712
Income tax recovery				60		60
Total other comprehensive income				772		772
Total comprehensive loss for the period						(445)
Transactions with owners, recorded directly in equity						
Contributions by owners in the period						
Options vesting	*18*	-	24	-	-	24
Total contributions by owners		-	24	-	-	24
Total transactions with owners		-	24	-	-	24
Balances as at September 30, 2014		**$ 98,169**	**$ 5,584**	**$ (686)**	**$ (78,733)**	**$ 24,334**

The accompanying notes are an integral part of these condensed consolidated financial statements

Condensed Consolidated Statements of Cash Flows

(in thousands of Canadian dollars)	*Notes*	Nine months ended September 30, **2014** (unaudited)	2013 (unaudited)
Cash flows from operating activities			
Net loss for the period		**$ (1,217)**	$ (57)
Adjustments for:			
Share-based payments	*18*	**24**	77
Amortization of property and equipment	*9*	**14**	15
Writedown of exploration and evaluation projects	*10*	**46**	-
Interest in CBay Minerals	*11*	**169**	292
Net finance costs (income)	*19*	**125**	(1,071)
Income tax expense		**60**	-
Net change in non-cash working capital:			
Change in receivables		**23**	(53)
Change in trade and other payables		**117**	36
Net cash used by operating activities		**(639)**	(761)
Cash flows from investing activities			
Expenditures on exploration and evaluation projects	*10*	**(266)**	(864)
Funding to CBay Minerals Joint Venture	*11*	**(268)**	(859)
Advance under Amended Loan	*12*	**-**	(1,207)
Proceeds on sale of marketable securities	*8*	**1,205**	(84)
Net purchase of property and equipment	*9*	**(4)**	(67)
Interest received	*12*	**50**	99
Net cash from (used by) investing activities		**717**	(2,982)
Cash flows from financing activities			
Interest paid	*14*	**(218)**	(111)
Net proceeds of loan	*14*	**(75)**	1,984
Net cash (used by) from financing activities		**(293)**	1,873
Net Decrease in Cash and Cash Equivalents		**(215)**	(1,870)
Cash and Cash Equivalents, Beginning of the Period		**249**	2,223
Cash and Cash Equivalents, End of the Period		**$ 34**	$ 353

The accompanying notes are an integral part of these condensed consolidated financial statements

1. REPORTING ENTITY

Nature of Operations

Nuinsco Resources Limited ("Nuinsco" or the "Company") is a company domiciled in Canada. The address of the Company's registered office is 80 Richmond St. West, Suite 1802, Toronto, Ontario, M5H 2A4. The condensed consolidated financial statements of the Company as at and for the three and nine months ended September 30, 2014 and 2013 comprise the Company and its subsidiaries (together referred to as "Nuinsco" and individually as "Nuinsco entities") and Nuinsco's interest in jointly-controlled entities. Nuinsco is primarily engaged in the acquisition, exploration and evaluation of properties for the mining of precious and base metals (Note 20). The Company conducts its activities on its own or participates with others on a joint venture basis. The Company also makes strategic investments through equity or loan financing to companies engaged in the exploration and development of resource properties. Refer to Notes 10, 11 and 12 to these condensed consolidated financial statements.

The Company is listed on the Toronto Stock Exchange ("TSX") under the symbol NWI.

Going Concern

These consolidated financial statements have been prepared using generally accepted accounting principles ("GAAP") applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. As at September 30, 2014, the Company had working capital of $197,000 (December 31, 2013 – working capital of $1,249,000). Working capital is defined as current assets less current liabilities. Marketable securities comprise investments in other resource companies the markets for which are not always liquid. The loan payable is due in December 2014 and is classified as a current liability.

The Company is subject to the risks and challenges experienced by other companies at a comparable stage. These risks include, but are not limited to: continuing losses, dependence on key individuals, realization on its marketable securities as required and the ability to secure adequate financing or to complete corporate transactions to meet the minimum capital required to successfully complete its projects and fund other operating expenses. Advancing the Company's projects through exploration and development to the production stage will require significant financing. Given the current economic climate, the ability to raise funds may prove difficult.

None of the Company's projects has commenced commercial production and, accordingly, the Company is dependent upon debt or equity financings and the optioning and/or sale of resource or resource-related assets for its funding. The recoverability of the carrying value of exploration and evaluation projects, and ultimately the Company's ability to continue as a going concern, is dependent upon exploration results which have the potential for the discovery of economically recoverable reserves and resources, the Company's ability to finance exploitation of its projects through debt or equity financings and the optioning and/or sale of resource or resource-related assets for its funding.

In an effort to generate cash from the Company's available assets, the Company entered into a secured loan agreement with Victory Nickel Inc. ("Victory Nickel") which has a conversion feature which, pursuant to contractual terms, could generate cash flows as described in Note 12. On April 22, 2014, the Company converted the secured loan to an unsecured participating interest (the "Participating Interest"). The loan has provided the initial funding required by Victory Nickel to implement a three-phase business plan to enter the frac sand business with first sales being achieved in March 2014.

The Company continues to examine a number of strategies to maximize the realization of previously written-down amounts due from Campbell Resources Inc. ("Campbell") presently recorded as part of *Interest in CBay Minerals Joint Arrangement* on the consolidated balance sheets and held through CBay Minerals Inc. ("CBay") a joint venture with Ocean Partners Investments Limited ("Ocean Partners"). Refer to Note 11 to these financial statements. Furthermore, the Company has received reassessments from the Canada Revenue Agency ("CRA") - refer to Note 23.

Should the Company not be able to continue to achieve favourable exploration results, obtain the necessary financing, achieve future profitable production or sale of properties or realize timely cash flows from the conversion of the loan with Victory Nickel, the carrying value of the Company's assets could be subject to material adjustment and, in addition, other adjustments may be necessary to these financial statements should such adverse events impair the Company's ability to continue as a going concern as contemplated under GAAP. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

2. BASIS OF PREPARATION

(a) Statement of Compliance

The condensed consolidated financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") and its interpretations adopted by the International Accounting Standards Board ("IASB") and in accordance with IAS 34, *Interim Financial Reporting* ("IAS 34"). This is GAAP for a Canadian public company.

These unaudited condensed consolidated financial statements reflect the accounting policies described in Note 3 to the Company's Audited Consolidated Financial Statements for the years ended December 31, 2013 and 2012 ("2013 Audited Consolidated Financial Statements") (with the exception of any changes set out in Note 3 below) and accordingly, should be read in conjunction with those financial statements and the notes thereto. In 2013, the Company changed its accounting policy for its investment in the CBay Minerals Joint Arrangement to accord with the stipulations of IFRS 11 *Joint Arrangements* ("IFRS 11") which came into effect on January 1, 2013. This requires the Company to account for its interest in CBay using the equity method of accounting rather than recognizing the Company's proportionate share of individual assets, liabilities, revenues and expenses.

IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* ("IAS 8") requires the Company to treat this as a retrospective adjustment. Accordingly, the Company has restated its condensed consolidated financial statements for the period ended September 30, 2013 as if the accounting policy was in force throughout that period. The Company considers that the effect of this change is not material.

The management of Nuinsco prepares the unaudited condensed consolidated financial statements which are then reviewed by the Audit Committee and the Board of Directors. The unaudited condensed consolidated financial statements were authorized for issue by the Board of Directors on November 7, 2014 and are made available to shareholders and others through filing on SEDAR shortly thereafter.

(b) Basis of Measurement

The financial statements have been prepared on the historic cost basis except for derivative financial instruments such as warrants which are measured at fair value with changes through operations and financial assets such as marketable securities which are measured at fair value with changes recorded through other comprehensive income or loss ("OCI").

(c) Functional and Presentation Currency

These financial statements are presented in Canadian dollars, which is the Company's functional currency. All financial information is expressed in Canadian dollars unless otherwise stated; tabular amounts are stated in thousands of dollars.

(d) Use of Estimates and Judgements

The preparation of financial statements in conformity with IFRS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

It is reasonably possible that, on the basis of existing knowledge, outcomes in the next financial year that are different from the assumptions used could require a material adjustment to the carrying amount of the asset or liability affected.

The accompanying unaudited condensed consolidated financial statements include all adjustments that are, in the opinion of management, necessary for fair presentation. The results of operations and cash flows for the current periods as presented are not necessarily indicative of the results to be expected for the full year.

Significant estimates and assumptions

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information regarding significant areas of estimation uncertainty made in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

- Note 8 valuation of financial assets at fair value through OCI and operations;
- Note 10 measurement of the recoverable amounts of exploration and evaluation projects;

- Note 12 valuation of Participating Interest; and
- Note 18 measurement of share-based payments.

Significant Judgements
Judgements are reviewed on an ongoing basis. Changes resulting from the effects of amended judgements are recognized in the period in which the change occurs and in any future periods presented.

Information regarding significant areas of critical judgements made in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

- Note 1 going concern assessment;
- Note 10 classification of expenditures as exploration and evaluation projects or operating expenses;
- Note 10 impairment of exploration and evaluation projects; and
- Note 23 disclosure of contingencies.

3. SIGNIFICANT ACCOUNTING POLICIES
The accounting policies of the Company are set out in detail in Note 3 to the 2013 Audited Consolidated Financial Statements. Such policies have been applied consistently to all periods presented in these condensed consolidated financial statements and have been applied consistently by Nuinsco entities.

(a) New Accounting Policies
There have been no new accounting policies adopted by the Company.

(b) New Standards and Interpretations Not Yet Adopted
Since the issuance of the Company's 2013 Audited Consolidated Financial Statements, the IASB and International Financial Reporting Interpretations Committee ("IFRIC") have issued several new and revised standards and interpretations. However, the revised standards and interpretations are not applicable to the Company or are expected to have minimal impact.

4. FINANCIAL RISK MANAGEMENT AND CAPITAL MANAGEMENT DISCLOSURES
Overview
The Company has exposure to credit risk, liquidity risk, market risk and operational risk from its use of financial instruments. A complete description of the Company's financial risk management and capital management is included in Note 4 to the 2013 Audited Consolidated Financial Statements. This note updates information about the Company's exposure to each of the above risks where there have been material or noteworthy changes. Further quantitative disclosures are included throughout these condensed consolidated financial statements.

Credit Risk
Participating interest
The loan receivable bore interest at a fixed rate and was secured on equipment of the borrower through registered security agreements. Failure of the borrower to meet contractual obligations would have resulted in seizure of the borrower's assets. Upon Conversion, as described in Note 12, the loan receivable became unsecured and is now referred to as the "Participating Interest".

Liquidity Risk
The Company has no significant long-term liabilities. All other contractually-obligated cash flows are payable within the next fiscal year with the exception of the Company's lease commitment described in Note 15.

Market Risk
Interest rate risk
The Company's debt (Note 14) bears interest at fixed rates. Accordingly, the estimated effect of a 50bps change in interest rate would not have a material effect on the Company's results of operations. None of the Company's other financial instruments are interest-bearing. Consequently, the Company is not exposed to any significant interest rate risk which could be caused by a sudden change in market interest rates.

Other market price risk
The Company's marketable securities and strategic investments are subject to equity price risk. The values of these investments will fluctuate as a result of changes in market prices, the price of metals or other factors affecting the

(all tabular amounts in thousands of Canadian dollars, except common share and per share information)

value of the investments. The Company's exposure to this risk increased significantly in the third quarter of 2013 as a result of the participation in Victory Nickel's rights offering (Notes 8 and 12).

Capital Management Disclosures

	Note	September 30, 2014	December 31, 2013
Shareholders' equity		$ 24,334	$ 24,755
Loan payable	14	2,468	2,427
		$ 26,802	$ 27,182

Neither the Company, nor any of its subsidiaries, are subject to externally-imposed capital requirements. There were no changes in the Company's approach to financial risk management or capital management during the period.

5. DETERMINATION OF FAIR VALUES

There have been no changes in how the Company determines fair value for both financial and non-financial assets and liabilities from the descriptions included in Note 5 to the Company's 2013 Audited Consolidated Financial Statements. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

6. CASH AND CASH EQUIVALENTS

	September 30, 2014	December 31, 2013
Bank balances	$ 34	$ 249
Cash and Cash Equivalents in the Statements of Cash Flows	$ 34	$ 249

7. RECEIVABLES

	Notes	September 30, 2014	December 31, 2013
Receivables from Victory Nickel Inc.			
Due under management agreement	21	$ 28	$ 56
Commitment fees receivable	12	12	11
Other receivables		4	5
Prepaid expenses and deposits		42	37
		$ 86	$ 109

8. MARKETABLE SECURITIES

	September 30, 2014	December 31, 2013
Financial assets at fair value through OCI		
Victory Nickel Inc. - shares	$ 2,295	$ 2,701
Other	8	94
	2,303	2,795
Financial assets at fair value through operations		
Victory Nickel Inc. - warrants	678	861
	$ 2,981	$ 3,656

All of the Company's marketable securities are in companies which are publicly-listed; financial assets at fair value through OCI are valued using Level 1 methodologies, financial assets at fair value through operations are valued using Level 3 methodologies as described below.

The subscription under the rights offering on July 30, 2013 brought Nuinsco's interest in Victory Nickel's shares to approximately 12.24% on a non-diluted basis (September 30, 2014 – approximately 8.47%) and, accordingly, Nuinsco became a related party of Victory Nickel at that time. The Company continues to account for its investment in Victory

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Nickel as marketable securities and any changes in the value of shares will be accounted for through OCI with changes in the value of warrants from recognition date being accounted for through *Finance income* or *Finance costs* in the consolidated statement of operations.

The fair value of warrants is based upon the Black-Scholes option-pricing model with assumptions described in the table below and is disclosed after the retroactive effect of Victory Nickel's one-for-ten share consolidation:

	September 30, 2014	December 31, 2013
Fair value	**$ 0.24**	$ 0.27
Share price at valuation date	**$ 0.48**	$ 0.45
Assumptions		
Exercise price	**$ 0.35**	$ 0.35
Expected volatility	**112%**	115%
Expected remaining term (years)	**0.83**	1.58
Expected dividends		-
Risk-free interest rate	**1.12%**	1.12%

9. PROPERTY AND EQUIPMENT

Equipment	**Cost**	**Accumulated Depreciation**	**Carrying Amount**
Balance as at January 1, 2013	**$ 413**	**$ 311**	**$ 102**
Additions	11	-	11
Amortization	-	20	(20)
Balance as at December 31, 2013	**424**	**331**	**93**
Additions	4	-	4
Amortization	-	14	(14)
Balance as at September 30, 2014	**$ 428**	**$ 345**	**$ 83**

10. EXPLORATION AND EVALUATION PROJECTS

Cumulative costs relating to the acquisition of mineral properties and E&E expenditures have been incurred on the following projects:

	January 1, 2014	**Current Expenditures**	**Writedown of E&E Projects**	**September 30, 2014**
URANIUM AND RARE METALS				
Diabase Peninsula	$ 9,308	$ 97	$ -	**$ 9,405**
Prairie Lake	3,674	90	-	**3,764**
	12,982	187	-	**13,169**
GOLD, COPPER AND ZINC				
Chibougamau Camp	-	12	-	**12**
Berta	-	46	(46)	**-**
	-	58	(46)	**12**
	$ 12,982	$ 245	$ (46)	**$ 13,181**

(all tabular amounts in thousands of Canadian dollars, except common share and per share information)

	January 1, 2013	Current Expenditures	Writedown of E&E Projects	September 30, 2013
URANIUM AND RARE METALS				
Diabase Peninsula	$ 9,046	$ 215	$ -	**$ 9,261**
Prairie Lake	3,372	221	-	**3,593**
	12,418	436	-	**12,854**
GOLD AND COPPER				
Chibougamau camp	440	512	-	**952**
Berta	1,202	13	-	**1,215**
	1,642	525	-	**2,167**
	$ 14,060	$ 961	$ -	**$ 15,021**

Uranium and Rare Metals

Diabase Peninsula

In December, 2004, Nuinsco entered into an agreement with Trend Mining Company ("Trend") to acquire a 50% interest in the Diabase Peninsula property in the Athabasca Basin of northern Saskatchewan upon the expenditure of $1,000,000. As at March 31, 2012, cumulative expenditures increased this ownership interest to greater than 90% as Trend did not contribute its share of expenditures. Under the agreement, should a participant's interest drop below 10%, that participant will relinquish its entire participating interest and will have the right to receive a royalty equal to 3% of the net value of all mineral products produced from the property (as defined). Accordingly, Trend's interest was converted to a royalty and Nuinsco owns the project in its entirety. Effective December 19, 2012, the Company acquired that royalty through a one-time cash payment of $15,000. Accordingly, Trend has no remaining interest whatsoever in the Diabase Peninsula property.

The property consists of ten contiguous claims encompassing 21,949 hectares ("ha"). Three claims were optioned while seven were staked by Nuinsco. Exploration for uranium has been undertaken at Diabase Peninsula since March, 2005, with the most recent drill program being completed in the winter of 2011 to 2012. During the winter of 2013 a modest program of geochemical sampling was initiated which included a survey consisting of sampling for detection of radon gas which is an indicator of uranium mineralization.

In order to maintain the option on one of the claims, the Company was required to make an option payment of approximately $935,000 by September 2, 2012; in May 2012, the Company was successful in extending the option terms for a year, with additional extensions being possible, for four quarterly cash payments of $9,350 and $37,600 of the Company's shares. This deferred the option payment of $935,000 by at least one year. The shares were issued in the third quarter of 2012 and all quarterly cash payments have been made.

In September, 2013, the Company negotiated a further extension whereby it is required to make payments totalling $1,028,500 as follows: an aggregate sum of $400,000 payable in quarterly instalments of $25,000 up to and including June 2, 2017 and a lump sum of $628,500 on or before September 2, 2017. The Company made two instalments of $25,000 on each of September 2, 2013 and December 2, 2013. A further $25,000 was paid on each of September 2, 2014, June 2, 2014 and March 2, 2014.

The claims are subject to a 3% gross production royalty payable to the vendor of the original Diabase Peninsula claim; the royalty is defined as actual metal/mineral sales with no deduction for refining or transportation expenses.

Prairie Lake

The Prairie Lake property consists of nine claims comprising 38 claim units, encompassing 608 ha. Given the presence of an historic uranium resource, as well as strongly-anomalous tantalum, niobium and phosphorus, along with widespread rare metals mineralization, diamond drilling, surface sampling and mapping programs were conducted in 2007, 2008 and 2010. A review and analysis of past results took place during 2009 as did metallurgical testing. The property was subject to a 2% NSR payable on any production. Up to a maximum of one-half of the royalty could be purchased for $1,000,000 in either cash or common shares of the Company. On January 23, 2012, the Company announced that it had acquired the entire 2% NSR through issuing 3,157,894 shares with a market value of $300,000. The property is now royalty-free.

(all tabular amounts in thousands of Canadian dollars, except common share and per share information)

Gold & Copper

Chibougamau Camp

In 2012, the Company entered into an option agreement with CBay to make expenditures on its Portage and Corner Bay properties in exchange for an undivided interest in each property. Aggregate expenditures incurred on the Chibougamau camp amounted to $1,024,000 when Nuinsco exercised its rights under the option agreement in December 2013 ($620,000 was expended to March 31, 2013). In December 2013, pursuant to the option agreement, Nuinsco acquired interests in the Chibougamau camp aggregating that amount; subsequently, an additional $20,000 was spent and written off to *Writedown of exploration and evaluation projects* in the consolidated statement of operations in the fourth quarter of 2013.

On December 19, 2013, CBay exercised its right to reacquire the acquired interests through issuing 1,024,263 shares in CBay Ocean Partners also acquired 1,024,263 shares at the same time in order to maintain the 50:50 ownership interest in CBay (Note 11).

Berta

In October, 2003, the Company entered into the Berta Joint Venture Agreement with Falconbridge Limited, now Glencore Xstrata plc ("Glencore"). The Berta property is located approximately 50 km south of the Black Sea coast in north-eastern Turkey. Pursuant to the agreement, the Company was required to spend US$350,000 to earn a 50% interest in the project.

As a result of the work programs conducted by Nuinsco during 2005, the Company became vested with 50% of the project. Glencore participates pro rata in funding exploration expenditures. Discussions with Glencore have been ongoing, including discussions to buy Glencore's share of the joint venture. As a result, Nuinsco has allowed itself to be diluted to approximately 36%; the effect of dilution was a $616,000 reduction in the value of Berta during 2011. In 2006 and 2007, the Company completed airborne geophysics followed by diamond drilling. Drilling intersected a significant, continuous domain of strong sulphide mineralization with copper, gold, silver and zinc values. Three drill holes were completed in 2008 demonstrating further evidence of widespread copper mineralization. The Berta property is subject to a 2% NSR.

In 2012, Glencore commenced a 7,500 metre drilling program with budgeted expenditures of US$2,672,000 to the end of December 2012 of which US$1,491,000 was spent by Glencore. Full results and accounting for the work program have now been received. Nuinsco has not agreed to participate in the funding of the recent program. The Company is discussing the possible implications of this non-participation on its interest in Berta with Glencore. Subsequent to the end of the 2012 drilling program, Glencore informed Nuinsco that it would resign as operator of the project. Nuinsco has been examining the options with regard to additional exploration and/or diamond drilling on the property taking into account the existing challenges and protracted timing presently associated with permitting in Turkey. Due to the uncertainty of the aforementioned challenges, in the final quarter of 2013, the Company recorded a writedown of $1,151,000 on this project as well as a reversal of an accrual of $64,000 no longer considered necessary. The Company continues to writedown any expenditures as incurred.

Pre-exploration write-offs

Pre-exploration expenditures are written off at the end of each reporting period to *Pre-exploration write-offs* through operations. Exploration costs in the amount of $61,000 and $152,000 were written off during the three and nine months ended September 30, 2014, (2013 - $22,000 and $60,000).

11. INTEREST IN CBAY MINERALS

		September 30, 2014		September 30, 2013
Balance as at beginning of period	**$**	**6,331**	$	4,779
Equity interest in loss of CBay		**(169)**		(292)
Funding to CBay		**268**		859
Balance as at end of period	**$**	**6,430**	$	5,346

Nuinsco owns a 50% interest in CBay and jointly controls the company with Ocean Partners; this interest is the culmination of the lengthy process jointly undertaken by both companies to gain control over significant assets which had secured loans to Campbell formerly originated by both parties. Effective January 1, 2013, IFRS significantly restricted the use of proportionate consolidation to account for joint arrangements. Accordingly, Nuinsco changed its accounting for CBay to equity accounting.

(all tabular amounts in thousands of Canadian dollars, except common share and per share information)

CBay's Chibougamau assets represent a very substantial presence in a mining camp which has produced 1.6 billion pounds of copper and 3.2 million ounces of gold from 18 past-producing mines located on the Lac Doré Complex. Through CBay, Nuinsco and Ocean Partners own:

- eight past-producers on the Lac Doré fault and the significant potential to add to the known mineralization at these projects;
- three partially-developed copper projects - Corner Bay, Devlin and the Perch River option;
- a permitted 2,722 tonnes per day mill and tailings facility; and,
- in excess of 38,000 ha of highly-prospective exploration property.

CBay's assets, liabilities, revenues and expenses are as follows:

		September 30, 2014		September 30, 2013
CBay Minerals Inc.				
Cash and cash equivalents	**$**	**32**		30
Receivables		**24**		14
Property and equipment		**1,870**		1,882
Exploration and evaluation project		**11,578**		9,750
Current liabilities		**(124)**		(520)
Long-term liability		**(520)**		(464)
Net assets of CBay Minerals Inc.		**12,860**		10,692
Nuinsco's interest in CBay Minerals at 50%	**$**	**6,430**	$	5,346

		Three months ended September 30, 2014		2013		**Nine months ended September 30, 2014**		2013
General and administrative	**$**	**(110)**	$	(146)	**$**	**(300)**	$	(546)
Net finance costs		**(12)**		(14)		**(38)**		(38)
Net loss of CBay Minerals		**(122)**		(160)		**(338)**		(584)
Nuinsco's interest in CBay Minerals at 50%	**$**	**(61)**	$	(80)	**$**	**(169)**	$	(292)

12. PARTICIPATING INTEREST

	Note		**September 30, 2014**		December 31, 2013
Advance for working capital		**$**	**1,000**	$	1,000
Advance under Amended Loan for standby commitment			**1,207**		1,207
Aggregate advances			**2,207**		2,207
Accrued interest receivable			**-**		-
			2,207		2,207
Less: settled in Units of Victory Nickel			**(1,207)**		(1,207)
Less: unamortized loan fees			**(124)**		(161)
Change in fair value	*19*		**3,567**		3,261
		$	**4,443**	$	4,100

The Company entered into a loan agreement in November 2012 with Victory Nickel that provided an advance for $1,000,000. The Loan bears interest at 12% per annum and matures on January 31, 2015; it was secured by equipment and a general security agreement over the borrower's assets.

On March 26, 2013, the Company announced that it had amended and restated the loan agreement to increase the secured loan facility to up to $3,000,000 under certain circumstances (the "Amended Loan"). As with the original loan, the Amended Loan bears interest at 12% per annum, payable quarterly in arrears, and matures on January 31, 2015. Upon the earlier of June 1, 2014 or notification that the frac sand plant is at commercial production, the Company has the right to convert the outstanding balance of the Amended Loan into a participating interest (the "Conversion") whereby the Company is entitled to receive a share of cash flows earned from the sale of frac sand from the borrower's frac sand business. On Conversion, the Amended Loan would be considered paid in full.

Under the terms of the Amended Loan, Nuinsco agreed to provide a standby commitment for any equity offering initiated by Victory Nickel. This commitment was triggered for the rights offering of Victory Nickel which closed on July 30, 2013. Under the agreement, Nuinsco subscribed for 50,316,018 units for cash of $1,207,584 (Note 8). Each Unit comprised one common share and one common share purchase warrant. This brought cumulative advances under the Amended Loan to Victory Nickel to $2,207,584 and capped the Amended Loan amount at $2,707,584 (from a maximum possible $3,000,000) with $500,000 remaining for draw down and to be used to develop Victory Nickel's frac sand business. The subscription under the standby commitment, among other things, is included in the calculation of Nuinsco's potential participation under the Conversion of the Amended Loan.

Interest income has been received in cash of $nil and $50,000 in the three and nine months ended September 30, 2014 (2013 - $30,000 and $99,000; $9,000 of which related to 2012).

On February 4, 2014, both Nuinsco and Victory Nickel agreed to cancel the amount available to be drawn down under the Amended Loan. This fixed the commitment fee to be paid in shares at $12,000 and also amended the range of the Company's participation in the net cash flows earned from the sale of frac sand to a maximum of $10,222,831 with a minimum of $7,667,124 on the basis of a sharing percentage of 52.16%.

The Conversion feature requires the classification of the loan as a financial asset at fair value through the statement of operations. From initial recognition until the fourth quarter, the Company considered that the fair value of the loan was equal to its amortized cost since the Company had not converted its loan and Victory Nickel's frac sand processing plant near Medicine Hat, Alberta (the "7P Plant") was under construction with significant parts to be completed and there were other significant uncertainties. During the fourth quarter, the plant construction was well underway and the probability of Conversion increased substantially. Accordingly, the Company revalued the loan at that time using an effective interest rate of 22% (equivalent to a discount rate of 14%) and a probability-weighted average estimation of future expected cash flow scenarios of approximately 55% of the ceiling maximum of $10,222,831 based on current expectations of business results, capital costs and pre-operating expenditures. These cash flows were on the basis of Phase 1 completion only.

On April 22, 2014, the Company announced that it had converted its secured loan into an unsecured participation in net cash flows – the "Participating Interest". As described earlier, the percentage participation in net cash flows is 52.16% and the applicable ceiling for Phase 1 is $10,222,831; it is currently expected that Victory Nickel will enter Phase 2. Accordingly, the applicable ceiling for cash flows is $7,667,124; however, the probability of payment has been reassessed and is higher than in previous periods. The probability-weighted average estimation of future expected cash flow scenarios is approximately 73%. Based on estimated cash flows, payments could commence in October, 2015.

Effective September 30, 2014, certain adjustments were made to the expected cash flows to reflect more current business expectations. In particular, because of the harsher winter and the effects of the subsequent spring break-up at the site, additional expenditures will be required. The effect of these adjustments has changed the expected date of future payment of the net participation in cash flows but, due to the effects of the passage of time on cash flows, the revised fair value of the loan has increased. These assumptions resulted in an estimated fair value of the Participating Interest as at September 30, 2014 of $4,443,000 (December 31, 2013 - $4,100,000 and, accordingly $306,000 was recorded as a *change in the fair value of a financial asset* through the statement of operations for the nine months ended September 30, 2014 ($3,261,000 was recorded in the fourth quarter of 2013).

This is a Level 3 methodology and is subject to the highest level of uncertainty. The Company will continue to review and revise its estimates of fair value as the expectations of payments of the participating interest change. Changes in that estimate will be recorded through the statement of operations with appropriate adjustment for actual cash flows received.

The discounted cash flow model was tested for sensitivity which could result from changes in key inputs used in the estimation model. The effect of any change is discrete unless otherwise stated.

(all tabular amounts in thousands of Canadian dollars, except common share and per share information)

Change in Model Key Input	Fair Value of Participating Interest	Change in Fair Value of Participating Interest
Carrying value of Participating Interest	**$ 4,443**	$ -
Effect of:		
Decrease in sales price per ton of $5	**4,218**	(225)
Increase discount rate by 1%	**4,374**	(69)
Decrease volumes by 5%	**4,379**	(64)
Increase discount rate by 1% and decrease sales price per ton of $5	**4,136**	(307)

13. TRADE AND OTHER PAYABLES

	September 30, 2014	December 31, 2013
Trade payables		
E&E projects	**$ 37**	$ 55
Non-project related	**115**	49
Other payables	**21**	18
Accrued liabilities		
E&E projects	**-**	4
Non-project related	**263**	212
	$ 436	$ 338

14. LOAN PAYABLE

	September 30, 2014	December 31, 2013
Advances	**$ 2,500**	$ 2,500
Unamortized loan fees	**(32)**	(73)
	$ 2,468	$ 2,427

On December 18, 2012, the Company entered into a loan agreement with a third party for a $2,500,000 loan facility (the “Facility”). The Facility can be drawn down in minimum amounts of $500,000, with $1,500,000 immediately available and the balance available six months from closing. The Facility was extended upon payment of a loan fee of $75,000 in cash along with a commitment to spend $75,000 on the Chibougamau camp by the maturity date of December 18, 2014. The Facility is secured by a first ranking pledge upon Nuinsco’s CBay shares. Interest of 11.5% per annum is payable quarterly in arrears.

The Facility was drawn down by $1,000,000 on February 1, 2013 with three additional draws of $500,000 being received on May 1, 2013, August 1, 2013 and October 21, 2013. The aggregate fees and expenses related to the Facility are being amortized through operations as interest expense using the effective interest rate method over the life of the loan; amortization of $39,000 and $116,000 was charged during the three and nine months ended September 30, 2014 (2013 - $40,000 and $105,000) and interest of $73,000 and $218,000 was paid in cash (2013 - $54,000 and $111,000).

(all tabular amounts in thousands of Canadian dollars, except common share and per share information)

15. OPERATING LEASE

In June, 2011, the Company amended and extended its main lease for premises at 80 Richmond Street West, Toronto. The extension term is for five years terminating on September 30, 2016 and includes basic rent commitments as follows:

		September 30, 2014		December 31, 2013
Office rental				
Less than 1 year	**$**	**107**	$	102
Between 1 and 5 years		**109**		190
Total Minimum Lease Payments Payable	**$**	**216**	$	292

It is not expected that the cash flows reflected in the maturity analysis would occur significantly earlier, or at significantly different amounts. During the three and nine months ended September 30, 2014, $49,000 and $149,000 was recognized as rent expense through operations in respect of operating leases including operating costs (2013 – $60,000 and $159,000).

16. CAPITAL AND OTHER COMPONENTS OF EQUITY

Share Capital

Authorized

The Company is authorized to issue an unlimited number of common shares with no par value. The Company is also authorized to issue an unlimited number of Class A special shares, issuable in series, an unlimited number of Class B special shares, issuable in series, an unlimited number of Class C special shares, issuable in series, an unlimited number of Class D special shares, issuable in series, and an unlimited number of Class E special shares, issuable in series.

Number of shares issued and outstanding

There are no special shares outstanding; all shares are fully paid. There were no shares issued in the nine months ended September 30, 2014; the Company has 295,525,745 shares outstanding for $98,169,000.

Share Incentive Plan

The Company has a Share Incentive Plan which includes both a Share Purchase Plan and a Share Bonus Plan. Both are described fully in the Company's 2013 Audited Consolidated Financial Statements.

Accumulated Other Comprehensive Income or Loss ("AOCI")

AOCI is comprised of the following separate components of equity:

Net change of financial assets at fair value through OCI

This comprises the cumulative net change in the fair value of financial assets at fair value through OCI until the financial assets are derecognized.

Income tax on OCI

This comprises the amount of income tax determined to be required on the cumulative net change in the fair value of financial assets at fair value through OCI.

(all tabular amounts in thousands of Canadian dollars, except common share and per share information)

17. EARNINGS PER SHARE

The calculation of basic and diluted EPS for the three and nine months ended September 30, 2014 and 2013 was based on the information in the table below.

	Three months ended September 30,		Nine months ended September 30,	
	2014	2013	**2014**	2013
Balance as at beginning of period	**295,526,000**	295,526,000	**295,526,000**	295,526,000
Effect of shares issued	**-**	-	**-**	-
Weighted average number of common shares - basic	**295,526,000**	295,526,000	**295,526,000**	295,526,000
Effect of options granted and outstanding	**650,000**	2,000	**1,567,000**	14,000
Weighted average number of common shares - diluted	**296,176,000**	295,528,000	**297,093,000**	295,540,000
Number of options excluded	**24,500,000**	26,073,000	**23,583,000**	26,061,000
Net (loss) income attributable to shareholders	**$ (894)**	$ 622	**$ (1,217)**	$ (57)
Basic earnings per share	**$ (0.00)**	$ 0.00	**$ (0.00)**	$ (0.00)
Diluted earnings per share	**$ (0.00)**	$ 0.00	**$ (0.00)**	$ (0.00)

The effect of adjustments to the weighted average number of common shares would be anti-dilutive when the Company incurs losses. The table above provides the weighted average number of shares on a dilutive basis for periods when losses are incurred for information only. The average market value of the Company's shares for purposes of calculating the dilutive effect of share options is based on quoted market prices for the respective periods during which the options were outstanding.

There have been no significant capital transactions from the reporting date to the date of this filing which have had a material impact on earnings per share.

18. SHARE-BASED PAYMENTS

Description of the Share-based Payment Arrangements

The Company's share-based payment arrangements are described in Note 21 to the Company's 2013 Audited Consolidated Financial Statements.

Stock option plan (equity-settled)

As at September 30, 2014, the Company had 19,179,000 (December 31, 2013 – 12,454,000) common shares available for the granting of future options. Options are exercisable at the market price of the shares on the date preceding the date of grant. The Company does not have any cash-settled transactions.

Share purchase warrants (equity-settled)

There are no outstanding warrants as at September 30, 2014. The Company does not have any cash-settled transactions.

Share Bonus Plan

The terms of the Company's Share Bonus Plan are set out in Note 19 to the Company's 2013 Audited Consolidated Financial Statements.

Terms and Conditions of Share-based Payment Arrangements

The terms of the Company's share-based payment arrangements are set out in Note 21 to the Company's 2013 Audited Consolidated Financial Statements.

(all tabular amounts in thousands of Canadian dollars, except common share and per share information)

Disclosure of Share-based Payment Arrangements
Stock Option Plan
The number and weighted average exercise prices of options are as follows:

	Number of options		Weighted average exercise price	
	September 30, 2014	December 31, 2013	**September 30, 2014**	December 31, 2013
Outstanding as at beginning of period	**31,875,000**	24,230,000	**$ 0.08**	$ 0.11
Granted	**-**	9,395,000	**$ -**	$ 0.02
Forfeit	**-**	(350,000)	**$ -**	$ 0.10
Expired	**(6,725,000)**	(1,400,000)	**$ 0.11**	$ 0.18
Outstanding as at end of period	**25,150,000**	31,875,000	**$ 0.07**	$ 0.08
Exercisable as at end of period	**23,000,000**	28,528,000	**$ 0.08**	$ 0.09

	Number of options outstanding		Weighted average remaining contractual life (years)	
	September 30, 2014	December 31, 2013	**September 30, 2014**	December 31, 2013
Range of exercise prices				
$0.015 to $0.015	**5,800,000**	5,800,000	**4.21**	4.96
$0.020 to $0.020	**120,000**	120,000	**3.61**	4.36
$0.030 to $0.050	**4,575,000**	8,075,000	**2.87**	1.71
$0.055 to $0.055	**-**	1,100,000	**-**	1.61
$0.060 to $0.075	**5,430,000**	5,430,000	**2.51**	3.25
$0.080 to $0.100	**4,350,000**	4,350,000	**0.26**	1.01
$0.110 to $0.350	**4,875,000**	7,000,000	**1.45**	1.55
	25,150,000	31,875,000	**2.21**	2.50

Additional disclosures relating to the Company's options are as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2014	2013	**2014**	2013
Number of options granted during the period	**-**	-	**-**	3,595,000
Weighted average fair value of options granted at grant date	**n/a**	n/a	**n/a**	$ 0.019
Number of options subject to vesting as at end of period	**2,150,000**	1,197,500	**2,150,000**	1,197,500
Share-based payment expense - vesting options	**$ 6**	$ 5	**$ 24**	$ 77
Unvested options not yet charged to operations	**$ 5**	$ 12	**$ 5**	$ 12

Share purchase warrants
There are no warrants outstanding as at September 30, 2014 or December 31, 2013.

Inputs for Measurement of Grant-Date Fair Values
The grant-date fair value of share-based payments, including any modifications, was measured based on the Black-Scholes option-pricing model. Expected volatility is estimated by considering historic average share price volatility.

(all tabular amounts in thousands of Canadian dollars, except common share and per share information)

The inputs used in the measurement of the fair values at grant date of the share-based payments granted, modified or issued during the periods are as follows:

	Options		Warrants	
	September 30, 2014	December 31, 2013	**September 30, 2014**	December 31, 2013
Fair values at grant/modification date	**n/a**	$0.011 to $0.019	**n/a**	n/a
Share prices at grant/modification date	**n/a**	$0.015 to $0.03	**n/a**	n/a
Assumptions				
Exercise prices	**n/a**	$0.015 to $0.03	**n/a**	n/a
Expected volatilities	**n/a**	86% to 102%	**n/a**	n/a
Life (years)	**n/a**	4	**n/a**	n/a
Expected dividends	**n/a**	-	**n/a**	n/a
Risk-free interest rates	**n/a**	1.19% to 1.56%	**n/a**	n/a

19. FINANCE INCOME AND FINANCE COSTS

		Three months ended September 30,		Nine months ended September 30,	
	Notes	**2014**	2013	**2014**	2013
Interest income on bank deposits		**$ -**	$ 2	**$ 1**	$ 13
Interest income on loan receivable	*12*	**-**	66	**87**	162
Commitment fee	*12*	**-**	3	**1**	9
Flow-through premium		**-**	65	**-**	265
Net foreign exchange gain		**-**	5	**-**	8
Gain on derivative		**-**	646	**-**	646
Net change in fair value of financial assets at fair value through operations					
Warrants	*8*	**-**	215	**-**	215
Participating Interest	*12*	**57**	-	**306**	-
Finance income		**57**	1,002	**395**	1,318
Interest expense on loan payable	*14*	**111**	93	**334**	216
Net foreign exchange loss		**1**	-	**4**	-
Net change in fair value of financial assets at fair value through operations					
Warrants	*8*	**560**	-	**182**	-
Finance costs		**672**	93	**520**	216
Net Finance (Costs) Income		**$ (615)**	$ 909	**$ (125)**	$ 1,102

20. OPERATING SEGMENT

Reporting Segment

The Company is engaged in the exploration and evaluation of properties for the mining of precious and base metals. The Company does not have formal operating segments and does not have operating revenues, products or customers. The corporate office operates to support the Company's projects as well as providing administrative support to Victory Nickel and CBay (Note 21). The projects are currently located in Canada and Turkey. Senior management makes decisions by considering exploration potential and results on a project basis. Any applicable amounts relating to projects are capitalized to the relevant project as *Exploration and evaluation projects* on the consolidated balance sheets.

(all tabular amounts in thousands of Canadian dollars, except common share and per share information)

Geographic Information

	Notes		September 30, 2014		December 31, 2013
Canada					
Corporate		$	**7,627**	$	8,207
Interest in CBay Minerals Joint Venture	*11*		**6,430**		6,331
Chibougamau camp	*10*		**12**		-
Diabase Peninsula	*10*		**9,405**		9,308
Prairie Lake	*10*		**3,764**		3,674
Total Assets		$	**27,238**	$	27,520

Revenues in each period are generally attributable to the corporate office in Canada. There have been no changes in the reportable segments or the treatment of segmented assets and revenues year over year.

21. RELATED PARTIES AND MANAGEMENT AGREEMENTS

Related Party Balances and Transactions

Short-term employee benefits provided by the Company to key management personnel include salaries, consulting fees, directors' fees, statutory benefit contributions, paid annual vacation and paid sick leave as well as non-monetary benefits such as medical care. The Company's non-monetary benefit package for key management personnel is the same as that available to all full-time employees. In addition to short-term employee benefits, the Company may also issue shares as part of the Share Bonus Plan and the Stock Option Plan (Notes 16 and 18).

Balances and transactions with related parties as at September 30, 2014 and December 31, 2013 and for the three and nine month periods ended September 30, 2014 and 2013 are shown in the following tables:

		September 30, 2014		December 31, 2013
Balances Outstanding				
Payable to key management personnel	$	**156**	$	99

Key management personnel compensation comprised:

	Three months ended September 30,				Nine months ended September 30,			
		2014		2013		2014		2013
Short-term employee benefits	$	**137**	$	151	$	**470**	$	517
Share-based payments - options		**-**		-		**-**		44
	$	**137**	$	151	$	**470**	$	561

Balances and Transactions with Victory Nickel and CBay under the Management Agreements

The Company shares management, administrative assistance and facilities with Victory Nickel and CBay pursuant to separate management agreements; management operates under the supervision of the respective board of directors of each respective company; there is only one common director being Mr. René Galipeau. The costs recovered from Victory Nickel and CBay are recorded at the cost to the Company of such services plus 10 per cent. The management agreement for Victory Nickel commenced February 1, 2007 and is terminable by the Company upon 90 days' notice and by Victory Nickel upon 180 days' notice. The management agreement for CBay commenced February 14, 2012 and is terminable by the Company upon 90 days' notice and by CBay upon 60 days' notice. Victory Nickel served notice of termination on September 5, 2014; accordingly, that management agreement will cease on March 5, 2015. The Company has agreed to replace it with a cost-sharing agreement.

(all tabular amounts in thousands of Canadian dollars, except common share and per share information)

Balances and transactions with Victory Nickel and CBay under the management agreements as at September 30, 2014 and December 31, 2013 and for the periods ended September 30, 2014 and 2013 are shown in the following tables:

	September 30, 2014	December 31, 2013
Balances Outstanding under Management Agreements		
Receivable from CBay Minerals Inc.	**$ 18**	$ -
Receivable from Victory Nickel Inc.	**$ 28**	$ 56

	Three months ended September 30,		Nine months ended September 30,	
	2014	2013	**2014**	2013
Transaction Values under Management Agreements				
Overhead charges to Victory Nickel Inc.	**$ 190**	$ 204	**$ 549**	$ 517
Overhead charges from Victory Nickel Inc.	**$ -**	$ 2	**$ -**	$ 17
Project costs charged by Victory Nickel Inc.	**$ 7**	$ 8	**$ 20**	$ 30
Project recoveries charged to Victory Nickel Inc.	**$ 24**	$ 11	**$ 53**	$ 14
Overhead charges to CBay Minerals Inc.	**$ 59**	$ 62	**$ 165**	$ 213
Project recoveries charged to CBay Minerals Inc.	**$ 13**	$ -	**$ 27**	$ -

Amounts due to or from Victory Nickel and CBay under the management agreements are unsecured, non-interest bearing and due on demand. Amounts due to or from Victory Nickel and CBay are settled on a regular basis. Payables to key management personnel generally relate to directors' fees, consulting fees and expense reimbursements.

Balances and Transactions with Victory Nickel under the Participating Interest

The terms of the Participating Interest with Victory Nickel and the balances and transactions related thereto are described in Note 12.

22. COMPANY ENTITIES

Significant Subsidiaries and Jointly-controlled Entities

		September 30, 2014	December 31, 2013
Ownership Interest	**Country of Incorporation**		
Lakeport Gold Corporation	Canada	**100%**	100%
CBay Minerals Inc.	Canada	**50%**	50%
Nuinsco Madencilik Sanaye Ticaret	Turkey	**100%**	100%
Nuinsco Exploration Inc.	BVI	**50%**	50%
Z-Gold Resources Limited (through Nuinsco Exploration Inc.)	Egypt	**50%**	50%
NuMENA Minerals Corp.	Canada	**100%**	100%

None of the companies included in the table above is a public company. Lakeport Gold Corporation is inactive; CBay Minerals Inc. is a jointly-controlled entity with Ocean Partners and owns the Chibougamau mining camp; Nuinsco Madencilik Sanaye Ticaret is a wholly-owned subsidiary and was incorporated to hold the Company's Turkish licenses; Nuinsco Exploration Inc. is a jointly-controlled entity with QCC and was pursuing the rights, through Z-Gold Resources Limited to the gold concessions in Egypt; NuMENA Minerals Corp. is presently inactive and was incorporated as a potential vehicle to spin off certain of the Company's assets in the MENA region. This initiative has been put on hold. NuMENA will be inactive until circumstances warrant otherwise.

23. CONTINGENCY

CRA Reassessment

In March, 2011, the Company received notices of reassessment in the aggregate amount of approximately $4,400,000 from the CRA related to transactions completed in 2006; this amount does not include interest and penalties which could be substantial. The Company filed notices of objection on May 19, 2011. On July 22, 2011, the Company filed a request for adjustment to correspondingly adjust its tax pools and losses, in the unlikely event that the Company's appeal is unsuccessful. On March 7, 2014, the Company received a notice of confirmation with respect to one entity whereby the CRA denied that entity's notice of objection and confirmed the reassessment. The Company has sought, and is following the advice of its tax counsel in this matter.

The appeal process could be lengthy and the Company believes that its position is correct and that it will prevail. Accordingly, the Company has not recorded any liability with respect to this matter.

NUINSCO RESOURCES LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2014

DATED NOVEMBER 7, 2014

NUINSCO RESOURCES LIMITED
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Three and Nine Months ended September 30, 2014

The following discussion of the results of operations and financial condition of Nuinsco Resources Limited ("Nuinsco" or "the Company") prepared as of November 7, 2014 consolidates management's review of the factors that affected the Company's financial and operating performance for the three and nine months ended September 30, 2014 and 2013, and factors reasonably expected to impact on future operations and results. This discussion is intended to supplement and complement the Company's unaudited condensed consolidated financial statements as at and for the three and nine months ended September 30, 2014 ("Unaudited Condensed Consolidated Financial Statements") and the notes thereto which were prepared in accordance with International Financial Reporting Standards ("IFRS" or "GAAP").

Certain information and discussion included in this Management's Discussion & Analysis ("MD&A") constitutes forward-looking information. Readers are encouraged to refer to the cautionary notes contained in the section Forward-Looking Statements at the end of this MD&A.

Readers are also encouraged to consult the audited consolidated financial statements for the years ended December 31, 2013 and 2012 ("2013 Audited Consolidated Financial Statements"). The Unaudited Condensed Consolidated Financial Statements and the 2013 Audited Consolidated Financial Statements are available at www.sedar.com and at the Company's website www.nuinsco.ca. All amounts disclosed are in Canadian dollars unless otherwise stated. All tabular amounts are in thousands of Canadian dollars.

NATURE OF OPERATIONS

Nuinsco is focused on identifying, evaluating and exploiting mineral investment opportunities worldwide using its technical, and financial expertise. The Company currently has interests in copper, phosphate, rare metals, niobium and uranium assets in world-class mineralized belts in Canada's provinces of Saskatchewan, Ontario and Québec and in Turkey. In addition to its property holdings, Nuinsco owns a 50% interest in CBay Minerals Inc. ("CBay"), a private company that has a dominant position in Québec's Chibougamau copper/gold mining camp with assets including a permitted mill, tailings facility, eight past-producing copper/gold mines, three partially-developed copper projects (Corner Bay, Devlin and the Perch River option) and a 38,000 hectare ("ha") (96,000 acre) land position. Shares of Nuinsco trade on the Toronto Stock Exchange ("TSX") under the symbol NWI.

The Company has achieved positive results from its Diabase Peninsula and Prairie Lake projects and continues to jointly manage CBay and its assets in the prolific Chibougamau mining camp in northern Québec along with Ocean Partners. As funding permits, exploration programs continue at the Diabase Peninsula uranium project in Saskatchewan and the Prairie Lake project in Ontario where additional testing has been performed which has indicated that a marketable phosphate concentrate can be produced.

In addition to its property holdings, Nuinsco owns common shares and warrants of Victory Nickel Inc. ("Victory Nickel") TSX:NI and other resource companies. These assets are available to be monetized to finance the Company's exploration programs and operating costs while helping to minimize equity dilution to shareholders.

On July 30, 2013, Nuinsco increased its shareholding in Victory Nickel to 12.24% through its agreement to backstop an equity issue, thereby becoming a related party of Victory Nickel. As at November 7, 2014, the Company owns an approximate interest of 7.37% (15.28% on a partially diluted basis) in Victory Nickel.

Going Concern

The Company's Unaudited Condensed Consolidated Financial Statements have been prepared using the going concern assumption which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. As at September 30, 2014, the Company had working capital of $197,000 (December 31, 2013 – working capital of $1,249,000). Working capital is defined as current assets less current liabilities. Marketable securities comprise investments in other resource companies the markets for which are not always liquid. The loan payable with a third party is due in December 2014 pursuant to its extension and is classified as a current liability – refer to the Liquidity and Capital Resources section of this MD&A.

The Company is subject to the risks and challenges experienced by other companies at a comparable stage. These risks include, but are not limited to, continuing losses, dependence on key individuals, realization on its marketable securities as required and the ability to secure adequate financing or to complete corporate transactions to meet the minimum capital required to successfully complete its projects and fund other operating expenses. Advancing the Company's projects through exploration and development to the production stage will require significant financing. Furthermore, the Company has received reassessments from the Canada Revenue Agency ("CRA") as described in Note 23 to the

Unaudited Condensed Consolidated Financial Statements. Given the current economic climate, the ability to raise funds may prove difficult. Refer to the Risks and Uncertainties and Liquidity and Capital Resources sections for additional information.

None of the Company's projects has commenced commercial production and, accordingly, the Company is dependent upon debt or equity financings and the optioning and/or sale of resource or resource-related assets for its funding. The recoverability of the carrying value of exploration and evaluation projects, and ultimately the Company's ability to continue as a going concern, is dependent upon exploration results which have the potential for the discovery of economically recoverable reserves and resources, the Company's ability to finance exploitation of its projects through debt or equity financings and the optioning and/or sale of resource or resource-related assets for its funding.

In an effort to decrease the Company's reliance on equity markets for financing to advance the Company's existing projects and/or take advantage of new project opportunities, the Company entered into a secured loan agreement with Victory Nickel (the "Amended Loan") which was converted, on April 22, 2014, to a participating interest in the cash flows generated from the sale of frac sand (the "Participating Interest") as described in Note 12 to the Unaudited Condensed Consolidated Financial Statements. The loan has provided the initial funding required by Victory Nickel to implement a three-phase business plan to enter the frac sand business which has produced sales since March 2014.

Should the Company not be able to continue to achieve favourable exploration results, obtain the necessary financing, achieve future profitable production or sale of properties or realize timely cash flows from the conversion of the loan with Victory Nickel and sale of Victory Nickel shares, the carrying value of the Company's assets could be subject to material adjustment and, in addition, other adjustments may be necessary to these financial statements should such adverse events impair the Company's ability to continue as a going concern as contemplated under GAAP. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

SIGNIFICANT EVENTS

During and subsequent to the nine months ended September 30, 2014, the Company:

Corporate

- Announced the exercise of the conversion of the Amended Loan into a direct interest in net cash flows of Victory Nickel's frac sand business – the "Participating Interest" which could generate in excess of $10,000,000 to Nuinsco.
- Advanced a project generation process of evaluating available and highly-prospective new exploration property opportunities.
- Continued to identify, and have discussions with, potential financiers and partners interested in participating in development of CBay's assets.
- Extended repayment of the loan payable until December 18, 2014.
- Received favourable news concerning the completion of commissioning and growing frac sand sales at Victory Nickel's 7P Plant.
- Continued to see a net increase in the value of the Company's equity holdings in Victory Nickel that were primarily acquired at a cost of $0.24 per Unit (consisting of one common share and one warrant and after retroactive effect of Victory Nickel's one-for-ten share consolidation on September 12th, 2014) from last year's rights offering.

Copper, Phosphorus and Rare Metals

- Announced the clarification of certain technical disclosures of exploration targets at the Prairie Lake project.
- Announced that processing of the Prairie Lake sample continues, with enhancements to processing and recoveries.
- Made application to extend the Berta project licences in anticipation of additional exploration.
- Developed plans for further work at Chibougamau and commenced diamond drilling on the Devlin project in October.

OUTLOOK

Throughout the third quarter of 2014, Nuinsco has continued to conduct its core business of mineral exploration and evaluation. The Company holds highly prospective projects that are worthy of continued investment. During the most recent quarter, work has been conducted on the Prairie Lake project and at Chibougamau but the Company continues to evaluate new opportunities for acquisition to complement its current projects. The Company is able to continue its work through the sale of Victory Nickel shares and warrants held as securities and the anticipation of cash flow from the now commissioned and fully operating 7 Persons frac sand plant (the "7P Plant") should provide cash flow going forward.

Prairie Lake
Currently, the most important task at Prairie Lake continues to be the evaluation of technical aspects of the mineralogy and metallurgy. The project hosts diverse mineralization; if cost-effective methods can be developed for concentrating the Prairie Lake rock to levels that meet industry expectations and requirements then the project has the potential to produce several product streams. Certainly, the size of the project - an Exploration Target of between 515 and 630 million tonnes of mineralization grading between 3-4% Phosphorus and between 0.09-0.11% Niobium oxide, with widespread rare-earth-element mineralization and other elements and minerals of potential economic interest - makes it a project of potential. Its other logistical attributes further enhance this potential and importantly, should it go into production, it will benefit from the use of very inexpensive quarry methods to exploit it.

Determining a value for the concentrated elements is not as straightforward as it is with base and precious metal concentrates. Lack of transparency in some markets, particularly rare earths, makes valuation difficult while concentrate quality can affect price as well. The investigation into what can be produced, how, and at what cost, continues. As these studies proceed and become more detailed, we will develop an understanding of the technical aspects of concentrating the contained minerals, of the value of the Prairie Lake mineralization and whether economically-viable concentrates are possible.

Potential products from Prairie Lake have numerous high-tech applications as well as agricultural and other industrial applications – these sectors are forecast to grow substantially over the coming years - which bodes well for the demand for products such as those that can be produced from the project.

Diabase Peninsula
The work programs conducted at Diabase Peninsula by the Company have consistently produced positive results. When these results are combined, they lead to an interpretation that the rocks underlying the property have been part of, and have been affected by, a uranium-mineralizing event. The footprint of economic uranium ore bodies can be small but their high value makes them very attractive exploration targets. The Company believes that the presence of economic grade mineralization is a significant possibility and will continue to evaluate and explore the project.

Chibougamau
The Company continues to work on its Chibougamau assets through its 50% ownership of CBay Minerals. In the third quarter, a work program was planned at the Devlin project with the aim of producing a mineral resource – diamond drilling commenced early in October. Devlin is located near to the CBay-owned Corner Bay deposit, which already contains a resource that meets NI 43-101 standards. Both projects are partially developed and could be put into production following a short period of development. Processing of ore would be done at the Copper Rand mill – also CBay owned. Adding resource tonnes to the Chibougamau story is a significant way to add value to the asset and hence to shareholders.

CBay Minerals currently owns eight past-producing mines in its 38,000 ha land package covering much of the core of the Chibougamau camp; combined, their past production comprises 75% of the 1.6 billion pounds of copper and 3.2 million ounces of gold produced from the Lac Doré Complex. Coupled with the three partially-developed copper deposits: Corner Bay, Devlin and Perch River, the 2,700 tonnes per day mill and concentrator, and nearby permitted tailings impoundment, they make an impressive group of assets.

Turkey
The Company has made application to the Turkish government to renew the licence covering the Berta project. The project has demonstrated significant potential for extensive copper mineralization and requires further time and work to evaluate the potential.

Global
Nuinsco continues to be in a position that many of its peers would aspire to. The Company holds a number of excellent projects, all worthy of continued exploration and evaluation. Further it has projects that could be brought to production in short order and with modest capital requirements. With the added advantage of assets that can be monetized to run the Company and the expectation of cash flows from the Participating Interest in Victory Nickel’s frac sand operations to come Nuinsco should be able to work its current project portfolio and participate in new opportunities as they arise.

Nuinsco is in the fortunate position that it can continue to work its current projects and consider the acquisition of prospective new ones. This can be accomplished with non-dilutive funding derived from Nuinsco’s investments. The result is an exploration and development company that is active now and expects to be more so in the future. We see opportunity in the current market and will capitalise on it.

RESULTS OF OPERATIONS

Three Months Ended September 30, 2014 Compared with Three Months Ended September 30, 2013

In the three months ended September 30, 2014, the Company had a net loss of $894,000, or $0.00 per share, compared with net income of $622,000 or $0.00 per share in the three months ended September 30, 2013. The principal reason for the increase in net loss is due to a swing to net finance costs of $615,000 in 2014 compared with net finance income of $909,000 in 2013; refer below.

General and administrative expenses ("G&A") in the three months ended September 30, 2014 decreased to $97,000 from $175,000 in the comparative period. The main reason for the decrease is an overall decrease in investor relations, legal, and travel costs. Furthermore, although the expenses have decreased from the prior year, the overhead recovery is fairly consistent from the prior year's quarter as detailed below.

Overhead recoveries through charges to Victory Nickel and CBay for services under the management agreements and deducted from operating expenses amounted to $190,000 and $59,000, respectively, in the three months ended September 30, 2014, compared with $204,000 and $62,000 in 2013; Victory Nickel charged the Company $nil (2013 - $2,000). Costs allocated to Victory Nickel and CBay pursuant to the management agreements among the Company and Victory Nickel and CBay are activity related. Such amounts are recorded at the cost to the Company of such services plus 10%.

Victory Nickel served notice of termination on September 5, 2014; accordingly, that management agreement will cease on March 4, 2015. The Company has agreed to replace it with a cost-sharing agreement, the terms of which are being negotiated.

It is estimated that approximately $93,000 of G&A expenditures were incurred in supporting the Company's public status in the three months ended September 30, 2014 (2013 - $151,000 on a comparable basis). Such costs are largely non-discretionary and are weighted to the beginning of a financial year because of audit and other compliance requirements. The decrease is due to a timing difference in recharging costs under the management agreement as a result of minor late accruals in the second quarter of 2014.

Share-based payments related to options amounted to $6,000 in the three months ended September 30, 2014, consistent with $5,000 in the comparative period. There were no options granted in the three months ended September 30, 2014 as well as in the comparative period in 2013. The value assigned to stock options is calculated using the Black-Scholes option-pricing model as explained in Note 21 to the 2013 Audited Consolidated Financial Statements.

Routine write-offs of pre-exploration expenditures in the three months ended September 30, 2014 aggregated $61,000; there were minimal write-offs of $22,000 in 2013. The Company is researching opportunities in the marketplace to secure additional property interests.

The Company incurred expenditures on its Berta project in the quarter of $20,000 on administrative support. Given that there has been no change in the Turkish mining environment with respect to delays in permitting, the Company chose to write off these expenditures.

Net finance costs increased to $615,000 in the three months ended September 30, 2014 from *Net finance income* of $909,000 in the three months ended September 30, 2013. *Finance income* decreased from $1,002,000 to $57,000 and, finance costs increased from $93,000 to $672,000 in the three months ended September 30, 2014. The decrease in *Finance income* is primarily due to a gain on derivative of $646,000 during third quarter of 2013 relating to the excess of fair value over cash paid for the shares and warrants acquired through participation in the Victory Nickel rights offering as well as the change in the market value of those warrants to September 30, 2013 of $215,000. Also, interest income ceased because of the Company's conversion of its secured loan into an unsecured Participating Interest on April 22, 2014. Furthermore, the Company completed its expenditure commitment under flow-through financing at the end of September, 2013 and therefore amortization of the flow-through premium is no longer required to be recorded in finance income. In 2014, the change in the fair value of the Participating Interest increased to $57,000 in the current period. The main reason for the increase in *Finance costs* is due to a $560,000 decrease in the fair value of the warrants acquired through the participation in the Victory Nickel rights offering as well as a $18,000 increase in interest expense. In 2013, the fair value of the loan receivable from Victory Nickel was equivalent to its amortized cost. Both interest income and expense include non-cash amortization of loan fees using the effective interest rate method as described in Notes 13 and 17 to the 2013 Audited Consolidated Financial Statements.

The increase in the fair value of the Participating Interest/loan receivable in 2013 was significant. The Conversion feature of the Amended Loan requires the classification of the loan as a financial asset at fair value through the statement of operations. From initial recognition until the fourth quarter of 2013, the Company considered that the fair value of the loan was equal to its amortized cost since the Company had not converted its loan and the 7P Plant was under construction with significant parts to be completed and there were other significant uncertainties. During the fourth quarter of 2013, the plant construction was well underway and the probability of Conversion increased substantially. Accordingly, the Company revalued the loan at that time using an effective interest rate of 22% (equivalent to a discount rate of 14%) and a probability-weighted average estimation of future expected cash flow scenarios of approximately 55% of the ceiling maximum of $10,222,831 based on current expectations of business results, capital costs and pre-operating expenditures. These cash flows were on the basis of Phase 1 completion only.

The percentage participation in net cash flows is 52.16% and the applicable ceiling for Phase 1 is $10,222,831. Based on the estimated cash flows provided by Victory Nickel, payments could commence in October 2015.

These assumptions resulted in an estimated fair value of the loan of $4,100,000 at December 31, 2013 and, accordingly $3,261,000 was recorded as a *change in the fair value of a financial asset* through the statement of operations in 2013. This is a Level 3 methodology and is subject to the highest level of uncertainty. Effective September 30, 2014, these assumptions were reviewed in the light of updated circumstances which include the fact the Nuinsco exercised its conversion right on April 22, 2014. Accordingly, parameters in the model were revised and an updated fair value was calculated. The estimated fair value of the loan was reassessed at $4,443,000 and accordingly, the change in value of $57,000 was recorded through finance income in the three months ended September 30, 2014. The main parameters which were updated related to the fact that Victory Nickel is expected to enter Phase 2 of its plan, wherein the ceiling on the cash flow participation reduces to $7,667,124. However, that is more than offset by the increase in the probability-weighted average estimation of future expected cash flows being revised upward to 73% from approximately 55%.

The discounted cash flow model was tested for sensitivity which could result from changes in key inputs used in the estimation model. The effect of any change is discrete unless otherwise stated.

Change in Model Key Input	**Fair Value of Participating Interest**	**Change in Fair Value of Participating Interest**
Carrying value of Participating Interest	**$ 4,443**	$ -
Effect of:		
Decrease in sales price per ton of $5	**4,218**	(225)
Increase discount rate by 1%	**4,374**	(69)
Decrease volumes by 5%	**4,379**	(64)
Increase discount rate by 1% and decrease sales price per ton of $5	**4,136**	(307)

The Company will continue to review and revise its estimates of fair value as the expectations of payments of the Participating Interest change. Changes in that estimate will be recorded through operations with appropriate adjustment for actual cash flows received.

The *Interest in CBay Minerals* of a loss of $61,000 in 2014 compared with $80,000 in 2013 represents the Company's share of net loss in the CBay joint arrangement. Note 11 to the Unaudited Condensed Consolidated Financial Statements describes the transactions giving rise to the change in the interest.

A discussion of the more significant changes not addressed in other sections of this MD&A is as follows:

Cash and cash equivalents as at September 30, 2014 were $34,000 compared with $249,000 as at December 31, 2013. Refer to the Liquidity and Capital Resources section for discussion of periodic cash flows in more detail.

Marketable securities as at September 30, 2014 consist of the Company's financial assets at fair value through OCI as well as financial assets recorded at fair value through operations. Any volatility in the market value of shares will be recorded through OCI whether generated from sales or unrealized market changes; any changes in the value of warrants will be recorded through operations. The value of marketable securities as at September 30, 2014 decreased to $2,981,000 from $3,656,000 as at December 31, 2013 due to a combination of sales of shares for liquidity purposes and a decline in the share price of Victory Nickel shares and the value of warrants. Note that IFRS 13 classified the Black-Scholes option-pricing model as a Level 3 methodology which effectively disallowed recognition of the value of warrants at inception of $592,000. Any prospective change in value has to be recognized despite the use of a Level 3 methodology and, accordingly, $861,000 of increase in the value of warrants was recognized from inception to December 31, 2013 and a decrease of $182,000 in 2014 to date. The Company sold 1,870,411 shares (after the retroactive effect of Victory Nickel's one-for-ten share consolidation) of Victory Nickel in the first nine months of 2014 for liquidity purposes and generated $1,205,000 net proceeds, including $115,000 on other shares sold. Sales of Victory Nickel shares have continued after the end of the quarter.

Exploration and Evaluation projects increased marginally by $245,000 before writedown of $46,000 to $13,181,000 as at September 30, 2014 - from $12,982,000 as at December 31, 2013. Expenditures are minimal presently.

The *Interest in CBay Minerals* on the balance sheet increased to $6,430,000 as at September 30, 2014 from $6,331,000 as at December 31, 2013. The Company accounts for its interest in CBay on the equity basis. Note 11 to the Unaudited Condensed Consolidated Financial Statements analyses the changes in the balance and shows the individual asset and liability balances of CBay Minerals Inc.

The *Participating Interest* at a fair value of $4,443,000 as at September 30, 2014 (December 31, 2013 - $4,100,000) relates originally to advances paid by the Company to Victory Nickel, due on January 31, 2015, net of amounts satisfied through the issuance of Units under the Victory Nickel rights offering. On April 22, 2014, Nuinsco converted its interest into a limited participating interest in cash flow based on operating cash flows of Victory Nickel's frac sand business. This is considered a financial asset at fair value through operations and is accounted for at fair value. The derivation of the fair value is described above. Refer to Note 12 in the Unaudited Condensed Consolidated Financial Statements.

Nine Months Ended September 30, 2014 Compared With Nine Months Ended September 30, 2013

In the nine months ended September 30, 2014, the Company had a net loss of $1,217,000, or $0.00 per share, compared with a net loss of $57,000 or $0.00 per share in 2013. The principal reason for the increase in loss is a decrease in finance income combined with an increase in finance costs; refer below.

G&A expenses in the nine months ended September 30, 2014 decreased marginally to $627,000 from $715,000 in the prior period. Expenditures in 2014 which increased included those supporting the Company's strategy with respect to taxation reassessments received but these were more than offset by reductions in discretionary investor relations spending and non-recurring costs from 2013 relating to an aborted financing project.

Overhead recoveries to Victory Nickel in the period increased to $549,000 from $517,000 as referred to above. Overhead charges to CBay decreased from $213,000 to $165,000 in the period. These reduce the burden of G&A expenses on the Company.

Options expense decreased to $24,000 from $77,000; there has been no issuance of options in 2014 to date, there was an issuance of options in the second quarter of 2013, as described in Note 18 to the Unaudited Condensed Consolidated Financial Statements.

Pre-exploration write-offs of $152,000 were incurred in the first nine months of 2014 compared with $60,000 in 2013. As described in the Outlook, the Company is actively looking at prospective projects which are available or may become available to add to the exploration and development portfolio. As described above, $46,000 in expenditures were incurred on Berta in the period and, due to little change in the permitting situation in Turkey, those expenditures were immediately written off; there were no similar write-offs in 2013 until the Berta project write-off which occurred effective December 31, 2013.

Finance income reduced to $395,000 compared with $1,317,000 in the prior period. Most changes occurred in the third quarter and are described above; non-recurring items in 2013 include the amortization of flow-through premium of $265,000 and gain on derivative of $646,000 as well as $215,000 gain on the value of warrants. In 2014, the value of warrants declined by $182,000 and interest expense increased by $118,000. The variability of financial instruments' valuations causes considerable volatility in the results for each period.

SUMMARY OF QUARTERLY RESULTS

Selected financial information for each of the last eleven quarters ended September 30, 2014 is as follows:

Fiscal year 2014		3rd Quarter	2nd Quarter	1st Quarter
Net finance (costs) income		(615) [1]	$ (176) [3]	$ 666 [4]
Net (loss) income		$ (894)	$ (618)	$ 295
Total comprehensive (loss) income		$ (1,468) [2]	$ (601)	$ 1,624 [5]
Earnings per share - basic and diluted		$ (0.00)	$ (0.00)	$ 0.00
Fiscal year 2013	**4th Quarter**	**3rd Quarter**	**2nd Quarter**	**1st Quarter**
Net finance income	$ 3,867 [6]	$ 317 [9]	$ 104	$ 89
Net income (loss)	$ 2,372 [7]	$ 30	$ (334)	$ (345)
Total comprehensive income (loss)	$ 3,274 [8]	$ (22) [10]	$ (676)	$ (558)
Earnings (loss) per share - basic and diluted	$ 0.01	$ (0.00)	$ (0.00)	$ (0.00)
Fiscal year 2012	**4th Quarter**	**3rd Quarter**	**2nd Quarter**	**1st Quarter**
Net finance income	$ 146 [11]	$ 19	$ 40	$ 102
Net (loss) income	$ (226)	$ 1,717 [12]	$ (492)	$ (472)
Total comprehensive (loss) income	$ (452)	$ 2,054 [13]	$ (1,219) [14]	$ (454)
(Loss) earnings per share - basic and diluted	$ (0.00)	$ 0.01	$ (0.00)	$ (0.00)

(1) Net finance costs include $57,000 change in the fair value of the Participating Interest (formerly described as the Amended Loan) plus $560,000 decline in the fair value of the Victory Nickel warrants.
(2) Total comprehensive income includes the items referred to above plus $574,000 decrease in the value of marketable securities after tax.
(3) Net finance costs include $186,000 change in the fair value of the Participating Interest plus $269,000 decline in the fair value of the Victory Nickel warrants.
(4) Net finance income includes $63,000 change in fair value of the Amended Loan plus $646,000 change in fair value of warrants.
(5) Total comprehensive income includes the items referred to above plus $1,329,000 increase in the value of marketable securities after tax.
(6) Net finance income includes $3,261,000 change in fair value of the Amended Loan plus $646,000 change in fair value of warrants.
(7) Net income includes the item above plus $1,171,000 writedown of E&E projects, primarily of Berta, Turkey.
(8) Total comprehensive income includes the items referred to above plus $982,000 increase in the value of marketable securities.
(9) Net finance income includes $54,000 of gain on derivative plus $215,000 change in fair value of warrants.
(10) Total comprehensive income includes items referred to above as well as a decrease in value of marketable securities of $52,000
(11) Net finance income includes the effect of $77,000 amortization of flow-through premium related to expenditures in the fourth quarter of 2012.
(12) Net income includes the gain on sale of royalty interest of $1,992,000.
(13) Total comprehensive income includes the gain referred to above as well as a net increase in the value of marketable securities of $337,000.
(14) Total comprehensive loss includes a decrease of $727,000 in the value of marketable securities.

Variations in the quarterly results of operations are largely a function of the timing of property and other writedowns, gains on sales of properties, income tax recoveries, the recording of amortization of flow-through premiums and the recognition of gains on derivatives or other fair value changes recognized through operations. Variations in comprehensive income are primarily a function of the changes in the fair values of the Company's marketable securities.

LIQUIDITY AND CAPITAL RESOURCES

As at September 30, 2014, the Company had working capital of $197,000 (December 31, 2013 – working capital of $1,249,000); being defined as current assets less current liabilities. The loan payable of $2,468,000 is included as a current liability as at September 30, 2014 and its maturity date was extended to December 18, 2014 upon a cash payment of $75,000 along with a commitment to spend $75,000 on the Chibougamau camp by the maturity date.

The Company used cash and cash equivalents of $215,000 during the nine months ended September 30, 2014, compared with cash used of $1,870,000 during the comparative period.

In the nine months ended September 30, 2014, the Company used cash of $639,000 in operating activities, compared with $761,000 in 2013. There was a significant difference in net results for each period – in the nine months ended September 30, 2014, the Company had a net loss of $1,217,000 compared with a net loss of $57,000 in 2013. Further, there was a significant adjustment for non-cash items in 2013 relating to net finance income of $1,071,000 compared to $125,000 for net finance costs in the current period. In 2014, net finance income relates to an increase in the Participating Interest of $306,000 offset by a change in the value of warrants of $182,000. In 2013, the adjustment includes a gain on derivative of

$646,000 relating to the excess of fair value over cash paid for shares and warrants acquired through participation in the Victory Nickel rights offering as well as a change in the market value of those warrants to September 30, 2013 of $215,000. It also included amortization through income of flow-through premium of $265,000 and amortization of non-cash loan fees on loans receivable and payable.

Investing activities in the nine months ended September 30, 2014 provided funds of $717,000, compared with funds used of $2,982,000 in 2013. In 2014, the most significant item was net proceeds on the sale of marketable securities of $1,205,000. In 2013, the Company advanced $1,207,000 under the Amended Loan which was then settled in Units of the Victory Nickel rights offering that closed on July 30, 2013. In the same year, the Company also incurred cash outflows of $864,000 relating to expenditures on E&E projects. Refer to the Exploration and Evaluation Activities section for additional discussion of project spending. Furthermore, there were cash outflows to fund the CBay joint arrangement of $859,000 during 2013 compared to $268,000 in 2014.

Cash used by financing activities was $293,000 in the nine months ended September 30, 2014, compared with funds generated of $1,873,000 in the first nine months of 2013. The nature of the financing in each period indicates the challenges being experienced in securing equity financing in the difficult markets. There were no equity financings in either period.

As described earlier and in Note 14 to the Unaudited Condensed Consolidated Financial Statements, Nuinsco entered into a loan facility in December of 2012. By the end of March 2013, the Company had drawn down $1,000,000 of this facility. The Facility had an original term of 18 months and was extended for a six-month period to December 18, 2014 through a cash payment of $75,000. Interest of 11.5% per annum is payable in cash quarterly in arrears; $218,000 was paid in the first nine months of 2014 (on a principal balance outstanding of $2,500,000) with $111,000 being paid in 2013. The Facility is secured by a first ranking pledge upon Nuinsco's CBay shares.

The transactions described above resulted in a decrease in cash of $215,000 and a balance of cash and cash equivalents of $34,000 which, along with other current assets and other resources, is available to fund future activities.

The table below summarizes Nuinsco's contractual commitments as at September 30, 2014 and December 31, 2013.

Table of Contractual Commitments

	Due Date	September 30, 2014		December 31, 2013	
Diabase extended option payment	Within one year	$	100	$	100
	One to two years	$	100	$	100
	Two to three years	$	75	$	100
	Three to four years	$	-	$	50
	September 2, 2017	$	629	$	629
Loan payable(1)	December 18, 2014	$	2,500	$	2,500
Chibougamau camp expenditures	December 18, 2014	$	63	$	-
Operating lease - premises	Refer to Note 18 in the 2013 Audited Consolidated Financial Statements				

(1) Additional extension of nine months has been executed; amount excludes interest

As described above, management is continuing to actively pursue additional ways to realize on the potential of its assets or secure financing in order to continue to provide funds for operations in light of the current difficult economic circumstances. Flow-through financings do not provide the funding necessary to meet corporate or foreign expenditures which do not qualify for flow-through eligibility. The significant cost to maintain and comply with regulatory requirements for the Company's public listing cannot be financed with flow-through shares. Cash received from the Company's options as well as from sales of marketable securities are "hard" dollars and can be utilized without restriction; however, most of the options are not "in-the-money". Furthermore, the Company's marketable securities are those of other resource companies for which markets are not always liquid.

The Facility of $2,500,000 has provided the Company with additional financial and strategic flexibility; the Facility was extended to December 18, 2014 upon cash payment of $75,000 along with an expenditure commitment of $75,000 on the Chibougamau camp. While the agreement provided for non-cash consideration, it would have marginally changed the ownership interest in CBay from its 50:50 position. The Company does not enter debt arrangements without careful consideration of alternatives and ramifications. That the Company can find and support such debt arrangements speaks to the quality of the Company's assets. Whilst securing funds has been important, the Company and management continue to be mindful of controlling present and future outflows.

In the third quarter of 2013, the Diabase Option Agreement was amended further and the Company shall pay quarterly instalments of $25,000 over the next four years to a total of $400,000 beginning September 2, 2013 with a balloon payment of $628,500 to be paid on or before September 2, 2017. The first two instalments of $25,000 under this subsequent agreement were made in 2013 and three further instalments were paid in 2014 to date.
Managing in challenging times takes as much, if not more, senior management effort. However, senior management and directors of Nuinsco have historically agreed to accept salary and directors' fee deferrals and may be asked to do so again.

The Company has a corporate policy of investing its available cash in cash equivalents comprising Canadian government instruments and certificates of deposit or other direct obligations of major Canadian banks, unless otherwise approved by the Board. The portfolio of marketable securities is available to fund the Company's activities in order to maintain liquidity. While the Company would prefer to benefit from holding these shares on a longer-term basis, under present economics, sales of securities are the present best source of liquidity for the Company.

The total market value of the Company's marketable securities as at September 30, 2014, is approximately $2,981,000; as at November 7, 2014 the approximate value is $2,506,000 due to decreased market value combined with sales for liquidity purposes. These shares have contributed to funding the Company's operations generating $1,205,000 in cash in the first nine months of 2014. Timing of sales of Victory Nickel securities is restricted given the size of the position held. The market value of the Victory Nickel shares had been steadily increasing; however, since the share consolidation took place in mid-September, the share price has been depressed which has also adversely affected the valuation of the warrants. However, it is generally acknowledged that equities are being undervalued.

As described above, exploration companies such as Nuinsco have historically been heavily reliant upon selling common equity markets fund their activities as they typically have no short-term sources of revenue other than through monetization of assets. However, today's equity markets make equity financing difficult if not impossible without incurring significant dilution to existing shareholders.

The Company periodically liquidates portions of its securities holdings rather than raise equity financing. However, the results of, and the availability of, such sales when required are also dependent upon market conditions which are outside the control of the Company. The Company will continue to balance its financing choices as a function of availability, market activity and cost of capital.

The Company has not closed any flow-through financings since 2012. Even if flow-through financings were to be available for exploration, the current share price makes such financing prohibitively dilutive. Additional financing sources will be required to properly exploit the Company's Canadian and foreign assets. The Company will consider all alternatives to protect and further improve liquidity as described above given appropriate pricing and other market conditions. Such alternatives could include earn-in options with third parties, other partnership arrangements, corporate transactions and further sales of marketable securities or project assets including royalty arrangements.

While waiting for the financing markets to return, the Company is preparing for the shift in the historic model of project exploration and development financing by evaluating revenue-generating opportunities. When the financing markets return, Nuinsco will be ready. Maintaining a healthy evaluation and development junior mining sector continues to be important to the Canadian economy and Nuinsco plans to be part of that industry for years to come.

In order to facilitate the Company's flexibility, Nuinsco entered into the Amended Loan with Victory Nickel to provide it with a position to participate in potential cash-generating activities – this is now termed the Participating Interest. The Amended Loan was secured and contained a convertibility option which would, at Nuinsco's option, convert the loan to a limited participating interest in net cash flows of an operating business. This is intended to provide Nuinsco with a cash flow stream which would be available to fund operations or exploration programs in the future. As described earlier, the Amended Loan was converted into a Participating Interest effective April 22, 2014 and has a fair value of $4,443,000 which has been derived using a discounted probability-weighted cash flow on the basis of assumptions already described. While this is an estimation of future cash flows, it has been determined using a Level 3 methodology which is subject to the highest degree of measurement uncertainty and is conditional upon the degree of success of Victory Nickel's frac sand business.

The Participating Interest involves future participation in net cash flows of Victory Nickel's frac sand business at a participating percentage of 52.16%. The range of participation depends upon what stage of its three-phased plan, Victory Nickel attains prior to the interest being satisfied. It is currently anticipated that Victory Nickel will commence Phase 2 of its plan; accordingly, the estimated fair value of cash flows as at September 30, 2014, takes that into consideration and caps cash flows at $7,667,134 but revises the probability-weighted average estimation of future expected cash flow scenarios from approximately 55% to approximately 73%. The net cash flows commence after recoupment of Phase 1 capital costs and pre-operating expenditures and are expected to occur in July, 2015, with Nuinsco expecting first cash flow in October 2015.

The subscription under the Victory Nickel rights offering brought Nuinsco's interest in Victory Nickel's shares to approximately 12.24% at July 30, 2013 on a non-diluted basis. Nuinsco has continued to account for its investment in Victory Nickel as marketable securities and any changes in the value of shares will continue to be accounted for through OCI with changes in the value of warrants being accounted for through *Finance income* or *Finance costs* in the consolidated statement of operations.

The Company is actively involved in advancing the Chibougamau camp in which Nuinsco has a 50% interest through CBay. Given current market conditions there is no guarantee that a going-public transaction or other structure will be completed in the near term. The Company, along with its partner, Ocean Partners, continues to be active in discussions with potential financiers or partners.

Monthly average administrative costs for 2014 are budgeted at $124,000 – or approximately $1,485,000 on an annual basis, most of which are incurred to meet statutory requirements; actual annual cash-based costs for 2013 were $1,367,000. These figures exclude salary amounts capitalized as part of project expenditures which need to be considered as part of annual cash requirements. Annual capitalized salaries in 2014 are budgeted at approximately $173,000. This brings the average monthly budgeted commitment to $138,000.

The Company's budgeted cash operating requirements for the nine months of 2014 were approximately $1,132,000 before project expenditures or $126,000 monthly average. Calculated on the same basis, actual average monthly cash costs in the nine months were approximately $113,000 or $113,000 on the accrual basis which is lower than budget; such costs are weighted towards the beginning of a year because of statutory requirements such as audit.

Nuinsco's budgeted net operating expenses on a cash basis for 2014 are $1,485,000 – or $124,000 average each month - before salaries capitalized to projects. Including capitalized salaries increases the annual budget to $1,658,000 or $138,000 per month. Note that these figures exclude the effect of both interest expense on the Facility which is payable on a quarterly basis and interest income on the loan receivable from Victory Nickel until its conversion to the Participating Interest.

As described above, the salary deferral mechanism has been used when required to reduce the pressure on cash; other controls on discretionary expenditures are in place and non-essential services have been cancelled. The Company estimates that approximately $744,000 was incurred in 2013 in non-discretionary costs on an ongoing basis to support the Company as a public entity – such costs are generally biased towards the first half of a year. Such expenditures are not eligible for flow-through funding (even when available) and must be financed through other means. In the first nine months of 2014, such expenditures are estimated to be $495,000 (2013 - $590,000 on a comparable basis); the reduction is because of savings in discretionary investor relations costs.

Nuinsco has been examining the options with regard to additional exploration/diamond drilling on the Berta property in Turkey, particularly since Glencore Xstrata plc ("Glencore") informed Nuinsco that it would resign as operator of the project. Taking into account the existing challenges and protracted timing presently associated with permitting in Turkey, the Company recorded a writedown of $1,151,000 in December 2013 against Berta. The Company continues to believe there is a considerable opportunity in Berta but has not yet galvanized its plans sufficiently to permit a reversal, in whole or in part, of the writedown recorded at that time. As noted earlier, due to challenges in Turkey, expenditures incurred during the quarter have been written off.

Nuinsco converted its Amended Loan with Victory Nickel to the Participating Interest - a share in net cash flows of the frac sand business in April, 2014 and the Amended Loan has been considered paid in full. The participation in net cash flows is in a range of a maximum of $10,222,831 with a minimum of $7,667,124. Participation commences after Victory Nickel has recouped its Phase 1 capital costs and its pre-operating expenses and is based on 52.16% of net cash flows and is anticipated to begin in October, 2015. As mentioned above, it is anticipated that Victory Nickel will enter Phase 2 of its frac sand plan so Nuinsco revised its estimates of the fair values to take that into account, along with revised probability estimates of varying cash flow scenarios.

Partners are also being sought for certain of the Company's projects where significant funding is required for proper exploration programming and fulfilment of option terms.

The Company is investigating its alternatives with respect to the loan due in the middle of December.

Overall, given the working capital of $197,000, and the expectation to continue monetization of the investment in Victory Nickel, the Company expects to be able to fulfil its operating requirements for 2014. Management recognizes that the financing markets remain difficult and that continuing to liquidate the Company's marketable securities at acceptable prices may be challenging. The Participating Interest and upside potential on Victory Nickel equity is expected to provide cash flow.

EXPLORATION AND EVALUATION ACTIVITIES

In the nine months ended September 30, 2014, the Company incurred E&E expenditures of $245,000 on its mineral interests compared with $961,000 in the nine months ended September 30, 2013. The spending in 2013 included amounts on Chibougamau which were ultimately converted into a direct interest in CBay Minerals – refer to Note 11 to the Company's 2013 Audited Consolidated Financial Statements.

Effective the fourth quarter of 2013, the Company decided to writedown its Berta project in Turkey to $nil, requiring a writedown of $1,151,000 after a reversal of an unrequired accrual of $64,000; all expenditures on Berta in 2014 have been written off, these amount to $46,000 in the nine months ended September 30, 2014.

Paul Jones, CEO and director of the Company, is a "qualified person" as defined under NI-43-101, and he has supervised the preparation, and has approved, the information relating to the material mineral projects of the Company described herein.

A synopsis of the Company's properties follows; complete details of the mineral properties are available on the Company's website at www.nuinsco.ca.

URANIUM AND RARE METALS

Diabase Peninsula Property, Saskatchewan

Nuinsco's Diabase Peninsula uranium project is located 150km northwest of La Ronge, Saskatchewan within the south-central Athabasca Basin - the region that hosts the world's richest uranium mines. The 21,900ha Diabase Peninsula property extends from the southern limit of the basin 35km north-easterly, atop a graphite-bearing conductive "basement" horizon beneath the basin sandstones, intertwined with the sub-parallel terrane-bounding major deformation structure - the Cable Bay Shear Zone – considered to be an important potential host structure for uranium mineralization in this part of the Athabasca Basin.

The Diabase Peninsula project was initially a joint venture with Trend. During the first quarter of 2012, cumulative expenditures increased Nuinsco's ownership interest to greater than 90% as Trend did not contribute its proportionate share of expenditures. Under the joint venture agreement, should a participant's interest drop below 10% that participant will relinquish its entire participating interest and will have the right to receive a royalty equal to 3% of the net value of all mineral products produced from the property. Accordingly, Trend's interest was converted to a royalty and Nuinsco owns the project in its entirety. Effective December 19, 2012, the Company acquired that royalty through a one-time cash payment of $15,000. Accordingly, Trend has no interest in the Diabase Peninsula property.

In May, 2012, the Company announced an extension with the option holder on one of the claims, to extend that option for one year in exchange for four quarterly cash payments for an aggregate amount of $37,000 and $38,000 in the Company's shares; as at June 30, 2013, the shares have been issued and all of the cash payments have been made. The shares were issued in July, 2012. Accordingly, the option payment of approximately $935,000 originally due by September 2, 2012 had been deferred to September 2, 2013.

In the third quarter of 2013, the Company negotiated a further extension whereby it is required to make payments totalling $1,028,500 as follows: an aggregate sum of $400,000 payable in quarterly instalments of $25,000 up to and including June 2, 2017 and a lump sum of $628,500 on or before September 2, 2017. The Company made the first two quarterly instalments of $25,000 in 2013 with three further payments in March, June, and September 2014.

That same claim is subject to a 3% gross production royalty defined as actual metal/mineral sales with no deduction for refining or transportation expenses.

A 2012 winter drill program followed from the past exploration programs that have identified all the elements indicative of a uranium-mineralizing event. Four holes were collared during the program although only three were completed (the fourth one, ND1202A, was abandoned in overburden at 30m). The total program consisted of 1,598m of drilling, with results peaking at 55.94ppm Uranium ("U") over 6.9m in hole ND1203 including individual intervals grading 134ppm and 181ppm U (analysis by total digestion method). Unseasonably warm weather forced the demobilization of equipment before drilling could be conducted on one of the most prospective uranium anomalies on the project – the Mackenzie Bay area to the north-west of previous hole ND801, in the central part of the property which is an area of overlapping geophysical, surface and drill hole geochemical anomalies and has favourable geology. The drill testing of this target will be deferred to a later program. Due to the small size of uranium orebodies relative to most other types of economic mineral deposits, tight drill-hole spacing is necessary in order to adequately evaluate prospective targets.

During the winter of 2013, a modest program of lake sediment and lake-bottom water sampling was completed over several parts of the Diabase Peninsula property. The survey samples were tested for the presence and concentration of radon gas (an indicator of uranium mineralization) over four widely-separated areas, at reconnaissance level sample spacing, overlying the Cable Bay shear structure and areas with known anomalous U results from previous drilling. Results to date appear to further validate geophysical and geological interpretations concerning the highest potential target areas for mineralization. As well it was found that radon concentrations in water sampled 1-2m above the lake-bottom accurately reflect the concentrations within sediments collected immediately below, such that distribution patterns within the water samples mimic patterns revealed by the testing of sediments. This implies that a water sample survey alone may be sufficient to prioritize the property's geophysical targets for drill testing, and that further radon surveying may be conducted for half the price or less per sample station, in comparison with the 2013 "orientation" survey.

Since radon, or its parental uranium carried in solution within circulating groundwater within the sandstone sequence, must migrate to near surface from depths ranging from 300m to 500m within the four areas surveyed, the highest concentrations of radon are expected to be encountered in the immediate vicinity of, and directly above, near vertical fault zones present at depth within the Athabasca sandstones. Such fault zones are common hosts to uranium deposits within the region, and most are considered to have originated due to reactivation of faults and shear zones present in the older basement lithologies beneath the sandstone such as the Cable Bay shear. The March 2013 survey successfully detected anomalous concentrations of radon over the northernmost geophysical-geochemical targets at the project, and has partly mapped the "surface expression" of strike-parallel faults indicated by geophysics to occur sporadically along the length of the Cable Bay Shear Zone.

Given the successful outcome of the March 2013 work, undertaken in part to test the survey method in areas of thick sandstone cover above the unconformity and the additional encouragement the radon concentrations detected have provided regarding the validity of interpreted geophysical and geological-geochemical anomalies, it is advisable to conduct further surveying of this nature over select areas in order to best direct future drilling efforts at the project toward areas with the best potential.

No additional field work was conducted on the project during the fourth quarter of 2013 or during 2014 to date. The Company will continue cost effective ways to evaluate the project and will mount work programs as necessary.

Prairie Lake Property, Ontario

Prairie Lake, located near Marathon, Ontario, is a multi-commodity deposit containing phosphorus (P), niobium (Nb) tantalum (Ta), uranium, and REEs. The Prairie Lake property is owned 100% by the Company and is royalty-free.

An Exploration Target estimated at between 515 million tonnes and 630 million tonnes averaging 3.0% to 4.0% P_2O_5, 0.09% to 0.11% Nb_2O_5, 280 to 340ppm La, 650 to 790ppm Ce, 55 to 70ppm Sm, 300 to 360ppm Nd and 85 to 100ppm Y (La, Ce, Sm, Nd and Y are Rare Earth Elements) has been identified on the project. The target area covered just 30% of the total host rock surface area in the Prairie Lake Carbonatite Complex. The Exploration Target was estimated by Eugene Puritch, P.Eng. and Antoine Yassa, P.Geo. of P&E Mining Consultants Inc. of Brampton, Ontario in a technical report dated April 15, 2014 which has been released. This Exploration Target represents an overall tonnage increase of 56% to 75% over an earlier estimate of 330 million tonnes to 360 million tonnes.

The Company has most recently been focusing its efforts on metallurgical studies in order to demonstrate that the Prairie Lake rock is amenable to processing and concentration. Metallurgical testing at COREM Laboratory, a metallurgical and process testing laboratory in Quebec City, which started in 2009 and has continued to date, has demonstrated the potential to produce a marketable fertilizer product by meeting and exceeding published specifications for phosphate concentrate and most importantly demonstrating that a concentrate grading greater than 30% P_2O_5 is attainable with appropriate thresholds. Current work is continuing to assess the viability of phosphorus concentration and to optimize a processing flowsheet. Additional work has commenced to evaluate the potential to concentrate niobium and to develop an optimized flowsheet for such.

Selected results from the tests conducted at COREM and completed in 2012 are tabulated below and are compared to published specifications of the Bureau of Indian Standards for phosphate concentrate (Type I and II). Test 35 from the program produced the best overall concentrate results to date with a P_2O_5 content of 30.6%: other parameters tested are SiO_2 content of 1.37%, F content of 0.62%, MgO content of 0.7%, Cl content of 0.012% and Al_2O_3+Fe_2O_3 of 0.65%. Selected size ranges from Test 35 produced even higher P_2O_5 concentrations with <150 micrometres ("µm") to >106µm and <106µm to >75µm attaining 38% and 38.1% P_2O_5 content respectively (and with the other tabulated criteria) while Test 27 attained 34.4% P_2O_5 with the use of an HCl acid leach to remove carbonate.

Bureau of Indian Standards (BIS) - IS: 11224-1985, reaffirmed 2003	Type I	Type II	Test 35 Con.	Test 35 Con.	Test 35 Con.	Test 27 Con. after Leach
				-150+106µm	-106+75µm	
Total phosphate (P_2O_5) % by mass	≥ 30	≥ 32	30.6	38	38.1	34.4
Silica (SiO_2) % by mass	≤ 10	≤ 5	1.37	1.12	1.2	5
Fluoride (F) % by mass	≤ 2	≤ 4	0.62	0.72	0.83	**
Mixed aluminium and iron oxide (Al_2O_3 and Fe_2O_3) % by mass	≤ 3	≤ 3.5	0.65	0.44	0.48	2.99
Magnesium oxide (MgO) % by mass	≤ 0.5	≤ 0.5	0.7	0.32	0.39	2.26
Chloride (Cl) % by mass	≤ 0.015	≤ 0.05	0.012	0.033	0.009	0.043

** Insufficient samples

The most recent test work at COREM indicates that an apatite concentrate grading in excess of 29% phosphorus (P_2O_5) can be produced at a 71% P_2O_5 recovery. This is a very significant result as it is a substantial improvement over recoveries achieved in previous testing. Test work completed at COREM in 2013 test has also led to the development of a vastly simplified process flowsheet compared to that used in previous tests. Metallurgical test work has continued in 2014 with the aim of developing efficient and cost-effective methods of concentrating minerals/elements of economic interest while, at the same time, developing an understanding of the value of the potential concentrates in markets that often are not transparent.

COPPER AND GOLD

Chibougamau Camp, Québec

With the acquisition of substantially all of the remaining secured debt of Campbell by Nuinsco and Ocean Partners, the Company and Ocean Partners, through a jointly-owned company, CBay, made a proposal to the courts to realize on its security and gain ownership of the former Campbell assets in the Chibougamau mining camp. The Québec Superior Court approved the proposal and, effective October 25, 2011, ownership of the assets was transferred to CBay.

The Chibougamau assets represent a very substantial presence in a mining camp which has produced 1.6 billion pounds of copper and 3.2 million ounces of gold from 18 past-producing mines on the Lac Doré complex alone. Nuinsco and Ocean Partners now own eight past-producers on the Lac Doré complex and the significant potential to add to the known mineralization at these projects, three partially-developed copper projects (Corner Bay, Devlin and the Perch River option), a permitted 2,722 Tpd mill and tailings facility and in excess of 96,000 acres (38,000ha) of highly-prospective exploration property. The Company's interests are held through the *Interest in CBay Minerals Joint Venture* on the consolidated balance sheet.

The Company has developed an initial exploration program to begin to capitalize on the huge potential which the Chibougamau copper-gold camp offers. The program commenced in September 2012 with an initial site visit and field examination. Subsequently, grid control was established and ground geophysics conducted on the north-eastern Portage Island part of the land package with the aim of assessing near-surface gold-copper zones that have not been examined in at least 20 years. The last period of work in this area was a 1991-92 mapping and diamond drilling program by Westminer Canada, undertaken when the gold price ranged from approximately US$200 to US$300 per ounce.

The Portage Island area consists of mining concessions where both surface and mining rights are now owned 100% by CBay; and, as was the case during prior operator tenure dating back to the early 1900's, no performance or reporting of exploration activities for assessment purposes has been required in order to maintain property ownership. Consequently much of the work completed in this area, including bedrock trenching and drilling which has occurred intermittently from the 1930's to the early 1990's by a variety of operators, was ever reported to the Québec government. The confidential records concerning the work and results obtained consist of paper files archived at the Copper Rand mine. Following a comprehensive inventorying of the paper record era data during 2012, substantial progress has been made in the conversion of files to digital electronic formats, many relating to long-overlooked occurrences and prospects with significant gold tenor but insufficient copper content to have been high exploration priorities during the operational life of the many mines situated nearby.

Diamond drilling began in November on targets developed from the geophysical surveys and from the largely confidential records of historic work. This program continued during 2013, financed entirely with flow-through funds previously committed to the project.

In 2012, the Company entered into an option agreement with CBay to make expenditures on its Portage and Corner Bay properties in exchange for an undivided interest in each property as follows: $300,000 incurred on Portage up to December 31, 2012 earns a 30% undivided interest with the option to incur up to an additional $500,000 in $100,000 increments each earning a 5% additional undivided interest; $1,000,000 in expenditures incurred on Corner Bay in $250,000 increments each earning a 5% undivided interest in the property. Expenditures on the Chibougamau camp amounted to $1,024,000 (2012 - $440,000) incurred pursuant to that agreement. Substantially all of the expenditures were on the Portage property and are described below. As described above, under the option agreement, Nuinsco converted its expenditures into an acquired interest. Also under the option agreement, CBay had the right to convert its acquired interest into shares of CBay – this right was exercised in December 2013.

An induced polarization ("IP") survey over a 2km by 1.4km area in the north-eastern part of Portage Island and an 18 hole 1,683m drilling program completed during October-November 2012 to test new targets from the survey, and two gold enriched zones with subdued copper tenor known from historic exploration, was carried out in 2012.

In March-April 2013 linecutting and geophysical surveys consisting of IP and ground magnetics were conducted along strike to the southwest over additional mining concessions on Portage Island, covering an area measuring about 2.5km by 1.5km. Numerous chargeability anomalies and zones of low resistivity were identified, likely to represent zones of disseminated (non-conductive but chargeable) to stringer or semi-massive mineralization (exhibiting low resistivity to moderate conductivity), both types of which are prospective for gold and/or copper rich sulphides. This work provides a continuous east-west corridor of geophysical coverage across the island.

From late May 2013 to the end of July 2013, a geological crew undertook field evaluation of the targets generated by geophysical surveys as well as conducting prospecting and sampling on other parts of the Chibougamau landholdings. In conjunction with the fieldwork, a data review is being conducted of extensive and very valuable historic information – to assess and unlock the potential of the other underexplored CBay-owned assets within the camp. Further, compilation and modelling of the past-producing Cedar Bay and Jaculet mines is also underway in order to develop "order-of-magnitude" estimates of targets, provide "scoping" for possible future drilling and allow visualization of the mineralization and target areas.

At the conclusion of the summer mapping and prospecting program, a dozen high priority, entirely-unexposed geophysical targets were examined by means of backhoe trenching in overburden. Those targets in the northwest part of Portage Island, hosted within either volcanic rocks or the iron-rich border phase of the Lac Doré Complex were found to lie generally beneath shallow cover and the geophysical responses investigated were found to be due to either disseminated pyrite and/or magnetite. Sampling revealed no economically-significant values in copper or gold.

In contrast, backhoe trenches excavated along the south-eastern portion of the island close to the past-producing Portage, Henderson 1 and Henderson 2 mines, where geophysical targets lie within anorthosites (plagioclase-rich intrusive rocks, host to most of the past-producing mines in the core of the Chibougamau mining camp) were found, without exception, to be deeply covered and impossible to expose by means of digging through soils utilizing a "high hoe" tracked excavator.

In early September, work commenced upon an exploration claim group in La Dauversière Township situated 3km northwest of the regionally-significant past-producing Joe Mann gold mine (1.24 million oz. Au at a grade of 0.24oz./ton). Targets were geophysical anomalies beneath deep cover possibly representing mineralized shear zones in a favourable orientation and a geological environment prospective for gold mineralization within quartz veins.

Holes NJ-1301 and NJ-1302 tested a discontinuous geophysical anomaly 3km in length which cuts highly-deformed volcanic rocks. The area lies along the northern margin of an east-west striking corridor of intense deformation and sits 3km northeast of the significant past-producing Joe Mann gold mine (4.75M tonnes at 8.26 g/t Au, total production 39.27 tonnes of gold). The two holes cut pyrrhotite/pyrite-rich, fissure-hosted mineralization, the cause of the geophysical response. Although analyses of the mineralized intervals revealed no significant precious metals content, two short intervals of highly-anomalous zinc were present in hole NJ-1301.

The drilling completed at the flat-lying, near-surface Devlin copper deposit was confined to the central part of the mineralized domain which in total consists of five main lenses within a 365m by 210m area encompassing the bulk of the contained copper mineralization demonstrated by prior work. Devlin comprises a sub-horizontal vein-hosted deposit from which an underground bulk sample was obtained, the results of which were reported in 1982. The bulk sample was accessed by means of a 610m ramp and drifts. Vertical drillholes DEV-CB1 through DEV-CB4 were spaced 30m to 60m apart near the central part of the deposit to intersect the shallow northeast-dipping copper mineralization. Sampling confirmed grade and continuity of the Devlin mineralization reported from historic work – intersections from the current work include 1.43% Cu over 1.67m in DEV CB-1 and 2.42% Cu over a core length of 3.16m in DEV CB-3.

Four drill holes totalling 582m were undertaken at the Baie du Commencement gold-copper zone in the southern part of Portage Island to confirm and trace downdip-significant gold copper intercepts reported from limited historic drilling in the mid 1930's and early 1990's. Observations suggest that this structure may coincide with the Mackenzie gold-copper vein system lying 4.5km to the northeast and may similarly show an increase in gold grades with depth. Testing of the structure at depths exceeding that to which the recent IP survey was capable of examining and drill testing of nearby IP anomalies covered beneath deep overburden is strongly recommended by the Company's consultants.

Five holes totalling 577m helped Nuinsco geologists gain a better understanding of structure and mineralization at the Mackenzie Vein. This work confirms that the Mackenzie Vein must be examined from multiple angles, and clearly illustrates the possibility of open cut production potential from this significant prospect. Individual assays reached 16.5 % Cu and 23 g/t Au (in separate samples) within 50m vertically below surface.

Through CBay, Nuinsco will continue to evaluate the Chibougamau Camp. Planning for a drill program at the Devlin project was conducted during the third quarter. The program was designed to convert Devlin copper mineralization to a resource. Drilling commenced early in October and results will be forthcoming during the fourth quarter.

During the first quarter of 2013, CBay entered into an agreement to option the Perch River copper project for a total cost of $200,000 payable over four years. CBay paid $30,000 in the first quarter of 2013. In early May 2013, CBay announced the acquisition of the Devlin copper project for $363,000 which amount was paid in May 2013. Both transactions provide for 2% NSRs to be retained by the vendors and are intended to provide near-term feed for the Copper Rand mill.

Turkish Property

Berta

The Berta copper project is located in north-eastern Turkey. Berta was originally a 50:50 joint venture with one of the commodity business units within Glencore. Exploration began at Berta in 2004.

As noted historically, discussions with Glencore were underway, including discussions to buy Glencore's share of the joint venture. Subsequently, Glencore advised that it was no longer interested in selling its share of Berta. As a result, Nuinsco opted not to pay the full share of the recorded expenditures and allowed itself to be diluted to approximately 36%.

Most recently, a total of six diamond drill holes were completed in a work program conducted in the third and fourth quarters of 2012 that followed up on the widespread and very anomalous copper mineralization identified in previous work programs. The principal aim of the work was to assess parts of the Berta Project that, to date, have seen no drilling but which are overlain by very strong copper-in-soil anomalies located at the centre, east and north of the Berta porphyry system. Results from past drill programs conducted between 2005 and 2008 returned very positive results, including the results from DDH SD-07-08 and DDH SD-08-10 (collared 500m south of SD-07-08) which returned 164.0m grading 0.20% copper and 0.06g/t gold between 250.5m and 414.5m. All of the holes drilled to date, including those from the most recent program at Berta, have returned copper mineralization with variable alteration associated with porphyry copper mineralization and thus the drilling indicates the huge scale and continuity of the anomaly in the Berta porphyry system. The wide spacing of the drill holes and the long anomalous and altered intercepts obtained continue to demonstrate the scope of the copper mineralization at Berta. The property remains a very large and very prospective exploration opportunity. Subsequent to the end of the 2012 drilling program, Glencore informed Nuinsco that it would resign as operator of the project.

Nuinsco continues to examine the options with regard to additional work on the property - the challenges in Turkey with regard to timely granting of permits to allow work programs to be planned and conducted persist. Accordingly, despite other operators' feelings that these challenges are not insurmountable, Nuinsco decided to value Berta at $nil effective December 31, 2013. The Company will continue to monitor circumstances in Turkey and will revalue its investment in Berta should that be warranted in future. The Company continues to believe that the Berta project and the region remain very prospective and are considering the possibility of partnering on the project going forward.

INVESTMENT

Victory Nickel Inc.

As at November 7, 2014, the Company owns 4,244,062 shares (after the retroactive effect of Victory Nickel's one-for-ten share consolidation), which represents an approximate 7.37% interest in Victory Nickel, which is held as marketable securities, with a fair value of approximately $1,867,000. Nuinsco also owns 5,379,990 warrants (after the retroactive effect of Victory Nickel's one-for-ten share consolidation) with an estimated fair value of $888,000 using the Black-Scholes option-pricing model. As described earlier, these are available to be monetized to provide liquidity for operating purposes.

IMPAIRMENT ANALYSIS UPDATE

The Company performed a detailed impairment analysis on each of its E&E projects as at December 31, 2013. The Company does not believe that there have been any material changes to date which would adversely affect this analysis. Furthermore, there has been no change in management's plans which would cause a reassessment. All projects have had recent expenditures or are otherwise considered to be active, except that circumstances in Turkey are impacting the Berta project which was written down to $nil effective December 31, 2013.

Management concluded that no impairment existed in each of its projects except on the Berta project as at September 30, 2014, any costs for which are written off immediately. All the costs incurred to date on all other projects are recoverable. The Company will continue to monitor developments as they occur in the metals markets and the economy and will update its impairment analysis to take account of any such changes, as appropriate.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Critical accounting estimates used in the preparation of the consolidated financial statements include determining the carrying value of investments and E&E projects, assessing the impairment and classification of long-lived assets, assessing the allocation of assets into their components, the recognition of the convertibility feature of the loan on fair value and the valuation of share-based payments and warrants, assessing the value of deferred income tax assets and the disclosure of contingencies and going concern matters. These estimates involve considerable judgement and are, or could be, affected by significant factors that are out of the Company's control.

For a complete list of the significant accounting policies as well as information concerning the use of estimates, judgements and measurement uncertainty, reference should be made to Notes 2 and 3 to the Company's 2013 Audited Consolidated Financial Statements as updated by Note 3 to the Unaudited Condensed Consolidated Financial Statements. The Company's financial statements have been prepared using the going concern assumption.

The recorded value of the Company's E&E projects is based on historic costs that are expected to be recovered in the underlying mineral resources associated with the properties and future costs that may be required for ultimate realization through mining operations or by sale. The Company is in an industry that is exposed to a number of risks and uncertainties and there is always the potential for a material adjustment to the value assigned to these assets.

The fair value of the share-based payments, until exercise, is calculated using the Black-Scholes option-pricing model that takes into account the exercise price, the expected life of the option/warrant, expected volatility of the underlying shares, expected dividend yield and the risk-free interest rate for the term of the option/warrant.

The Company has determined that it is not highly probable that it will generate returns sufficient to utilize its taxable losses prior to their expiry. This is a significant judgement that, dependent upon future events, may turn out to be incorrect. Presently, since CBay is in its pre-operating phase, a full valuation allowance has been recorded against losses incurred in that 50%-owned subsidiary.

NEW ACCOUNTING POLICIES

IFRS issued by the International Accounting Standards Board ("IASB") have been adopted in the Company's 2013 Audited Consolidated Financial Statements. Note 3 to those statements include the accounting policies that have been applied. Note 3 to the Unaudited Condensed Consolidated Financial Statements includes any new accounting policies – there have been none implemented to date.

FUTURE ACCOUNTING CHANGES

New Standards and Interpretations Not Yet Adopted

Since the issuance of the Company's 2013 Audited Consolidated Financial Statements the IASB and International Financial Reporting Interpretations Committee ("IFRIC") have issued no new and revised standards and interpretations which are applicable to the Company or which have caused changes to its accounting policies. Refer to Note 3 to those statements.

CORPORATE GOVERNANCE

The Company's Board of Directors is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and exercises this responsibility principally through the Audit Committee. The Audit Committee, which is comprised of directors, none of whom are employees or officers of the Company, meets with management to review the Unaudited Condensed Consolidated Financial Statements to satisfy itself that management is properly discharging its responsibilities to the directors who approve the financial statements. The Board of Directors has also appointed compensation and corporate governance and nominating committees composed of non-executive directors.

Design of Disclosure Controls and Procedures

The Company's Chief Executive Officer and Chief Financial Officer, (collectively, the "Certifying Officers"), are responsible for designing a system of disclosure controls and procedures, or causing them to be designed under their supervision, to provide reasonable assurance that information required to be disclosed in reports filed with or submitted to, securities regulatory authorities is recorded, processed, summarized and reported within the time periods specified under Canadian securities laws and that material information relating to the Company is made known to them with respect to financial and operational conditions to allow timely decisions regarding required disclosure. For the fiscal quarter ended September 30, 2014, the Certifying Officers have concluded that the design of the Company's disclosure controls and procedures were effective as at September 30, 2014. Such controls are facilitated by the small size of the Company's senior management team and their access to material information.

There were no changes to the Company's disclosure controls and procedures that occurred during the quarter ended September 30, 2014 that materially affected, or are reasonably likely to affect, the Company's disclosure controls and procedures.

Design of Internal Controls over Financial Reporting

The Company's Certifying Officers are responsible for designing a system of internal controls over financial reporting, or causing them to be designed under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and preparation of consolidated financial statements for external purposes in accordance with Canadian GAAP. The Company used the COSO (1992) control framework and is in the process of updating its methodology to incorporate the COSO (2013) framework into its analyses for 2014. The COSO Board has made the COSO (1992) framework available for use until December 15, 2014 at which date it will be considered superseded. For the fiscal quarter ended September 30, 2014, the Certifying Officers have concluded that the design of the Company's internal controls over financial reporting and procedures were effective as at September 30, 2014. During the period, the Company made improvements to the controls over financial reporting as part of its continuous improvement process.

The management of the Company was required to apply its judgement in evaluating the cost-benefit relationship of possible controls and procedures. The result of the inherent limitations in all control systems means no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected.

There were no changes to the Company's internal controls over financial reporting that occurred during the quarter ended September 30, 2014 that materially affected, or are reasonably likely to affect, the Company's internal controls over financial reporting.

TRANSACTIONS WITH RELATED PARTIES AND MANAGEMENT AGREEMENTS WITH VICTORY NICKEL AND CBAY

Related Party Balances and Transactions for Services

Short-term employee benefits provided by the Company include salaries, consulting fees, directors' fees, statutory benefit contributions, paid annual vacation and paid sick leave as well as non-monetary benefits such as medical care. The Company's non-monetary benefit package for key management personnel is the same as that available to all full-time employees. In addition to short-term employee benefits, the Company may also issue shares as part of the Share Bonus Plan and the Stock Option Plan (Notes 19 and 21 to the 2013 Audited Consolidated Financial Statements).

Balances and transactions with related parties as at September 30, 2014 and December 31, 2013 and for the periods ended September 30, 2014 and 2013 are shown in the following tables:

Key management personnel compensation comprises:

	September 30, 2014	December 31, 2013
Balances Outstanding		
Payable to key management personnel	**$ 156**	$ 99

	Three months ended September 30, 2014	Three months ended September 30, 2013	**Nine months ended September 30, 2014**	Nine months ended September 30, 2013
Short-term employee benefits	**$ 137**	$ 151	**$ 470**	$ 517
Share-based payments - options	**-**	-	**-**	44
	$ 137	$ 151	**$ 470**	$ 561

Balances and Transactions with Victory Nickel and CBay under the Management Agreements

The Company shares management, administrative assistance and facilities with Victory Nickel and CBay pursuant to separate management agreements; management operates under the supervision of the respective board of directors of each respective company; there is only one common director being Mr. René Galipeau. As described earlier, Victory Nickel became a related party of the Company effective July 30, 2013. The costs recovered from Victory Nickel and CBay are recorded at the cost to the Company of such services plus 10 per cent. The management agreement for Victory Nickel commenced February 1, 2007 and is terminable by the Company upon 90 days' notice and by Victory Nickel upon 180 days' notice. The management agreement for CBay commenced February 14, 2012 and is terminable by the Company upon 90 days' notice and by CBay upon 60 days' notice. The Company received notice of termination by Victory Nickel on September 5, 2014; accordingly, the management agreement will cease on March 5, 2015. The Company has agreed to replace it with a cost-sharing agreement.

Balances and transactions with Victory Nickel and CBay under the management agreements as at September 30, 2014 and December 31, 2013 and for the periods ended September 30, 2014 and 2013 are shown in the following tables:

		September 30,		December 31,
		2014		2013
Balances Outstanding under Management Agreements				
Receivable from CBay Minerals Inc.	**$**	**18**	$	-
Receivable from Victory Nickel Inc.	**$**	**28**	$	56

		Three months ended September 30,				**Nine months ended September 30,**		
		2014		2013		**2014**		2013
Transaction Values under Management Agreements								
Overhead charges to Victory Nickel Inc.	**$**	**190**	$	204	**$**	**549**	$	517
Overhead charges from Victory Nickel Inc.	**$**	**-**	$	2	**$**	**-**	$	17
Project costs charged by Victory Nickel Inc.	**$**	**7**	$	8	**$**	**20**	$	30
Project recoveries charged to Victory Nickel Inc.	**$**	**24**	$	11	**$**	**53**	$	14
Overhead charges to CBay Minerals Inc.	**$**	**59**	$	62	**$**	**165**	$	213
Project recoveries charged to CBay Minerals Inc.	**$**	**13**	$	-	**$**	**27**	$	-

Amounts due to or from Victory Nickel and CBay under the management agreements are unsecured, non-interest bearing and due on demand. Amounts due to or from Victory Nickel and CBay are settled on a regular basis. Payables to key management personnel generally relate to directors' fees, consulting fees and expense reimbursements.

Balances and Transactions with Victory Nickel under the Participating Interest

The terms of the Participating Interest are described in Note 12 to the Unaudited Condensed Consolidated Financial Statements as well as in the Liquidity and Capital Resources section of this MD&A.

A summary of the balances and transactions of the Amended Loan is included in the table and accompanying note below.

	Note		**September 30, 2014**		December 31, 2013
Advance for working capital		**$**	**1,000**	$	1,000
Advance under Amended Loan for standby commitment			**1,207**		1,207
Aggregate advances			**2,207**		2,207
Accrued interest receivable			**-**		-
			2,207		2,207
Less: settled in Units of Victory Nickel			**(1,207)**		(1,207)
Less: unamortized loan fees			**(124)**		(161)
Change in fair value	*19*		**4,096**		3,261
		$	**4,972**	$	4,100

Nuinsco has accrued $12,000 as at September 30, 2014 for commitment fees receivable in shares upon the final advance under the Amended Loan; included in *Finance income* for the respective periods. Amortization of $nil and $37,000 was recorded in the three and nine months ended September 30, 2014, respectively, and interest of $nil and $70,000 was recorded for the same period which was paid in cash at the end of each respective quarter; $30,000 and $99,000 were received in the comparative periods of 2013; $9,000 related to 2012 was received in the first quarter of 2013.

OUTSTANDING SHARE DATA

As at November 7, 2014, the Company had 295,525,745 common shares issued and outstanding. In addition, there were 25,150,000 stock options outstanding which, if exercised and issued, would bring the fully diluted issued common shares to a total of 320,675,745 and would generate approximately $1,761,000. However, most of the options are not "in the money".

RECENT DEVELOPMENTS

There have been no additional developments not already discussed elsewhere in this MD&A.

CONTINGENCY

CRA Reassessment

In March, 2011, the Company received notices of reassessment in the aggregate amount of approximately $4,400,000 from the CRA related to transactions completed in 2006; this amount does not include interest and penalties which could be substantial. The Company filed notices of objection on May 19, 2011. On July 22, 2011, the Company filed a request for adjustment to correspondingly adjust its tax pools and losses, in the unlikely event that the Company's appeal is unsuccessful. On March 7, 2014, the Company received a notice of confirmation with respect to one entity whereby the CRA denied that entity's notice of objection and confirmed the reassessment. The Company has sought, and is following the advice of its tax counsel in this matter.

The appeal process could be lengthy and the Company believes that its position is correct and that it will prevail. Accordingly, the Company has not recorded any liability with respect to this matter.

RISKS AND UNCERTAINTIES

The exploration and development of natural resources are speculative activities that involve a high degree of financial risk. The risk factors which should be taken into account in assessing Nuinsco's activities and an investment in its securities include, but are not necessarily limited to, those set out in detail in the Company's 2013 MD&A. A summary is provided below.

The relative significance of each risk described below will vary as a function of several factors including, but not limited to, the state of the economy, the stage of Nuinsco's projects, the availability of financing on acceptable terms and other matters.

Any one or more of these risks could have a material adverse effect on the value of any investment in Nuinsco and the business, financial condition or operating results or prospects of Nuinsco and should be taken into account in assessing Nuinsco's activities.

Industry Risks

Speculative Nature of Mineral Exploration

Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that Nuinsco's results will be successful. No assurance can be given that Nuinsco's exploration programs will result in the establishment or expansion of resources or reserves. Furthermore, Nuinsco cannot give any assurance that its current and future exploration activities will result in the discovery of mineral deposits containing mineral reserves.

Evaluation and Development Projects

In general, evaluation and development projects have no operating history upon which to base estimates of future cash operating costs. For evaluation and development projects such as those projects that Nuinsco has an interest in, estimates of proven and probable reserves are, to a large extent, based upon the interpretation of geological data obtained from drill holes and other sampling techniques and feasibility studies.

Competition

The mineral exploration business is highly competitive in all of its phases. Nuinsco competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources than Nuinsco, in the search for and acquisition of exploration and development rights on attractive mineral properties.

Operational Risks

Limited History of Operations

Nuinsco has a limited history of earnings and limited financial resources. Nuinsco currently has no operating mines and its ultimate success will depend on its ability to generate cash flow from active mining operations in the future, as well as its ability to access capital markets for its development requirements.

Development Targets, Permitting and Operational Delays
There can be no assurance that Nuinsco will be able to complete the planned development of the projects on time or on budget due to, among other things, delays in receiving required consents, permits and registrations, the delivery and installation of plant and equipment and cost overruns, or that the current personnel, systems, procedures and controls will be adequate to support Nuinsco's operations.

Resources and Reserves
Figures relating to mineral resources and mineral reserves are estimates and no assurance can be given that the anticipated level of recovery and/or grades of mineral reserves or mineral resources will be realized.

Title Risks
Nuinsco's ability to hold various mineral rights require licences, permits and authorizations and, in some cases, renewals of existing licences, permits and authorizations from various governmental and quasi-governmental authorities. However, Nuinsco's ability to obtain, sustain or renew such licences, permits and authorizations on acceptable terms is subject to changes in regulations and policies and to the discretion of the applicable governmental and quasi-governmental bodies.

Insurance Risk
Nuinsco faces all of the hazards and risks normally incidental to the exploration of precious and base metals, any of which could result in damage to life or property, environmental damage and possible legal liability for any or all such damage caused. Not all such risks are insurable.

Financial and Investment Risks
Substantial Capital Requirements
Nuinsco will have to make substantial capital expenditures for the development of and to achieve production from the projects. There can be no assurance that any debt or equity financing or cash generated by operations will be available or sufficient to meet these requirements or for other corporate purposes or, if debt or equity financing is available, that it will be on terms acceptable to Nuinsco. Moreover, future activities may require Nuinsco to alter its capitalization significantly. The inability of Nuinsco to access sufficient capital for its operations could have a material adverse effect on its financial condition, results of operations or prospects. Flow-through financing cannot be used to fund the Company's corporate costs or foreign projects.

Market Perception
Market perception of junior exploration, development and mining companies may shift such that these companies are viewed less favourably. This factor could impact the value of investors' holdings and Nuinsco's ability to raise further funds by issue of additional securities or debt.

Metal and Mineral Prices
There is no assurance that, even if commercial quantities of mineral resources are developed, a profitable market will exist for the sale of such product. Metal prices fluctuate on a daily basis and are affected by numerous factors beyond Nuinsco's control – including factors which are influenced by worldwide circumstances.

Areas of Investment Risk
Nuinsco's Common Shares are listed on the TSX. The share prices of publicly-traded companies can be volatile as the price of shares is dependent upon a number of factors, some of which are general or market or sector specific and others that are specific to Nuinsco.

The market for shares in small public companies is less liquid than for large public companies. Investors should be aware that the value of the Company's common shares may be volatile and may go down as well as up and investors may therefore not recover their original investment.

The market price of the Company's common shares may not reflect the underlying value of Nuinsco's net assets. The price at which investors may dispose of their securities may be influenced by a number of factors, some of which may pertain to Nuinsco and others of which are extraneous. On any disposal of their common shares, investors may realize less than the original amount invested.

Regulatory Risks
Government Regulation
Existing and possible future environmental and social impact legislation, regulations and actions, including the regulation of air and water quality, mining reclamation, solid and hazardous waste handling and disposal, the promotion of occupational health and safety, the protection of wildlife and ecological systems and the protection of the societies and

communities of indigenous peoples, could cause significant expense, capital expenditures, restrictions and delays in the Company's activities, the extent of which cannot be predicted and which may well be beyond Nuinsco's capacity to fund.

Economic, Political, Judicial, Administrative, Taxation or Other Regulatory Factors
Nuinsco may be adversely affected by changes in economic, political, judicial, administrative, taxation or other regulatory factors in the areas in which Nuinsco does or will operate and holds its interests, as well as unforeseen matters. As referred to above, the Company has received notices of reassessment from the CRA as well as a notice of confirmation and is in the process of defending what it and its advisors believe to have been a correct filing position.

Other Risks
Environmental and Health Risks
The Company has no significant exposure to environmental or health risks, although this will change should any of the Company's projects approach production (a normal characteristic of mineral industry projects).

Key Personnel
Nuinsco relies on a limited number of key consultants and there is no assurance that Nuinsco will be able to retain such key consultants or other senior management. The loss of one or more of such key consultants or members of senior management, if not replaced, could have a material adverse effect on Nuinsco's business, financial condition and prospects. Directors and management have previously accepted deferrals of remuneration in order to assist the Company through the economic turmoil; however, this potentially adds to the risk of losing experienced personnel.

Conflicts of Interest
Certain of Nuinsco's directors and officers are also directors and officers of other natural resource companies. Consequently, there exists the possibility for such directors and officers to be in a position of conflict.

Foreign Operations
In 2004, the Company initiated exploration work in Turkey. While the Company believes that the risks associated with operating in Turkey are very acceptable, most investors would attribute a higher degree of risk to operating in Turkey as compared to operating in Canada. While the Company has terminated its activity in Sudan and Egypt and has reduced activity in Turkey, it remains open to appropriate opportunities in the Middle East North Africa ("MENA") region and elsewhere.

Nuinsco's investments in foreign countries carry certain risks associated with different political, business, social and economic environments. The ability to carry on business in any country can be affected by possible political or economic instability in that country. Changes in mining or investment policies or shifts in political attitude may adversely affect private business. The effect of these factors cannot be accurately predicted. Should the respective government later seek to control any aspect of production, distribution or pricing of gold or precious metals, Nuinsco runs the risk that, at any time, its operations may be terminated for failure to comply with any permit, rule or regulation; or that its operations may prove to be unprofitable if the costs of compliance with such governmental regulations prove to be excessive.

There is a risk that the necessary permits, consents, authorizations and agreements to implement planned exploration, project development or mining may not be obtained under conditions, or within time frames, that make such plans economic, that applicable laws, regulations or the governing authorities will change or that such changes will result in additional material expenditures or time delays.

As with Canadian projects, the acquisition and retention of title to mineral rights is a detailed and time-consuming process. Title to, and the area of, mineral resource claims may be disputed or challenged. Nuinsco's right to explore for, mine, produce and sell metals will be based on the respective governing agreement. Should Nuinsco's rights under any agreement not be honoured or be unenforceable for any reason, or if any material term of the agreements is unilaterally changed or not honoured, including any boundaries of properties, Nuinsco's ability to explore and produce metals in the future would be materially and adversely affected.

Nuinsco regularly and routinely considers the risks inherent in foreign jurisdictions and weighs such risks when evaluating continued, enhanced, reduced or renewed involvement in foreign projects. The Company considered that the protracted permitting delays in Turkey were significant enough to warrant a writedown of its Berta project effective December 31, 2013.

Investments and Other Agreements with Resource Companies
In addition, Nuinsco makes, from time to time, investments in the common shares of publicly-traded companies in the junior natural resources sector or may enter into option or other agreements therewith. These companies are subject to similar risks and uncertainties as is Nuinsco, and Nuinsco's investments in and agreements with these companies are

subject to similar areas of risk as noted above. Nuinsco seeks to manage its exposure by ensuring that appropriate recourse is included in such agreements upon the counterparty's failure to meet contractual obligations.

Nuinsco, through the Amended Loan, the potential conversion thereof into a limited participating interest in cash flows, and its investment in Victory Nickel, has indirect exposure to the frac sand industry.

Summary

The future success of the Company is subject to a number of risk factors that are common to the junior natural resources sector. These include the extent to which it can outline natural resources on its properties and establish the economic viability of developing those properties and the political, economic and legislative stability of the territories in which the Company's interests are located. Another significant factor is the ability of the Company to obtain necessary financing, complete expected financing under anticipated terms or to find strategic partners to fund expenditure commitments as they fall due, as the Company currently has limited funds. Furthermore, the development of any natural resource interest may take years to complete and the resulting income, if any, from the sale of any natural resources produced by the Company is largely dependent upon factors that are beyond its control, such as costs of development, operating costs and the market value of the end product. Such risks are likely to be more extensive in foreign jurisdictions.

FORWARD-LOOKING STATEMENTS

Forward-Looking Information: This MD&A contains forward-looking information. All statements, other than statements of historic fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future (including, without limitation, statements regarding estimates and/or assumptions in respect of production, revenue, cash flow, financing, the probability of Conversion of the Amended Loan, cash flows from a limited participating interest in Victory Nickel's frac sand business, costs, economic return, net present value, mine life and financial models, mineral resource estimates, potential mineralization, potential mineral resources, timing of possible production and the Company's development plans and objectives) constitute forward-looking information. This forward-looking information reflects the current expectations or beliefs of the Company based on information currently available to the Company. Forward-looking information is subject to a number of risks and uncertainties that may cause the actual results of the Company to differ materially from those discussed in the forward-looking information, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on the Company.

Factors that could cause actual results or events to differ materially from current expectations include, among other things: uncertainty of estimates of capital and operating costs, production estimates and estimated economic return; the possibility that actual circumstances will differ from estimates and assumptions; uncertainties relating to the availability and costs of financing expected or needed in the future; uncertainty of repayment of the Amended Loan; uncertainty, upon conversion, of cash flows from the limited participating interest in Victory Nickel's frac sand business; failure to establish estimated mineral resources; fluctuations in commodity prices and currency exchange rates; inflation; recoveries being less than those indicated by the testwork carried out to date (there can be no assurance that recoveries in small scale laboratory tests will be duplicated in large tests under on-site conditions or during production); changes in equity or debt markets; operating performance of facilities; environmental and safety risks; delays in obtaining or failure to obtain necessary permits and approvals from government authorities; unavailability of plant, equipment or labour; inability to retain key management and personnel; changes to regulations or policies affecting the Company's activities; the uncertainties involved in interpreting geological data; and the other risks disclosed under the heading "Risks and Uncertainties" and elsewhere. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise. Although the Company believes that the assumptions inherent in the forward-looking information are reasonable, forward-looking information is not a guarantee of future performance and accordingly undue reliance should not be put on such information due to the inherent uncertainty therein.

November 7, 2014