

NEVORO INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2007

Introduction

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the consolidated financial statements of Nevoro Inc. (the "Company", formerly Denroy Resources Corporation) for the nine months ended September 30, 2007. The Company's reporting currency is the U.S. dollar and all amounts in this MD&A are expressed in U.S. dollars, unless otherwise noted. The Company reports its financial position results of operations and cash flows in accordance with Canadian generally accepted accounting principles ("Canadian GAAP"). This MD&A is as at November 13, 2007.

The following MD&A may contain forward-looking statements. Forward-looking statements are based on current expectations that involve a number of risks and uncertainties, which could cause actual events or results to differ materially from those reflected herein. Forward-looking statements are based on the estimates and opinions of management of the Company at the time the statements are made.

Additional information relating to the Company can be found on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com and on the Company's website at www.nevoro.com

Mr. Ken Brook, RPG, is the qualified person for the purposes of the technical information contained herein, pursuant to the requirements of National Instrument 43-101.

Overview of the Nine Month Period Ended September 30, 2007

During the nine month period ended September 30, 2007, the Company completed four non-brokered private placement financings for total gross proceeds of \$9,042,675. The proceeds of these private placements will be used to explore and develop gold and precious metal exploration properties in Nevada and for working capital. Further details of these private placements can be found elsewhere in this MD&A and in the Company's press releases and filed documents on www.sedar.com. Following the private placements, there were 74,586,585 common shares (the "Common Shares") outstanding as at September 30, 2007 (86,617,847 on a fully diluted basis).

During the quarter ended March 31, 2007, the Company completed a business combination whereby the Company issued 24,400,000 common shares for 100% of the issued and outstanding shares of Nevoro Nevada Inc. (formerly: "Goodsprings Development Corporation"), which holds interests in mineral exploration properties in the State of Nevada, USA. On February 5, 2007, the

Company appointed a new management team and is now focused on precious metal resource exploration and development in Nevada. Pursuant to an information circular dated April 5, 2007, and filed on www.sedar.com, the Company held its annual and special meeting on May 16, 2007, at which time, among other matters, shareholders approved a special resolution to change the name of the Company to “Nevoro Inc.” to reflect its focus on gold and precious metal resource exploration in Nevada. Further details of the business combination and the Company’s activities can be found in the Company’s press releases and filed documents on www.sedar.com.

Project Portfolio

The Company (through Nevoro Nevada Inc.) holds 11 projects in Nevada and one on the California and Nevada border. All of which are wholly owned or optioned and two are currently leased for annual cash payments and a 3% net smelter royalty (“NSR”). During the quarter ended September 30, 2007 and subsequent to it, the Company acquired three of these projects in Nevada, namely: Jenny Hill, Boulderfield and Monarch.

St. Elmo, Dome Hill, Silver King and Cross are the prime projects. Exploration activities for the nine months ended September 30, 2007 are described below. Other projects, with less aggressive exploration programs, include:

- *Eagleville* – mapping and sampling program continues.
- *Warm Springs* and *Stealth* – these properties are leased out to third parties for cash payments and royalties.
- *CD* – mapping and sampling are planned.
- *Germany Canyon* – mapping and sampling are planned.

St. Elmo Project

The St. Elmo Project is situated in Elko County, approximately 100 km north of Elko, Nevada at the intersection of the northeast-trending Midas Trough structural zone and a zone of northwest-trending faults.

The project includes most of the historic Island Mountain mining district and consists of 425 contiguous claims totaling approximately 8,500 acres (13.2 square miles). Included within this large claim block are all or parts of five formerly productive mining areas: the St. Elmo, Rosebud, Diamond Jim, Gribble and Wildhorse mines.

In total, nine target areas have been established at St. Elmo:

- *St. Elmo Vein* – the vein and associated structures are in excess of 6,600 ft. long and host several gold and silver bearing zones of anastomosing quartz veins and silicified breccias.
- *Central Saddle Area* – this area holds mineralized low-angle thrust faults cut by high-angle faults and other possible north- to northwest-trending mineralized structures.
- *Diamond Jim* – mineralization from this past producing silver, lead, zinc and gold mine has been found in low-angle thrust faults and northeast-trending, high-angle veins and structural zones.
- *Rosebud Mine Area* – silver, lead, zinc and gold mineralization is found in shallow-dipping quartz veins and silicified breccias within low-angle thrust faults.
- *Barite Fault and Sinter Faults Zones* – steeply dipping structures parallel to the St. Elmo trend which probably represent the upper portions of a hydrothermal system.
- *Rosebud Mountain* – historic gold values of up to 0.45 oz./ton gold within northerly trending structures.
- *Coffee Pot Stock* – extensive zones of tungsten-molybdenum mineralization contained in skarn zones.
- *Gribble Antimony Zone* – silicified zones of stibnite-gold mineralization associated with strongly altered pyritic dikes.
- *Tennessee Mountain* – Carlin-style gold mineralization hosted within calcareous sediments.

During the quarter, a tensor Induced Polarization (“IP”) survey was completed on the northern portion of the claim block that identified several significant IP anomalies. The mapping and sampling campaign continued with an emphasis on delineating potential feeder structures to mineralization found on the project. The Company received approval for a first-phase drilling program from the U.S. Forest Service, and six drill pads have been constructed. The first phase of drilling will be 10 holes totaling 1,600 m to test three targets. Six holes will test the on-strike and down-dip extensions of the St. Elmo vein, a high-grade, gold-silver epithermal vein accessed via a drift with two levels of underground workings. Depending on drill rig availability and with favorable weather, drilling is expected to begin in November.

Dome Hill Project

The Dome Hill project is situated along the California-Nevada border, approximately 45 km west-southwest of Hawthorne, Nevada. The project is comprised of a block of 156 claims. Five of which, known as the Sunshine Claims, in Mono County, California, were added, subsequent to the period ended September 30, 2007. The project shows potential for high-grade gold-silver mineralization in epithermal veins as well as a deeper porphyry copper-gold-molybdenum-silver mineralization system.

Preliminary mapping at Dome Hill has identified four, epithermal, precious metal mineralized trends – Maybelle, Dome Hill, Old Man Workings and the Gold Fund Mine. These are associated with highly altered, northeast-trending banded quartz veins and rhyolitic dikes. These structures are up to 7,500 feet long and from 10 feet to more than 200 feet wide.

A detailed mapping and sampling campaign has been completed which extended the known strike length of the Dome Hill and Old Man veins. An initial on-site meeting was held with the U.S. Forest Service to review the Company's drilling permit and to determine if additional studies were needed for new drilling areas. Pending permit approval, drilling is anticipated in the third quarter of 2008.

Silver King and Cross Projects

These two adjacent projects are situated in Lincoln County, approximately 133 km south of Ely, Nevada at the intersection of the southern extension of the northwest-trending Cortez trend and the west-trending Midway-Warm Springs fault zone. These two properties comprising 446 claims have district-scale potential for Carlin-style gold deposits, copper-gold-silver-zinc skarn deposits and copper-gold porphyry deposits,

Silver King

During the period ended September 30, 2007, an IP geophysical survey was completed over parts of the property, and defined a pronounced chargeability anomaly associated with strongly altered dikes and carbonate sediments. In the northern portion of Silver King, geological mapping in conjunction with the IP survey have led to the delineation of several drill targets. During the period ended September 30, 2007 the mapping and sampling program of the area has been completed and 16 drill pads have been selected and the drilling permit application has been filed with the BLM. Drilling is planned for the first quarter of 2008 and will test new areas and extensions of known mineralization.

Cross

This 170 claim, leased project, is two miles southeast along the Cortez trend from Silver King and hosts the largest and most complex of the northwest-southeast trending magnetic anomalies.

Magnetically anomalous "fingers" extend southwest from the main, one mile-wide, magnetic anomaly on the pediment, and can be traced as altered granodiorite dikes into the calcareous siltstones of the Pogonip Formation. Gold-bearing jasperoid breccias are associated with these altered dikes, and there are large, bleached, iron oxide-stained zones of Pogonip Formation containing up to 5 g/t of gold. Gold mineralization has been found along the pediment-outcrop interface for more than two miles. The northern end of the main magnetic anomaly also has an intriguing, horseshoe-shaped high surrounding a magnetic low embayment.

The Company has received approval for its drilling permit from the Bureau of Land Management (“BLM”) and construction of the drill pads was completed in October 2007 (subsequent to the period ended September 30, 2007). Following completion of drilling at St. Elmo, seven holes totaling 1,200 m are planned to test the Cross property for Carlin-style mineralization.

Jenny Hill

During the period ended September 30, 2007, the Company entered into a mining lease and option to purchase agreement with arm’s length individuals for the Jenny Hill gold project located in Nevada’s Walker Lane structural belt.

The Jenny Hill project comprises 182 unpatented claims in Mineral County, about 100 km (60 miles) southeast of Fallon, Nevada. The property is located on the northern margin of the Walker Lane structural belt and is situated on-trend between the 1.7 million oz Rawhide gold mine and the 1.5 million oz Paradise Peak gold mine. A large body of Mesozoic diorite has intruded Triassic sedimentary rocks creating extensive zones of skarn alteration with associated gold-silver-copper mineralization. Other targets on the property include;

- two sets of quartz veins which contain > 1 oz/ton gold along with crystalline stibnite;
- a quartz veinlet stockwork zone with a strike length of 365 m (1200 ft) containing anomalous copper and gold values;
- a thick section of calcareous sediments containing anomalous gold, arsenic, antimony and mercury values;
- an intensely altered, diorite- matrix breccia pipe;
- a prominent magnetic high on the pediment.

An extensive data package created by a previous lessee includes assays and logs for 10 RC holes, a detailed geological map, a ground magnetic survey and rock chip samples with multi-element assay results for the entire project as well as a gravity survey and soil sampling survey for selected portions of the project.

The property was acquired under a Lease with Option to Purchase Agreement from a private party. The basic lease terms call for a payment of \$11,700 on signing (paid) with payments of \$15,000, \$25,000, \$35,000 and \$50,000 due on subsequent anniversaries. Nevoro is required to purchase the claims for \$500,000 before mining activity begins. Up to \$300,000 of previously made payments will be credited toward the purchase price. A 3% NSR royalty to the original owner survives the purchase of the claims, and one third of this royalty can be purchased for \$1,000,000.

SUBSEQUENT EVENTS

1. On October 10, 2007, the Company announced the acquisition of the Monarch and Boulderfield projects situated in Nevada's Walker Lane structural belt.

Monarch

The Monarch project is located about 48 km north of Tonopah, Nevada, within a zone of Paleozoic rocks containing serpentinites, banded iron formations and massive sulfide gossans.

Geologically, the Monarch Project has many similarities with the Finnish Outokumpu massive sulfide deposit, which contains copper, zinc, cobalt, nickel, vanadium, selenium and minor precious metal values. Samples collected from the project during a preliminary site visit returned maximum values of 8,490 ppm copper, 2,400 ppm zinc, 186 ppm cobalt, 2,700 ppm nickel, 1,900 ppm vanadium, 31 ppm selenium, 120 ppb gold and 1.6 ppm silver.

A Gravity and Controlled Source Magnetotelluric ("CSMT") geophysical survey has been completed. Pending review of the geophysical data, drill targets will be selected. Drilling is anticipated in the first quarter of 2008.

The Monarch Project was acquired under a Lease with Option to Purchase Agreement from a private party. The basic lease terms call for a \$4,000 payment on signing, (paid subsequent to September 30, 2007) \$25,000 on the first anniversary and purchasing the claims with a \$100,000 payment on the second anniversary. Minimum advance royalty payments of \$30,000, \$50,000 and \$75,000 are due on subsequent anniversaries. A sliding scale net smelter return ("NSR") royalty, from 2.5% to 5% based on the price of copper, and a 3% NSR on other metals, is paid to the original owner and survives the purchase of the claims. Nevoro can purchase a 1% NSR royalty for \$1,000,000. Nevoro was required to conduct a gravity survey on the property during the first year and completed it in October 2007 (subsequent to the period ended September 30, 2007).

Boulderfield

The Boulderfield project is located about 26 km north of Tonopah, Nevada, and is about 6.4 km northwest of the Midway gold deposit. The 90 unpatented claims cover an area of Tertiary volcanic rocks which host northwest and north-trending structures. The northwest-trending structures reflect the Rye Patch fault zone which goes through the Thunder Mountain mineralized area, the Midway deposit and the Boulderfield project. The north-trending structures are parallel to the high-grade gold veins in the Discovery zone of the Midway deposit. Several north-trending, high-grade veins averaging 4.37 oz/ton gold over a true width of 1.79 m (5.9 feet) have been identified at the nearby Midway property.

An airborne magnetic survey of the Boulderfield project shows that some of the north-trending structures have an associated magnetic low and resistivity high geophysical signature. The magnetic lows are interpreted to reflect possible hydrothermal alteration and the resistivity highs are interpreted to reflect possible zones of silicification. Previous reverse circulation (RC) drilling on the project by Kennecott and Rio Algom tested targets along the northwest-trending structure and found only weak (>50 ppb) gold mineralization. None of the north-trending structures or other geophysical targets have been tested.

Project data was reviewed and drill targets based on coincident geophysical and geochemical anomalies were selected. Pending BLM approval of the proposed drilling program, drill pads will be constructed in Q4 of 2007. Drilling is planned for the first quarter of 2008. Four drill holes totaling 700 m are planned for Monarch if the geophysical surveys define an anomaly.

The Boulderfield Project was acquired under a Lease with Option to Purchase Agreement from a private party. The basic lease terms call for \$10,000 on signing (paid subsequent to September 30, 2007), a \$50,000 payment on the first anniversary, and purchasing the claims with a \$100,000 payment on the second anniversary. Minimum advance royalty payments of \$40,000, \$50,000 and \$100,000 are due on subsequent anniversaries. A sliding scale NSR royalty, from 3% to 6% based on the price of gold, paid to the original owner survives the purchase of the claims. Nevoro can purchase a 1% NSR royalty for \$1,000,000.

2. On October 15, 2007, the Company appointed William Schara as President and CEO of the Company and Victor Bradley as Executive Deputy Chairman.

3. On October 31, 2007, the Company granted 65,000 options to two consultants at an exercise price of CDN\$0.46 that expire on October 31, 2012.

OVERALL PERFORMANCE

During the nine month period ended September 30, 2007, the Company incurred expenses of \$629,182 (net of stock-based compensation of \$2,901,354) compared to \$36,664 during the period ended September 30, 2006 and \$58,572 for the year ended December 31, 2006. The increase in expenses is due to the Company becoming an active exploration Company, as well as the set-up of offices in both, Toronto, Ontario, Canada and Reno, Nevada, USA.

The Company granted 9,300,000 stock options to officers, directors and consultants at an exercise price of CDN\$0.45 that expire on September 24, 2012. The fair value of each option granted was estimated at the date of grant using the Black-Scholes option model with the following assumptions: expected dividend yield of 0%; expected volatility of 100%; risk-free interest rate of 4.5% and an expected life of 5 years. The options were assigned a fair value of \$2,901,354 which has been recorded as an expense in these financial statements.

The Company had \$10,746,618 of Mineral Interests as at September 30, 2007, compared to \$1 at both September 30, 2006 and December 31, 2006. The increase is due to the purchase of Nevoro Nevada Inc. (formerly Goodsprings Development Corporation), which held an interest in 10 precious metal projects in Nevada, as well as exploration work performed on those properties.

The Company had \$254,556 of accounts payable and accrued liabilities as at September 30, 2007, compared to \$31,241 at September 30, 2006 and \$34,599 at December 31, 2006. This increase is due to the Company becoming active, and the liabilities pertain to exploration as well as general and administrative costs.

SUMMARY OF QUARTERLY RESULTS

The following table sets out selected quarterly results of the Company for the eight quarters prior to the effective date of this report. The information contained herein is drawn from the interim financial statements of the Company for each of the aforementioned eight quarters, and translated into US\$ funds at the rate prevailing at the end of each quarter for assets and liabilities and at the average rate for income and expenses

Year	2007	2007	2007	2006
Quarter	September 30,	June 30,	March 31,	December 31,
Revenue	Nil	Nil	Nil	Nil
Working Capital (Deficit)	6,568,274	7,546,806	3,955,147	(48,990)
Expenses	347,589	90,905	190,688	22,415
Net Loss (Income)	3,289,123 (*)	(7,880) (**)	190,278	22,415
Net Loss (Income)(per Common Share)	0.04	(0.00)	0.00	0.02

(*) Including interest income of \$68,486, general exploration costs written off of \$36,273, stock-based compensation of \$2,901,354, and a future income tax expense of \$72,393.

(**) Including interest income of \$36,680, general exploration costs written off of \$39,458 and a future income tax recovery of \$101,563.

Year	2006	2006	2006	2005
Quarter	September 30,	June 30,	March 31,	December 31,
Revenue	Nil	Nil	Nil	Nil
Working Capital (Deficit)	(28,407)	(19,492)	(12,933)	8,433
Expenses	9,392	5,915	21,357	4,756
Net Loss	9,392	5,915	21,357	4,756
Net Loss (per Common Share)	0.01	0.01	0.03	0.01

COMMITMENTS

The Company assumed the lease for its head office space in Toronto, Ontario, Canada effective July 1, 2007 under a lease agreement which expires on September 30, 2011.

Annual lease payments under the agreement are as follows for the years ending:

	(CDN\$)
December 31, 2007	\$ 21,067
December 31, 2008	84,269
December 31, 2009	84,269
December 31, 2010	84,269
December 31, 2011	63,202
	<hr/>
	\$ 337,076

LIQUIDITY AND CAPITAL RESOURCES

The Company had cash of \$6,708,558 as at September 30, 2007, compared to \$Nil as at December 31, 2006. The increase in cash is due to the completion of four private placements, for total gross proceeds of \$9,042,675. The increase in cash leads to a similar increase of working capital from a deficit of \$48,990 at December 31, 2006 to working capital of \$6,568,274 at September 30, 2007.

Additional requirements for capital will be met through the completion of equity financings, which will be relied upon to maintain an adequate liquidity base with which to support its operations. If such financing is unavailable for any reason, the Company may become unable to carry out its business plan. The Company intends to fund all future commitments with cash on hand, or through any other financing alternative it may have available to it at the time in question.

As noted above, the Company is now focused on precious metal resource exploration and development in Nevada, USA. There can be no assurance that such business undertaking will be profitable or otherwise successful. The Company's continued existence depends on its ability to raise further financing for working capital as the need may arise. Mineral exploration is subject to numerous and substantial risks. See "Description of the Business". The Company does not expect to receive any income in the foreseeable future.

The Company's success is dependent on the knowledge and expertise of its management and employees and their ability to identify and advance attractive business opportunities.

Other than as discussed herein, the Company is not aware of any trends, demands, commitments, events or uncertainties that may result in the Company's liquidity or capital resources either materially increasing or decreasing at present or in the foreseeable future. Material increases or

decreases in the Company's liquidity and capital resources will be substantially determined by the success or failure of any new proposed business of the Company and its ability to obtain equity financing.

OFF-BALANCE SHEET ARRANGEMENTS

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

TRANSACTIONS WITH RELATED PARTIES

Nine Months ended September 30, 2007

(a) Included in accounts payable and accrued liabilities as at September 30, 2007 is \$Nil (December 31, 2006 -\$23,275) owing to a corporation controlled by a former officer and director of the Company for certain expenditures incurred by the corporation on behalf of the Company.

(b) Officers, directors and related person of the Company subscribed for 8,090,000 shares for gross proceeds of US\$297,000 pursuant to the private placements described under "Financings".

(c) Included in accounts payable and accrued liabilities as at September 30, 2007 is \$84,695 (December 31, 2006 -\$NIL) owing to certain directors and officers of the Company.

The above transactions were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

CRITICAL ACCOUNTING ESTIMATES

Critical accounting estimates used in the preparation of the financial statements include the Company's estimate of recoverable value of its mineral properties and related deferred exploration expenditures as well as the value of stock-based compensation. Both of these estimates involve considerable judgment and are, or could be, affected by significant factors that are out of the Company's control.

The factors affecting stock-based compensation include estimates of when stock options and compensation warrants might be exercised and stock price volatility. The timing for exercise of options is out of the Company's control and will depend on a variety of factors, including the market value of the Company's shares and financial objectives of the stock-based instrument holders. The Company used historical data to determine volatility in accordance with the Black-Scholes option-pricing model. However, the future volatility is uncertain and the model has its limitations.

The Company's recoverability of the recorded value of its mineral properties and associated deferred exploration expenses is based on current market conditions for minerals, 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 operates in an industry that is dependent on a number of factors including environmental, legal and political risks, the existence of economically recoverable reserves, the ability of the Company and its subsidiaries to obtain necessary financing to complete the development, and future profitable production or the proceeds of disposition thereof. These are more extensively outlined under "Risk Factors".

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company's financial instruments consist of cash and cash equivalents, amounts receivable and accounts payable and accrued liabilities. Risk management of cash and cash equivalents, consists of placing cash and cash equivalents only with institutions of high credit worthiness in instruments with low risk.

RISK FACTORS

An investment in the securities of the Company is highly speculative and involves numerous and significant risks and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors described below.

Development Stage Company and Exploration Risks

The Company is engaged in the business of exploration for and development of, precious and base metal deposits in North America. The properties of the Company have no established reserves. There is no assurance that any of the properties can be mined profitably. Accordingly, it is not assured that the Company will realize any profits in the short to medium term, if at all. Any profitability in the future from the business of the Company will be dependent upon developing and commercially mining an economic deposit of minerals, which in itself is subject to numerous risk factors. Exploration and development of mineral deposits involves a high degree of financial risk over a significant period of time of which even a combination of careful evaluation, experience and knowledge of management may not eliminate. While discovery of ore-bearing structures may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to establish reserves by drilling and to construct mining and processing facilities at a particular site. It is impossible to ensure that the current exploration, development and production programs of the Company will result in profitable commercial mining operations. The profitability of the Company's operations will be, in part, directly related to the cost and success of its exploration and development programs which may be affected by a number of factors.

Substantial expenditures would be required to establish reserves sufficient to commercially mine mineral deposits on the Company's properties and to construct complete and install mining and processing facilities in those properties that are actually mined and developed.

No History of Profitability

The Company is an exploration stage company with no history of profitability. There can be no assurance that the operations of the Company will be profitable in the future. The Company has limited financial resources and will require additional financing to further explore, develop, acquire, retain and engage in commercial production on its property interests and, if financing is unavailable for any reason, the Company may become unable to acquire and retain its mineral concessions and carry out its business plan.

Government Regulations

The Company's exploration operations are subject to government legislation, policies and controls relating to prospecting, development, production, environmental protection, mining taxes and labour standards. In order for the Company to carry out its mining activities, the Company's mining licences must be kept current. There is no guarantee that the Company's mining claims will be extended or that new mining claims will be granted. In addition, such mining claims could be changed and there can be no assurances that any application to renew any existing claims will be approved. The Company may be required to contribute to the cost of providing the required infrastructure to facilitate the development of its properties. The Company will also have to obtain and comply with permits and claims which may contain specific conditions concerning operating procedures, water use, waste disposal, spills, environmental studies, abandonment and restoration plans and financial assurances. There can be no assurance that the Company will be able to comply with any such conditions.

Market Fluctuation and Commercial Quantities

The market for minerals is influenced by many factors beyond the control of the Company such as changing production costs, the supply and demand for minerals, the rate of inflation, the inventory of mineral producing companies, the international economic and political environment, changes in international investment patterns, global or regional consumption patterns, costs of substitutes, currency availability and exchange rates, interest rates, speculative activities in connection with minerals, and increased production due to improved mining and production methods. The metals industry in general is intensely competitive and there is no assurance that, even if commercial quantities and qualities of metals are discovered, a market will exist for the profitable sale of such metals. Commercial viability of precious and base metals and other mineral deposits may be affected by other factors that are beyond the Company's control including particular attributes of the deposit such as its size, quantity and quality, the cost of mining and processing, proximity to infrastructure and the availability

of transportation and sources of energy, financing, government legislation and regulations including those relating to prices, taxes, royalties, land tenure, land use, import and export restrictions, exchange controls, restrictions on production, as well as environmental protection. It is impossible to assess with certainty the impact of various factors, which may affect commercial viability so that any adverse combination of such factors may result in the Company not receiving an adequate return on invested capital.

Mining Risks and Insurance

The Company is subject to the risks normally encountered in the mining industry, such as unusual or unexpected geological formations, cave-ins or flooding. The Company may become subject to liability for pollution, damage to life or property and other hazards of mineral exploration against which it or the operator of its exploration programs cannot insure or against which it or such operator may elect not to insure because of high premium costs or other reasons. Payment of such liabilities would reduce funds available for acquisition of mineral prospects or exploration and development and would have a material adverse affect on the financial position of the Company.

Environmental Protection

The mining and mineral processing industries are subject to extensive governmental regulations for the protection of the environment, including regulations relating to air and water quality, mine reclamation, solid and hazardous waste handling and disposal and the promotion of occupational health and safety, which may adversely affect the Company or require it to expend significant funds.

Capital Investment

The ability of the Company to continue exploration and development of its property interests will be dependent upon its ability to raise significant additional financing hereafter. There is no assurance that adequate financing will be available to the Company or that the terms of such financing will be favorable. Should the Company not be able to obtain such financing, its properties may be lost entirely.

Conflicts of Interest

Certain of the directors and officers of the Company may also serve as directors and officers of other companies involved in gold and precious metal or other natural resource exploration and development and consequently, the possibility of conflict exists. Any decisions made by such directors involving the Company will be made in accordance with the duties and obligations of directors to deal fairly and in good faith with the Company and such other companies. In addition, such directors declare, and refrain from voting on any matters in which such directors may have a conflict of interest.

Disclosure Controls

The Company's Chief Executive Officer and Chief Financial Officer are responsible for establishing and maintaining the Company's disclosure controls and procedures, including adherence to the Disclosure Policy adopted by the Company. The Disclosure Policy requires all staff to keep the Disclosure Committee fully apprised of all material information affecting the Company so that they may evaluate and discuss this information and determine the appropriateness and timing for public release. Access to such material information by the Disclosure Committee is facilitated by the small size of the Company's senior management team and regular communication between them.

The Chief Executive Officer and Chief Financial Officer, after evaluating the effectiveness of the Company's disclosure controls and procedures as of September 30, 2007, have concluded that the Company's disclosure controls and procedures were adequate and effective to ensure that material information relating to the Company and its subsidiaries would have been known to them.

CHANGE IN ACCOUNTING POLICIES

In January 2005, the CICA issued Handbook Sections, "Financial Instruments, Recognition and Measurement", "Comprehensive Income", "Hedges" and "Accounting Changes". These new standards are effective for interim and annual financial statements relating to fiscal years commencing on or after October 1, 2006 on a prospective basis. The Company has adopted these new standards effective January 1, 2007. The Financial Instruments Section prescribes when a financial instrument is to be recognized on the balance sheet and at what amount. It also specifies how financial instrument gains and losses are to be presented. This Section requires that:

- All financial assets be measured at fair value on initial recognition and certain financial assets are measured at fair value subsequent to initial recognition;
- All financial liabilities are measured at fair value if they are classified as held for trading purposes. Other financial liabilities are measured at amortized cost using the effective interest method;
- All derivative financial instruments are measured at fair value on the balance sheet, even when they are part of an effective hedging relationship.

The Comprehensive Income Section introduces a new requirement to temporarily present certain gains and losses from changes in fair value outside net income. It includes unrealized gains and losses, such as: changes in the currency translation adjustment relating to self-sustaining foreign operations; unrealized gains or losses on available-for-sale investments; and the effective portion of

gains or losses on derivatives designated as cash flow hedges or hedges of the net investment in self-sustaining foreign operations. For the period ended September 30, 2007, the Company did not have other comprehensive income or loss, therefore the comprehensive loss for the period was equal to the net loss for the period.

The Hedges Section provides alternative treatments for entities, which choose to designate qualifying transactions as hedges for accounting purposes. It replaces and expands on Accounting Guideline 13 "Hedging Relationships", and the hedging guidance in the section for "Foreign Currency Translation" by specifying how hedge accounting is applied and what disclosures are necessary when it is applied.

The Accounting Changes section requires that voluntary changes in accounting policy be made only if the changes result in financial statements that provide more reliable and more relevant information. It also requires prior period errors to be recorded retro-actively.

The Company has determined that the adoption of these new policies had no material impact on its consolidated financial statements as at and for the period ended September 30, 2007, except as discussed in Note 4 to the interim consolidated financial statements for the period ended September 30, 2007.

Foreign currency translation

The interim consolidated financial statements of the Company are presented in U.S. dollars. The operations of the subsidiary, Nevoro Nevada Inc. (formerly Goodsprings Development Corporation), are in U.S. dollars. The operations of the parent, Nevoro Inc. are translated into U.S. dollars as follows: monetary assets and liabilities are translated at exchange rates prevailing at the balance sheet date; non-monetary items and any related amortization of such items are translated at the rate of exchange in effect when the assets were acquired or obligations incurred; and all income and expense items are translated at average exchange rates prevailing during the year. Exchange gains and losses are included in net loss for the year.

Change in functional and reporting currency

Effective April 1, 2007, the functional currency of the Company changed from Canadian dollars to U.S. dollars. In general, this change resulted from the increase in the overall proportion of business activities conducted in U.S. dollars, as a result of the acquisition of Goodsprings, as well as the private placements that were denominated in U.S. dollars. Concurrent with this change in the functional currency, the Company adopted the U.S. dollar as its reporting currency.

The change was effected for prior periods as follows: assets and liabilities were translated at the spot rate on that date; income and expense items for those periods were translated at the average rate for each period; and equity transactions were translated at historic rates. The resulting net translation adjustment has been posted to the cumulative other comprehensive income account.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Company's Chief Executive Officer and Chief Financial Officer are also responsible for the design of internal controls over financial reporting. The fundamental issue is ensuring all transactions are properly authorized and identified and entered into a well designed, robust and clearly understood system on a timely basis to minimize risk of inaccuracy, failure to fairly reflect transactions, failure to fairly record transactions necessary to present financial statements in accordance with generally accepted account principles, unauthorized receipts and expenditures, or the inability to provide assurance that unauthorized acquisitions or dispositions of assets can be detected. The relatively small size of the Company makes the identification and authorization process relatively efficient and a process for reviewing internal controls over financial reporting has been developed. To the extent possible given the Company's small size, the internal control procedures provide for separation of duties for receiving, approving, coding and handling of invoices, entering transactions into the accounts, writing cheques and wire requests and also require two signers on all payments. As of September 30, 2007, the Company's Chief Executive Officer and Chief Financial Officer conclude that the Company's system of internal controls is adequate and comparable to those of issuers of a similar size and nature. There have been no changes during the most recent quarter, being the period ended September 30, 2007, in the Company's internal controls over financial reporting that have affected or would reasonably be expected to affect its financial reporting.