Northern Superior Resources Inc.
Management's Discussion and Analysis
For the Three Months Ended March 31, 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 three months ended March 31, 2017 has been prepared by management in accordance with the requirements under National Instrument 51-102 as at May 18, 2017 (the "Report Date"). The Report should be read in conjunction with the Company's condensed interim financial statements for the three months ended March 31, 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 and trades on the TSX Venture Exchange under the symbol SUP.

As at March 31, 2017, the Company has cash and cash equivalents of $6,611,758, which amount includes $2,108,658 in respect of flow-through funds, and working capital of $5,550,979. 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 will be focused on advancing its 100% owned Croteau Est and Ti-pa-haa-kaa-ning (TPK) properties through Q2, 2017.

With regard to Croteau:

a) Review and re-interpretation of all property geophysical data;
b) Integrate data derived from the Phase 1 drill program into the Croteau geoscientific data base;
c) Evaluate structural information to better understand the structural controls and mechanisms involved with gold mineralization;
d) Initiate a trenching and geologic mapping program in the area associated with the Croteau South Shear Zone and Croteau Fault; and
e) Establish core drill targets for the Phase 2 core drill program, to be initiated in Q3/ Q4 of 2017.

With regard to TPK:

a) Review all geoscientific data;
b) Re-interpret airborne magnetic data and ground induced polar (IP) geophysical data with the intent of better identifying structural controls on gold mineralization; and
c) Plan for a Q3 exploration program with the intent of: i) completion of a prospecting program, northwest part of the property; ii) re-logging of all core associated with previous core drill programs conducted by third parties; and iii) complete maintenance of the exploration camp.
   The purpose of all these activities is to strengthen targeting and logistical support for a planned core drill program, Q1 and Q2 of 2018.

Other activities the company will be engaged in will include: a) completion and interpretation of an airborne geophysical survey over its 100% Wapistan property, James Bay Lowlands, Québec; b) continued over- site of all exploration activities by its option partner on the Company's 100% owned Lac Surprise property, west- central Québec; c) continued development of its geoscientific data base; and d) seeking out partnerships to assist in advancing the Company's various mineral properties.

During Q3 of 2016, the Company initiated a marketing/ communications program, the purpose of which is to: a) more effectively keep the Company's various shareholders and stakeholders appraised of the Company's various activities; and b) promote the Company's various exploration mineral exploration initiatives to a wider audience, including the financial and mineral exploration and mining community, and the public generally. These activities will continue aggressively through 2017.

HIGHLIGHTS

CONCURRENT FINANCINGS

In addition to the $2 million private placement of flow through shares during Q3 of 2016, Northern Superior completed the following concurrent financings (the "Concurrent Financings") during Q1 of 2017:

1) Eric Sprott, through 2176423 Ontario Ltd., a corporation which is beneficially owned by him, completed a non- brokered private placement of 40,000,000 units ("Units") at a price $0.05 per Unit for gross proceeds of $2,000,000 (the "Offering"). Each Unit is comprised of one common share and one non-transferable share purchase warrant exercisable at a price of $0.075 per share for a period of two years from date of closing; and
2) A second non-brokered private placement which raised gross proceeds of $2,500,000 by way of Units under the same terms as the "Offering" described in (1) and flow- through common shares at a price of $0.055 per share (the "FT Offering"). Participants in this second private placement could elect to receive either Units or FT shares or a combination thereof.

Funds raised through these two private placements will be used to support exploration programs on the company's TPK property and corporate activities related to the day to day operations of the Company.

CROTEAU EST

- Initiated and completed a Phase 1, 16 hole, 4,373m core drill program (completed under the planned $1million budget), east and south of the defined inferred resource, the purpose of which was to:
  - ✓ Demonstrate expansion of gold mineralization east of the Croteau Fault; and
  - ✓ Provide a better understanding of gold mineralization associated with the previously defined inferred resource (*see* Northern Superior press release, January 14, 2016).
- Key highlights from this program include (*see* Northern Superior press release, May 9, 2017):
  - ✓ Expansion of gold mineralization east of the Croteau Fault through the discovery of a gold- bearing shear structure;
  - ✓ Furthering the understanding of structural controls and emplacement mechanisms for higher grade gold mineralization associated with the previously defined inferred resource;
  - ✓ Exceeded expectations for this First Phase exploration program by discovering a second gold- bearing structure associated with the cross- cutting Croteau South Shear Zone and Croteau Fault, 1 km south of the defined inferred resource;
  - ✓ By extension, the previous point provides further support to the hypothesis that where ever this cross- cutting relationship exists (between east- west deformation zones and northeast- southwest faults) on the property there is an opportunity for gold mineralization (*see* Northern Superior press release, May 9, 2017); and
  - ✓ Underspent the original $1,000,000 for the Phase 1 drill program by $300,000, leaving $1,300,000 to spend on the Phase 2 core drill program.

TPK

- Initiated planning for the Company's proposed two phase exploration program, beginning Q3, (*see* Northern Superior Management Discussion and Analysis, Q4 2016).

WAPISTAN

- Completed a 934 line- km, helicopter- borne geophysical survey over the Wapistan property.

LAC SURPRISE

- Initiated and completed a 5 hole, 1,185 m core drill program, east of the Black Phoenix showing on the northeast part of the property, from which:
  - ✓ At least one of the anomalous trends previously defined by a 10 line km Induced Polarization and Magnetic survey (*see* joint Northern Superior/ Bold Ventures press release, October 20, 2016) is gold bearing; and
  - ✓ Confirmation of the existence of a hydrothermal gold bearing system.

OUTLOOK

CROTEAU EST

- Initiate and complete the Phase 2 core drill program, Q3 and Q4:
  - ✓ Targets for Phase 2 will determined based on a thorough examination of all data derived from the Phase 1 program; and
  - ✓ Targets may be selected to define additional ounces within the currently defined inferred resource and/or define "new" gold ounces associated with one (or both) of the two newly discovered gold-bearing structures.

- Plan, initiate and complete during Q3:
  - ✓ Prospecting program over the northwest part of the property;
  - ✓ Complete data review, structural studies for the eastern part of the property with the intention of solidifying core drill targets for the Company's planned core drill program Q1 and 2, 2018; and
  - ✓ Prepare the Company's exploration camp and trail system for the proposed 2018 core drill program.

WAPISTAN

- Interpret airborne geophysical data acquired during Q1:
  - ✓ Plan a prospecting and overburden sampling program based on interpretation from the airborne geophysical program.

LAC SURPRISE

- Oversee the implementation and execution of exploration programs initiated by the Company's option partner.

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). As the process is now out of the hands of the Company, Northern Superior will return its focus to 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	4,263	-	-	-	**4,263**
Analytical	-	11,121	-	-	**11,121**
Geology	1,584	30,660	1,796	1	**34,039**
Drilling	-	430,220	-	-	**430,220**
Project administration	461	(1)	891	-	**1,351**
Total expenditures	**6,307**	**472,000**	**2,687**	**1**	**480,995**
Recoveries	-	-	(2,971)	-	**(2,971)**
Net	**6,307**	**472,000**	**(284)**	**1**	**478,024**

General and administrative costs

	Three months ended March 31, 2016 ($)	Three months ended March 31, 2015 ($)	Increase (decrease) ($)	Increase (decrease) (%)
General operating expenditures				
Consulting fees	20,450	30,273	(9,823)	(32)
Legal and accounting	61,077	24,213	36,864	152
Office expense	70,767	128,109	(57,342)	(45)
Shareholder information	78,892	42,153	36,739	87
Travel	1,645	4,994	(3,349)	(67)
	232,831	229,742	3,089	1
Other items				
Depreciation	1,391	1,653	(262)	(16)
Interest income	(776)	(2,975)	2,199	(74)
Ontario litigation costs	-	4,575	(4,575)	(100)
	615	3,253	(2,638)	(81)
Loss for the period	**233,446**	**232,995**	**451**	**0**

The loss for the Period is relatively unchanged from the loss for the comparative period ended March 31, 2016 (the "2016 Period"). The Company incurred general operating expenditures of $232,831 for the Period (2016 Period: $229,742); the Company completed 3 financings, and incurred the attendant increased legal and shareholder information expenses.

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. Share-based compensation is expensed to general operating expenditures or capitalized to exploration and evaluation assets as appropriate.

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	**March 31**	**Dec 31**	**Sept 30**	**June 30**	**March 31**	**Dec 31**	**Sept 30**	**June 30**
	($)	($)	($)	($)	($)	($)	($)	($)
Interest income	776	288	819	5,300	2,975	4,632	5,739	7,237
Net (Loss)	(233,446)	(358,118)	(223,958)	(655,353)	(232,996)	2,794,510	577,360	478,012
Net (loss) per share (basic and diluted)	(0.00)	-	-	-	-	(0.01)	-	-
Total assets	10,974,554	6,504,565	4,829,895	5,053,626	5,254,266	5,448,004	8,527,117	8,956,895

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 likely have to go to the market 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 March 31, 2017 the Company had cash and cash equivalents of $6,611,758 which amount includes $2,108,658 in respect of flow-through funds and working capital of $5,550,979 to settle trade payables and accrued liabilities totaling $373,789. 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 calibre 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				**318,487,968**
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
				434,047,968

(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. The Company's related party expenses are allocated as follows:

For the three months ended March 31,	**2016**	2015
	($)	($)
CEO and President	**56,250**	56,250
Company controlled by CFO	**9,000**	-
Former CFO	**-**	5,000
Corporate Secretary	**9,000**	12,000
	74,250	73,250

Directors' Compensation

During the Period and the 2016 Period, the Company provided for directors' fees, net of any share-based payments, as follows:

For the three months ended March 31,	**2016**	2015
	($)	($)
Directors' fees	**-**	23,750

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 note 3 of the 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

- On April 6, 2017, the Company engaged Renmark Financial Communications Inc. to provide investor relation services. For the services, there is a cash consideration of up to $8,000 starting April 1, 2017 for a period of six months ending on September 30, 2017, and monthly thereafter.
- On April 23, 2017, stock options were granted to directors, officers, employees and consultants allowing for the purchase of up, in the aggregate, 9,600,000 shares in the capital of the Company at $0.065 until April 23, 2022.
- On April 24, 2017, the Company announced the addition of Mr. David Beilhartz to the Company's Board of Directors. Mr. Beilhartz was nominated by 2176423 Ontario Ltd., a company controlled by Eric Sprott, in accordance with the terms of his investment in the Company (see *"HIGHLIGHTS"* in this Report).
- The Company revised the way in which it compensates independent directors, such that each director will now be 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 per annum and all fees will be paid quarterly, in arrears. Subject to exchange approval, one-half of the independent directors' fees will be paid in common shares of the Company and if so approved, the number of shares issuable will be determined based on the closing price of the Company's shares on the date such fees are payable.

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 interested parties in regards to these two properties. 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.