Northern Superior Resources Inc.
Management's Discussion and Analysis
For the Nine Months Ended September 30, 2017
(the "Period")

CONTENTS

GENERAL

This Management's Discussion and Analysis ("MD&A" or "Report") of the financial condition of Northern Superior Resources Inc. ("Northern Superior" or the "Company") and results of operations of the Company for the nine months ended September 30, 2017 has been prepared by management in accordance with the requirements under National Instrument 51-102 as at November 16, 2017 (the "Report Date"). The Report should be read in conjunction with the Company's condensed interim financial statements for the nine months ended September 30, 2017 and the notes thereto, and the audited financial statements and the notes thereto for the year ended December 31, 2016, which have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") and within which the Company's accounting policies are described in Note 3 (collectively, the "Financial Statements"). All dollar amounts in the Report are in Canadian dollars unless otherwise noted.

The Financial Statements, together with the MD&A, are intended to provide investors with a reasonable basis for assessing the performance and potential future performance of the Company, and are not necessarily indicative of the results that may be expected in future periods. The information in the MD&A may contain forward-looking statements, and the Company cautions investors that any forward looking statements by the Company are not guarantees of future performance, as they are subject to significant risks and uncertainties that may cause projected results or events to differ materially from actual results or events. Please refer to the risks and cautionary notices of this MD&A. Additional information relating to the Company may be found on SEDAR at www.sedar.com.

Northern Superior is an exploration stage company engaged in the identification, evaluation, acquisition and exploration primarily of gold properties in Ontario and Québec. The Company is a reporting issuer in British Columbia, Alberta, Ontario and Québec. The Company trades on the TSX Venture Exchange under the symbol SUP and on the OTCQB under the symbol NSUPF.

As at September 30, 2017, the Company has cash and cash equivalents of $4,616,290 and working capital of $3,710,321. In May 2016, the trial between Northern Superior and the Government of Ontario (the "Ontario litigation") was completed with the judge ruling against the Company ("the trial decision"). On August 26, 2016, the Ontario Superior Court of Justice ordered Northern Superior to pay an aggregate of $440,570 in costs to the Province of Ontario in connection with the lawsuit. The Company has provided for the full amount as decided by the Court; both the trial decision and the cost award are now under appeal to the Ontario Court of Appeal and the Company will not be required to pay any amount to the Province until the appeal has been heard and a decision rendered.

While the Company has enough funds to allow it to continue its planned activities in the normal course, the Company is dependent on raising funds through the issuance of shares and/or attracting joint venture partners in order to undertake further exploration and development of its mineral properties. If the Company is unable to raise additional capital in the future and/or attracting joint venture partners for further exploration on its properties, management expects that the Company will need to curtail operations, liquidate assets, seek additional capital on less favourable terms and/or pursue other remedial measures. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern beyond 2017.

This MD&A contains forward-looking statements. Statements throughout the Report with respect to the cost or timeline of planned or expected exploration are all forward-looking statements. As well, statements about growth, financial position, capital adequacy and/or the need for future financing are also forward-looking statements. All forward-looking statements, including forward-looking statements not specifically identified in this paragraph, are made subject to the cautionary language at the end of this document, and readers are directed to refer to that cautionary language when reading any forward-looking statements. Please refer to the cautionary language at the end of this document.

STRATEGY
Northern Superior believes that the best approach to appreciating value to its shareholders is through enhancing the prospective value of its two main exploration projects, Croteau Est and Ti-pa-haa-kaa-ning (TPK). Exploration results from this investment would hopefully attract a strategic investor to either the Company specifically, or either (or both) properties. Therefore, in Q1 of 2017 Northern Superior committed:

a) $2million towards Croteau Est, with the intention of increasing the inferred Resource already defined; and,
b) $0.8million towards TPK, with the intention of identifying new, and refining established mineral targets.

To support these exploration efforts, Northern Superior engaged Renmark Financial Communications to assist in promoting the Company and its exploration efforts. In addition, a "Financial Consultant" was engaged to assist in identifying potential strategic partners and alternative financing opportunities. Northern Superior also listed on the "OTCQB" to provide exposure of the Company in the United Sates and attract new investors internationally. These efforts continue.

To implement the Company's strategy at Croteau Est:

a) A Phase I drill program was implemented during Q1 and Q2 of 2017. The purpose of this program was to identify additional mineralization outside established area of the inferred resource. This was successful; however, it was deduced from the results of this Phase I drill program that the best opportunity to increase the inferred resource was to focus exploration on the high grade shoots embedded within it;

b) To this end, consultants were engaged through Q2 and Q3 of 2017 to better understand the physical characteristics of the high grade shoots and to re-model the mineralization associated with the inferred resource to direct a Phase II drill program;

c) A Phase II program was initiated in Q3 of 2017 to evaluate the updated modelling of the mineralization, providing a framework necessary to initiate a more robust Phase III program; and

d) A Phase III program was initiated in Q4 of 2017 to build on the results from the Phase II drilling, with the intent to build the current inferred resource.

To implement the Company's strategy at TPK:

a) Initiated a prospecting, boulder and till sampling program was initiated within the "Annex" portion of the property with the intention of defining specific mineral targets within this area of the property; and

b) Initiated a prospecting and boulder sampling program was initiated within the "Big Dam" area of the property, as well as re-logging key drill core derived from historic drilling, completed by others. Application of this information will be used to re-fine mineral targets within this area of the property.

HIGHLIGHTS

Croteau Est

- Completion of a televiewer survey on eleven selected historic core holes (previously completed by Northern Superior) and the seven holes from the Phase II drill program:
  - ✓ Confirmed that high grade shoots identified within the Croteau Bouchard Shear Zone (CBSZ) dip at a shallow angle to the southeast;
  - ✓ Determination of quartz vein orientation, mineralized quartz-feldspar porphyry and intermediate plagioclase porphyry dykes, all of which frequently host high grade intercepts within high grade shoots contained within the CBSZ; and
  - ✓ Optimum targeting of the high grade ore shoots derived from the televiewer survey data coupled with channel assay data from four trenches across the CBSZ.
- Completion of the Phase II drill program, designed to test and ensure the accuracy of the modeled data before committing to a larger, Phase III program (see Northern Superior Press release, November 13, 2017):
  - ✓ Drilling included seven infill holes of 2,823.5m, each hole 300-500m long, drilled south at an inclination of -75°
  - ✓ High grade intersections of up to **72.90 g/t gold over 0.70m**;
  - ✓ High grade widths of up to **11.06 g/t gold over 9.10m** *(including **43.75 g/t gold over 2.00m**)*;
  - ✓ Mineralized widths of up to **1.99 g/t gold over 34.65m** *(including **9.46 g/t gold over 2.35m**)*;
  - ✓ Several previously unrecognized mineralized zones;
  - ✓ Longitudinal and lateral continuity of mineralization from the current holes to Northern Superior's previously completed holes;
  - ✓ Identification of a second and important source of mineralization associated with "flat-lying" quartz veins that were untested by previous drill programs due to the orientation of the drill - these vein swarms have the potential to add significant ounces to the current Inferred Resource; and;
  - ✓ Further evidence of high grade mineralization occurring >400 m vertical depth within the CBSZ was defined: **7.50 g/t gold over 7.95m including 56.40 g/t gold over 1.00m between 489.90m to 497.85m.**
- Procurement of two track mounted drills to facilitate the Phase III core drill program, fall 2017.

TPK, Big Dam Area

- Re-logging of eight historic drill cores, that:
  - ✓ Identified mineralized shear zones previously unnoticed;
  - ✓ Determined the correct orientation of these mineralized shear zones;
  - ✓ Determined that the shear zones are steeply dipping north to near vertical; and
  - ✓ Determined sections of drill core originally logged as fracture, are in fact, shear zones.
- Completion of a prospecting and boulder sampling program (*see* Northern Superior press release, October 18, 2017):
  - ✓ Collected 255 boulders, bringing the total number of boulders recovered within this area to 842, 543 of which contained anomalous (>50 ppb) gold values;
  - ✓ Boulder assay values that range up to 94.2 g/t gold;
  - ✓ Boulder assay values that range up to 190 g/t silver; and
  - ✓ Highly prospective gold and silver target areas identified.

- Re-evaluation of all geoscientific data to identify five key target areas for core drilling specific gold and silver mineral targets.

TPK, Annex Area

- Completion of a prospecting and boulder sampling program (*see* Northern Superior press release, October 11, 2017):
  - ✓ Collected 186 boulders, bringing the total number of boulders collected within this area to 287, 103 of which contained anomalous (>50 ppb) gold values;
  - ✓ Boulder assay values that range up to 727 g/t gold;
  - ✓ Boulder assay values that range up to 53.7 g/t silver;
  - ✓ Boulder assay values that range up to 3.42% copper; and
  - ✓ Numerous gold, silver and copper targets identified.
- Completed a till sampling program, 289 till samples collected.

TPK, Rowlandson Lake Camp

- Completed camp repairs and upgrades; and
- Hosted a visit by members of Neskantaga First Nation.

OUTLOOK

Croteau Est

- Complete Phase III drilling by end of Q4, 2017;
- Update inferred resource, H1, 2018.

TPK, Annex Area

- Receive, process and integrate the heavy mineral and geochemical data derived from the 289 till samples collected from the 2017 prospecting and material sampling program into the TPK property till data base;
- Integrate and interpret all geoscientific data to derive highly prospective gold, silver and copper target areas.

Geoscientific Data Base

- Integrate all data derived from the various 2017 exploration programs into the Company's geoscientific data base.
- Continue to develop and manage the Company's geoscientific data base:
  - ✓ This large and comprehensive data base (now almost a terabyte in size) has been, and will continue to be, a key instrument in enabling Northern Superior to generate new projects ("Project Generator").

ONTARIO LITIGATION

The trial associated with Northern Superior's lawsuit against the Ontario Government was completed in November, 2015. This civil lawsuit was filed by Northern Superior in October of 2013 seeking, amongst other things, damages of $110 million consisting mainly of amounts expended to date as well as for the lost value of its properties, as a result of lost access to its Meston Lake, Rapson Bay and Thorne Lake exploration properties (the "Properties"). Unfortunately, the judge ruled in favour of Ontario in May of 2016. Since then, the Company has filed an appeal citing 65 errors in the trial judge's decision. As all facts in the case were presented at trial, the appeal process will involve judgement of the errors cited based upon review of those facts by a three judge panel. The Company has also appealed the latest decision of the Court related to the payment by the Company of the Province trial expenses of $440,570 (fully provided for at September 30, 2016). Northern Superior has been informed that the Company's appeal will be heard by the panel on either February 28 or March 1, 2018; however, until a final decision is reached, Northern Superior will continue to pursue its exploration programs.

RESULTS OF OPERATIONS

Exploration and evaluation property expenditures

During the Period, the Company incurred the following exploration and evaluation property expenditures:

	Ti-pa-haa-kaa-ning ($)	Croteau Est ($)	Lac Surprise ($)	Wapistan ($)	Total ($)
Acquisition, assessment and maintenance	21,925	7,553	263	22,863	**52,604**
Analytical	32,486	60,395	-	-	**92,881**
Geophysics	-	49,554	-	-	**49,554**
Geology	598,919	183,103	2,433	70,265	**854,719**
Drilling	-	590,806	-	-	**590,806**
Research	17,241	-	-	-	**17,241**
Project administration	1,258	2,016	891	219	**4,384**
Total expenditures	**671,829**	**893,427**	**3,586**	**93,346**	**1,662,189**
Recoveries	-	-	(2,971)	-	**(2,971)**
Refundable tax credits and adjustments	-	-	87	-	**87**
Net	**671,829**	**893,427**	**703**	**93,346**	**1,659,305**

General and administrative costs

	Three months ended September 30, 2017 ($)	Three months ended September 30, 2016 ($)	Increase (decrease) ($)	Increase (decrease) (%)	Nine months ended September 30, 2017 ($)	Nine months ended September 30, 2016 ($)	Increase (decrease) ($)	Increase (decrease) (%)
General operating expenditures								
Consulting fees	23,450	14,000	9,450	68	626,860	55,985	570,875	1,020
Legal and accounting	18,719	25,127	(6,408)	(26)	99,553	67,267	32,286	48
Office expenses	145,541	101,574	43,967	43	437,215	358,167	79,048	22
Shareholder information	110,197	74,836	35,361	47	287,981	144,164	143,817	100
Travel	3,247	2,856	391	14	14,080	7,850	6,230	79
Foreign exchange	780	-	780		780	-	780	
Taxes	(7,343)	-	(7,343)		(7,343)	-	(7,343)	
	294,591	218,393	76,198	146	1,459,125	633,433	825,692	1,269
Other items								
Depreciation	1,391	1,653	(262)	(16)	4,172	4,960	(788)	(16)
Interest income	(189)	(819)	630	(77)	(3,224)	(9,094)	5,870	(65)
Ontario litigation costs	-	4,730	(4,730)	(100)	-	483,007	(483,007)	(100)
	1,202	5,564	(4,362)	(78)	949	478,873	(477,924)	(100)
Loss for the period	**295,792**	**223,957**	**71,835**	**32**	**1,460,074**	**1,112,306**	**347,768**	**31**

The loss for the Period and for the three months ended September 30, 2017 is higher than that for the comparative prior year periods as a result of the immediate vesting of the grant of incentive stock options allowing for the purchase of up to 9,600,000 shares at $0.065 until April 23, 2022, which options were valued at $561,960. Share-based compensation is a non-cash item resulting from the application of the Black-Scholes Option Pricing Model using assumptions in respect of expected dividend yield average risk-free interest rates, expected life of the options and expected volatility. During the Period, the Company entered into various agreements with service providers, received a refund in respect of Revenu

Québec taxes, and completed 3 financings during Q4 2016 and Q1 2017, pursuant to which it incurred attendant increased general operating, legal and shareholder information expenses.

SUMARY OF QUARTERLY RESULTS

The following selected financial data should be read in conjunction with the Company's Financial Statements:

	2017			2016				2015
Quarter ended	**Sept 30**	**June 30**	**March 31**	**Dec 31**	**Sept 30**	**June 30**	**March 31**	**Dec 31**
	($)	($)	($)	($)	($)	($)	($)	($)
Interest income	189	2,259	776	288	819	5,300	2,975	4,632
Net (Loss)	(295,792)	(930,837)	(233,446)	(358,118)	(223,958)	(655,353)	(232,996)	2,794,510
Net (loss) per share (basic and diluted)	(0.00)	(0.00)	(0.00)	-	-	-	-	(0.01)
Total assets	10,214,398	10,424,407	10,946,079	6,504,565	4,829,895	5,053,626	5,254,266	5,448,004

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

The Company is not in commercial production on any of its mineral properties and accordingly, it does not generate cash from operations. The Company finances its activities by raising capital through the equity markets, and its investment policy is to keep its cash on deposit in an interest-bearing Canadian chartered bank account. Should the Company wish to continue fieldwork on its exploration projects, further financing will be required and the Company will either have to go to the market or engage a strategic partner to achieve this. Given the volatility in equity markets, global uncertainty in economic conditions, unfavorable market condition in the mining industry, cost pressures and results of exploration activities, management constantly reviews expenditures and exploration programs and equity markets in order that the Company have sufficient liquidity to support its growth strategy.

On November 15, 2016, the Company closed a private placement for gross proceeds of $2,000,000 and on March 2 and March 6, 2017, completed concurrent financings for total gross proceeds of $4,500,000. At September 30, 2017 the Company had cash and cash equivalents of $4,616,290 and working capital of $3,710,321 to settle trade payables and accrued liabilities totaling $275,792. In addition, the Company has recorded a provision in respect of the Ontario litigation in the amount of $440,570 for the payments to the Province of Ontario as ordered by the judge in August 26, 2016; the Company is appealing the trial decision and costs award.

The Company's cash position is highly dependent on the ability to raise cash through financings and the expenditures on its exploration programs. Capital expenditures are not expected to have any material impact on liquidity. Management believes that even with the financings completed in the Period, the Company will need external financings in order to fund further exploration. As results of exploration programs are determined and other opportunities become available to the Company, management may complete an external financing as required.

The outlook is based on the Company's current financial position and is subject to change if opportunities become available based on current exploration program results and/or external opportunities. At present, the Company's operations do not generate cash inflows and its financial success is dependent on management's ability to discover economically viable mineral deposits. The mineral exploration process can take many years and is subject to factors that are beyond the Company's control. In order to finance the Company's future exploration programs and to cover administrative and overhead expenses, the

Company raises money through equity sales, from the exercise of convertible securities and from optioning its resource properties. Many factors influence the Company's ability to raise funds, including the health of the resource market, the climate for mineral exploration investment, the Company's track record, and the experience and caliber of its management. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration activities. Management believes it will be able to raise equity capital as required in the long term, but recognizes that there will be risks involved which may be beyond its control.

OUTSTANDING SHARE CAPITAL INFORMATION AT THE REPORT DATE

	Exercise price ($)	Expiry Date	Shares issuable (#)	
Common shares - issued and outstanding				**319,078,626**
Warrants	0.075	November 14, 2018	20,000,000 [1]	
	0.075	March 2, 2019	58,200,000	
	0.075	March 6, 2019	19,810,000	
				98,010,000
Stock options	0.105	December 10, 2017	1,525,000	
	0.100	December 2, 2018	1,625,000	
	0.050	November 10, 2019	1,925,000	
	0.050	November 5, 2020	1,325,000	
	0.100	August 1, 2021	500,000	
	0.050	November 21, 2021	1,050,000	
	0.065	April 23, 2022	9,600,000	
				17,550,000
				434,638,626

[1] the warrants are subject to accelerated expiry provisions, wherein if the closing price of the Company's shares on the TSX Venture Exchange exceeds $0.15 for a period of 10 consecutive trading days, the Company may provide notice to warrant holders accelerating the expiry of their warrants to 30 days from the date such notice is given.

RELATED PARTY TRANSACTIONS

The Company has arrangements pursuant to which parties related to the Company by way of directorship or officership provide certain services, either directly or through companies owned or controlled by the officers and directors. Transactions were in the normal course of operations and all of the costs recorded are based on fair value.

For the nine months ended September 30,	**2017 ($)**	2016 ($)
CEO and President	**168,750**	168,750
Company controlled by CFO	**33,000**	-
Former CFO	**-**	17,500
Corporate Secretary	**27,000**	30,000
	228,750	216,250

Directors' Compensation

In April 2017, the Company revised the way in which it compensates independent directors. Effective January 1, 2017, each director is paid a fee of $20,000 per annum. In addition, the Chairman of the Board and the Chairman of the Audit Committee will each receive an additional sum of $5,000; all fees will be paid quarterly, in arrears. Subject to exchange approval (received on June 23, 2017), one-half of the independent directors' fees will be paid in common shares of the Company, with the number of shares issuable to be determined based on the closing price of the Company's shares on the date such fees are payable, but in any event, no less than $0.05 per share.

For the nine months ended September 30,	**2017**	2016
	($)	($)
Directors' fees	**89,533** [(1)]	45,500

[(1)] Includes a total of 590,660 shares (valued in total at $29,533) issued to Directors in respect of January 1 to June 30, 2017 and shares valued in total at $16,250 issuable in respect of the period July 1 to September, 2017.

ACCOUNTING POLICIES, STANDARDS AND JUDGEMENTS

Changes in accounting policies

The Company has adopted the following new standard, along with any consequential amendments, prior to or effective January 1, 2017. These changes were made in accordance with the applicable transitional provisions, and did not impact the Company's condensed interim financial statements.

- IAS 7, "Statement of Cash Flows": is effective for annual periods beginning on or after January 1, 2017,
- IAS 12, "Income Taxes" (amended standard): is effective for annual periods beginning on or after January 1, 2017.

Accounting standards issued but not yet in effect

- IFRS 2, "Share-based payment" (amended standard) is effective for annual periods beginning on or after January 1, 2018.
- IFRS 9, "Financial Instruments: Classification and Measurement": is effective for annual periods beginning on or after January 1, 2018.
- IFRS 15, "Revenue from Contracts and Customers": the effective date of adoption has been deferred to January 1, 2018 (with earlier application permitted).
- IFRS 16, "Leases": is effective for annual periods beginning on or after January 1, 2019.

The Company is currently evaluating the impact of these new and amended standards on its financial statements. The impact is not expected to have a material impact on the statements of financial position or results of operations.

Use of Estimates and Judgments

In the application of the Company's accounting policies, management is required to make judgments, estimates and assumptions about the carrying amount and classification of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revisions affect only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

The following are the areas involving estimates, that management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the financial statements.

Impairment of assets

The carrying amounts of evaluation and exploration properties and equipment are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. If there are indicators of impairment, an exercise is undertaken to determine whether the carrying values are in excess of their recoverable amount. Such review is undertaken on an asset by asset basis, except where such assets do not generate cash flows independent of other assets, and then the review is undertaken at the cash generating unit level ("CGU").

The assessment requires the use of estimates and assumptions such as, but not limited to, long-term commodity prices, foreign exchange rates, discount rates, future capital requirements, resource estimates, exploration potential and operating performance as well as the CGU definition. It is possible that the actual fair value could be significantly different from those assumptions, and changes in these assumptions will affect the recoverable amount of the mining interests. In the absence of any mitigating valuation factors, adverse changes in valuation assumptions or declines in the fair values of the Company's CGUs or other assets may, over time, result in impairment charges causing the Company to record material losses.

The Company considers both external and internal sources of information in assessing whether there are any indications that mining interests are impaired. External sources of information the Company considers include changes in the market, economic and legal environment in which the Company operates that are not within its control and affect the recoverable amount of the assets. Internal sources of information the Company considers include the manner in which exploration and evaluation properties and equipment are being used or are expected to be used and indications of economic performance of the assets.

Environmental rehabilitation

Significant estimates and assumptions are made in determining the environmental rehabilitation costs as there are numerous factors that will affect the ultimate liability payable. These factors include estimates of the extent and costs of rehabilitation activities, technological changes, regulatory changes, cost increases, and changes in discount rates. Those uncertainties may result in actual expenditures in the future being different from the amounts currently provided, if any.

Deferred income taxes

Judgment is required in determining whether deferred tax assets are recognized on the statement of financial position. Deferred tax assets, including those arising from unutilized tax losses require management to assess the likelihood that the Company will generate taxable earnings in future periods, in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the statement of financial position date, if any, could be impacted. Additionally, future changes in tax laws in the jurisdictions in which the Company and its subsidiaries operate could limit the ability of the Company to obtain tax deductions in future periods.

Share based payments

Management assesses the fair value of stock options granted in accordance with the accounting policy stated in its Financial Statements. The fair value of stock options is measured using the Black-Scholes option valuation model. The fair value of stock options granted using valuation models is only an estimate of their potential value and requires the use of estimates and assumptions.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet financing arrangements.

SUBSEQUENT EVENTS

There are no events subsequent to the Period that have not been reported in this document.

RISKS AND CONTROLS

Financial Instruments Risk Exposure

The Company is exposed to financial risks sensitive to changes in commodity prices, foreign exchange and interest rates. The Company's Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. For a more detailed discussion on the financial instruments risk exposure refer to the Financial Statements. There are no significant changes on the Company's risk exposure as it relates to Financial Instruments.

Other Risks and Uncertainties

The Company, and thus the securities of the Company, should be considered a highly speculative investment and investors should carefully consider all of the information disclosed in this MD&A prior to making an investment in the Company. In addition to the other information presented in this Report, the following risk factors should be given special consideration when evaluating an investment in the Company's securities.

General

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits, which, though present, are insufficient in quantity and quality to return a profit from production.

The Company evaluates its property interests on an ongoing basis and intends to abandon properties that fail to remain prospective. At the time of writing the Company expects to incur further property exploration and acquisition expenses.

The Company's business is subject to exploration and development risks

All of the Company's properties are in the exploration stage and no known reserves have been discovered on such properties. There is no certainty that the expenditures to be made by the Company or its option partners in the exploration of its properties described herein will result in discoveries of metals in commercial quantities or that any of the Company's properties will be developed. Most exploration projects do not result in the discovery of economic deposits of metals and no assurance can be given that any particular level of recovery of metals will in fact be realized or that any identified resource will ever qualify as a commercially mineable (or viable) resource which can be legally and economically exploited. Estimates of reserves, mineral deposits and production costs can also be affected by such factors as environmental permit regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. In addition, the grade of metals ultimately discovered may differ from that indicated by drilling results. There can be no assurance that metals recovered in small-scale tests will be duplicated in large-scale tests under on-site conditions or in production scale.

Political and economic instability may affect the Company's business
The Company's activities in Canada are subject to risks common to operations in the mining industry in general.

The Company's properties are subject to title risks
The Company has investigated title to all of its exploration properties and, to the best of its knowledge, title to all of its properties, and properties that it has the right to acquire or earn an interest in are in good standing. However, the Company's properties may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects. These defects could adversely affect the Company's title to such properties or delay or increase the cost of the development of such properties.

The Company's properties may also be subject to Aboriginal or other historical rights that may be claimed on Crown properties or other types of tenure with respect to which mineral rights have been conferred. Except for the lawsuit relating to the Company's Meston Lake, Rapson Bay and Thorne Lake properties, as described under Litigation Against Government of Ontario, the Company is not aware of any Aboriginal land claims having been asserted or any legal actions relating to Aboriginal issues having been instituted with respect to any of the exploration & evaluation assets in which the Company has an interest. The Company is in continuous communication with the aboriginal communities associated with these two most advanced properties, TPK and Croteau Est. The Company is aware of the mutual benefits afforded by co-operative relationships with indigenous people in conducting exploration activity and is supportive of measures established to achieve such co-operation.

Environmental risk
Environmental legislation on a global basis is evolving in a manner that will ensure stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessment of proposed development and a higher level of responsibility for companies and their officers, directors and employees. There is no assurance that future changes to environmental legislation in Canada will not adversely affect the Company's operations. Environmental hazards may exist on properties in which the Company holds interests which are unknown at present and which have been caused by previous owners or operators. Furthermore, future compliance with environmental reclamation, closure and other requirements may involve significant costs and other liabilities. In particular, the Company's operations and exploration activities are subject to Canadian federal and provincial laws and regulations governing protection of the environment. Such laws are continually changing and, in general, are becoming more restrictive.

The mineral exploration industry is extremely competitive
The resource industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than itself. Competition could adversely affect the Company's ability to acquire suitable new prospects for exploration in the future. Competition could also affect the Company's ability to raise financing to fund the exploration and development of its properties or to hire qualified personnel.

Metal prices affect the success of the Company's business
The mining industry in general is intensely competitive and 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. Factors beyond the control of the Company may affect the marketability of any minerals discovered. No assurance may be given that metal prices will remain stable. Significant price fluctuations over short periods of time may be generated by numerous factors beyond the control of the Company, including domestic and international economic and political trends, expectations of inflation, currency exchange

fluctuations, interest rates, global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods. The effect of these factors on the price of minerals and therefore the economic viability of any of the Company's exploration projects cannot accurately be predicted. As the Company's properties are in the exploration stage, the above factors have had no material impact on present operations or income.

FORWARD–LOOKING STATEMENTS

Certain of the statements made herein may constitute "forward-looking statements" or contain "forward-looking information" within the meaning of applicable Canadian securities laws. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions. All statements, other than statements of historical fact, included herein including, without limitation; statements about the potential for mineralization at the Company's properties, the timelines to complete the Company's exploration programs, timing for permit applications, timing for resource estimates, timing to complete technical reports, forecasts for exploration expenditures, estimates of future administrative costs and statements about the Company's future development of its properties.

Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation, risks and uncertainties relating to foreign currency fluctuations; risks inherent in mine exploration and development including environmental hazards, industrial accidents, unusual or unexpected geological formations, ground control problems and flooding; risks associated with the estimation of mineral resources and reserves and the geology, grade and continuity of mineral deposits; the possibility that future exploration, development or mining results will not be consistent with the Company's expectations; the potential for and effects of labour disputes or other unanticipated difficulties with or shortages of labour or interruptions in production; the potential for unexpected costs and expenses and commodity price; uncertain political and economic environments; changes in laws or policies, delays or the inability to obtain necessary governmental permits; and other risks and uncertainties, including those described under Risk Factors.

Forward-looking information is in addition based on various assumptions including, without limitation, the expectations and beliefs of management, the assumed long term price of commodities; that the Company can access financing, appropriate equipment and sufficient labour and that the political environment will continue to support the development and operation of mining projects. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Accordingly, readers are advised not to place undue reliance on forward-looking statements. The Company does not intend to update forward-looking statements or information, except as may be required by applicable law.

QUALIFIED PERSON

Dr. T.F. Morris (President and CEO) is the Company's Qualified Person ("QP") (as defined in National Instrument 43-101, "Standards of Disclosure for Mineral Projects") for all projects, except the Croteau Est gold project. Mr. Ron Avery is the QP for the Croteau Est gold project. As the Company's QP, Dr. Morris has prepared or supervised the preparation of the scientific or technical information for the properties as referred to in this MD&A, except for the Croteau Est gold property. Mr. Avery was responsible for the preparation and supervision of scientific and technical information for Croteau Est gold project.

APPROVAL

The Board of Directors oversees management's responsibility for financial reporting and internal control systems through an Audit Committee. This Committee meets periodically with management and annually with the independent auditors to review the scope and results of the annual audit and to review the financial statements and related financial reporting and internal control matters before the financial statements are approved by the Board of Directors and submitted to the shareholders of the Company. The Board of Directors of the Company has approved the Financial Statements and the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

ADDITIONAL INFORMATION

Additional information is available on the Company's website at www.nsuperior.com or on SEDAR at www.sedar.com.