Northern Superior Resources Inc.
Management’s Discussion and Analysis
For the year ended December 31, 2016
(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 year ended December 31, 2016 has been prepared by management in accordance with the requirements under National Instrument 51-102 as at April 19, 2017 (the "Report Date"). The Report should be read in conjunction with the financial statements including the notes thereto for the years ended December 31, 2016 and 2015 (the "Financial Statements").The Financial Statements are presented in accordance with International Financial Reporting Standards ("IFRS"), and the Company's accounting policies are described in Note 3 of 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 December 31, 2016, the Company has cash and cash equivalents of $2,697,072, which amount includes $1,981,160 in respect of flow-through funds, and working capital of $1,853,011. 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.

PRESIDENT'S MESSAGE

The outlook for Northern Superior took a promising turn over the last several months. Changes to the Board composition and the injection of funds from three separate financings have provided the Company with a stronger foundation to focus its activities and to continue to advance its two key properties, Ti-pa-haa-kaa-ning ("TPK") and Croteau Est.

A renewed mining market appears to be in the making, a welcome relief after experiencing several years of drought-like financing and commodities market conditions. Our ability to survive has rested with the careful management of investors' capital, loyalty of shareholders, service providers and new investors, all to whom we extend our thanks for the vote of confidence. The Company now benefits from a sense of optimism and a network of new participants, including Erik Sprott, Michael Gentile and their respective associates, to provide additional support to the exploration activities. The Board and management of Norther Superior look forward to an active year, and to reporting on those activities.

Thomas F. Morris PhD., FGAC, ICD.D, P.Geo.
President and CEO

KEY EVENTS, 2016

Corporate:

- Planning and implementation of a marketing strategy in the 4th quarter 2016;
- Completion of a $2 million flow-through financing in the 4th quarter 2016. Funds to be directed primarily at the Company's 100% owned Croteau Est property, Québec;
- Redistribution of the control block formerly held by Lake Shore Gold/ Tahoe Resources to others;
- Restructure of the Company's Board of Directors and management; and
- Completion of the year with a cash balance of $2.6 million (of which $1.98 million is in respect of flow-through funds).

Ti-pa-haa-kaa-ning (100% owned by the Company):

- A Community meeting with Neskantaga and a visit to the Rowlandson camp during Q2 of 2016.
    - ✓ The Community meeting provided an update to the residents of Neskantaga on the status of the TPK property and the Company's plans to advance the exploration on the TPK

property. It is important to note that the Community continues to support Northern Superior and the TPK project; and

- ✓ The purpose of the camp visit was to assess the condition of the camp and determine what repairs would be required to bring the camp up to operational status. Despite being dormant for 4 years, the camp remains in excellent shape and costs of repairs will be minimal.

Lac Surprise (100% owned by the Company):

- Initiation of a 10 hole, 1,500m core drill program designed to test several gold targets associated with the Amber showing (see press release, May 3rd, 2016) during Q1 of 2016;

- Initiation of a 12 hole, 1,700m core drill and a prospecting program during Q2 of 2016 (see press release July 11, 2016), designed to build on the results from the Q1 drill program and advance our understanding of the mineral potential of the Amber showing. Key highlights from these two programs completed in Q1 and 2 include:
  - ✓ Coincident IP chargeability highs with gold-in-soil anomalies, the presence of which is a good indicator of underlying gold mineralization, providing a reliable exploration tool to generate targets for future drilling programs;
  - ✓ Recovery of high grade gold results in grab and channel samples from the gold- bearing feldspar porphyry (Amber Showing, South IP Trend);
  - ✓ Discovery of a new gold bearing horizon within the anomalous Amber Showing, Central IP Trend, which also appears to continue east beyond the Amber Showing within the Lac Surprise property;
  - ✓ Confirmation that gold mineralization is structurally controlled; and
  - ✓ Completion of a geologic technical report summarizing the results from the core drill and prospecting programs.

- Completion of a 10 line- km induced polarization survey and high definition magnetometer survey over the Black Phoenix part (northeast corner) of the Lac Surprise property (see press release October 20, 2016). These surveys defined:
  - ✓ Five (5) anomalous trends, represented by chargeability highs, trending generally in an east-west to northeast- southwest direction; and
  - ✓ Two (2) first priority areas for core drill testing and two secondary priority areas for core drill testing.

OUTLOOK AND STRATEGY, 2017

Corporate

It is impossible to discuss strategy going forward without recognizing the additional financing completed in 2 tranches during Q1 of 2017, which raised a total of $4.5 million (includes $0.6 million in flow-through funds). Added to the $2.6 million the Company finished with in 2016, these funds place the Company in a better position to advance its key properties.

In addition, changes to the composition of the Board and management may continue into 2017, to complement and support the current structure, and ensure a strong and continued vested interest in the Company and the continued advancement of its projects.

Exploration
Exploration efforts will be focused primarily on Northern Superior's two key properties: TPK and Croteau Est.

Croteau Est
The drill program at Croteau Est will involve approximately 30 holes or 9,000m of drilling and was designed following an extensive review of all associated geoscientific data by internal staff, consultants and technical members of the board. The drilling will consist of at least two stages:

Stage 1 will involve a combination of structural and exploratory holes designed to step- out from known mineralization with the intention of: a) expanding the known mineralization of the CBSZ to the east; and b) understanding structural controls and emplacement mechanisms for gold mineralization generally and higher grade material, such as the reported high grade shoots observed within the CBSZ, particularly in the area of the cross- cutting Croteau Fault and the CBSZ (see press release, November 3rd, 2014); and

Stage 2 (expected to be completed by Q3, 2017) will consist of additional drilling to follow up on results from Stage 1 and to investigate other, high priority, exploration targets proximal to the CBSZ as the budget allows.

TPK
Exploration and related activities will be comprised of two stages:

Stage 1 will consist of four components: 1) a prospecting program over the northwest part of the TPK property, completing unfinished exploration associated with the prospecting and preliminary core drill programs initiated in this area, 2011; 2) a thorough review of all data, including re-logging of drill core stored on site; 3) a detailed structural study of the area associated with the gold grain-in-till dispersal apron; and 4) camp repairs and upgrades in advance of the Stage 2 exploration program. These activities are planned for Q3 and Q4 of 2017.

Stage 2 will test key targets in the eastern part of the TPK property through a core drill program. Core drill targets will be defined from the distribution and concentration of gold grains corresponding with targets defined from structural studies. It is important to note that the size of the gold grain- in- till apron represents a scale of amalgamated responses from a cluster of gold zones, normally indicating a large gold system or district rather than a single gold zone (see press release, June 21, 2010, and the corporate presentation, Northern Superior web site: www.nsuperior.com). Gold grain anomalies of similar or smaller size include the discoveries made at Meliadine, (Nunavut), Rainy River (northwestern Ontario) and Meadowbank (Nunavut). Core drilling is expected to commence Q1 and Q2 of 2018.

Lac Surprise
During Q1 of 2017 Northern Superior's option partner initiated and has since completed a five hole (approximately 1,200m) core drill program on the Company's 100% owned Lac Surprise property (see press release January 23, 2017). Northern Superior will continue to monitor and assist where it can on all exploration by the Company's option partner.

Wapistan
Northern Superior will initiate a small exploration program in its 100% owned Wapistan project located within the James Bay lowlands of Quèbec during Q1 of 2017. The program will consist of an airborne magnetic survey which will cover the entire property.

Geoscientific Data Base

Development and management of the Company's geoscientific data base will continue through 2017. 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 year ended December 31, 2016, the Company incurred exploration and evaluation property expenditures, net of refunded tax credits, of $171,836 (2015: $456,887). (See "*KEY EVENTS, 2016*" in this MD&A.)

For the year ended December 31, 2016	**Ti-pa-haa-kaa-ning** ($)	**Croteau Est** ($)	**Lac Surprise** ($)	**Wapistan** ($)	**Total** **($)**
Acquisition, assessment and maintenance	1,793	7,888	11,935	-	**21,616**
Analytical	-	350	-	-	**350**
Geology	10,090	39,638	4,504	374	**54,605**
Drilling	-	1,386	2,047	-	**3,433**
Research	88,781	-	-	-	**88,781**
Project administration	231	2,034	477	309	**3,050**
Total expenditures	**100,895**	**51,296**	**18,962**	**683**	**171,836**
Recoveries	-	(1,591)	(22,752)	-	**(24,343)**
Net	**100,895**	**49,705**	**(3,790)**	**683**	**147,493**

General and administrative costs

	Three months ended December 31, 2016	Three months ended December 31, 2015	Increase (decrease)		Years ended December 31, 2016	Years ended December 31, 2015	Increase (decrease)	
	($)	($)	($)	(%)	($)	($)	($)	(%)
General operating expenditures								
Consulting fees	27,921	24,156	3,765	16	83,906	108,917	(25,011)	(23)
Legal and accounting	75,815	12,285	63,530	517	143,081	114,172	28,909	25
Office expense	124,458	129,233	(4,775)	(4)	482,625	540,047	(57,422)	(11)
Shareholder information	65,860	12,449	53,411	429	210,024	114,041	95,983	84
Travel	10,312	7,442	2,870	39	18,162	17,421	741	4
	304,365	185,565	118,800	64	937,798	894,598	43,200	5
Other items								
Depreciation	1,391	2,388	(997)	(42)	6,351	10,798	(4,447)	(41)
Interest income	(288)	(4,632)	4,344	(94)	(9,382)	(26,065)	16,683	(64)
Ontario litigation costs	52,650	194,452	(141,802)	(73)	535,657	916,362	(380,705)	(42)
Writedown of exploration exploration and evaluation assets	-	2,416,737	(2,416,737)	(100)	-	2,548,449	(2,548,449)	(100)
	53,753	2,608,945	(2,555,192)	(98)	532,626	3,449,544	(2,916,918)	(85)
Loss for the period	**358,118**	**2,794,510**	**(2,436,392)**	**(87)**	**1,470,424**	**4,344,142**	**(2,873,718)**	**(66)**

The loss for the year ended December 31, 2016 includes a provision of $440,570 for the Province's expenses in relation to the Ontario litigation (See "*OUTLOOK AND STRATEGY, 2017, Ontario Litigation"* in this MD&A). Excluding expenditures incurred and the provision in respect of the Ontario litigation, the Company incurred general operating expenditures of $304,365 for the three months ended December 31, 2016 (three months ended December 31, 2015: $185,565), and $937,798 for the year ended December 31, 2016 (year ended December 31, 2015: $894,598). The increases relate primarily to professional services rendered to the Company and for shareholder information costs in the 3rd quarter, resulting from the financings and increased activities of the Company. The loss for the year ended December 31, 2015 includes write down of exploration and evaluation properties of $2,548,449.

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:

	2016				2015			
Quarter ended	**Dec 31**	**Sept 30**	**June 30**	**March 31**	**Dec 31**	**Sept 30**	**June 30**	**March 31**
	($)	($)	($)	($)	($)	($)	($)	($)
Interest income	288	819	5,300	2,975	4,632	5,739	7,237	8,457
Net (Loss)	(358,118)	(223,958)	(655,353)	(232,996)	2,794,510	577,360	478,012	494,260
Net (loss) per share (basic and diluted)	-	-	-	-	(0.01)	-	-	-
Total assets	6,504,565	4,829,895	5,053,626	5,254,266	5,448,004	8,527,117	8,956,895	9,505,153

ANNUAL FINANCIAL INFORMATION

Years ended December 31,	**2016**	**2015**	**2014**	**2013**
	($)	($)	($)	($)
Interest income	9,382	26,065	51,272	87,656
Net (Loss)	(1,470,424)	(4,344,142)	(10,664,555)	(16,575,095)
Net (loss) per share (basic and diluted)	(0.01)	(0.02)	(0.06)	(0.09)
Total assets	6,504,565	5,448,004	9,873,902	20,251,543

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.

At December 31, 2016 the Company had cash and cash equivalents of $2,697,072, which amount includes $1,981,160 in respect of flow-through funds and working capital of $1,853,011 to settle trade payables and accrued liabilities totaling $78,402. 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				**318,487,966**
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 3, 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	
				7,950,000
				424,447,966

(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. During the years ended December 31, 2016 and 2015, the Company was charged for services, net of any share-based payments, by these parties as follows:

For the years ended December 31,	**2016 ($)**	2015 ($)
CEO and President	**225,000**	233,654
CFO	**25,000**	67,000
Corporate Secretary	**39,000**	34,000
	289,000	334,654

Directors' Compensation

During the years ended December 31, 2016 and 2015, the Company provided for directors' fees, net of any share-based payments, as follows:

For the years ended December 31,	**2016 ($)**	2015 ($)
Directors' fees	**45,500**	94,750

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, 2016. These changes were made in accordance with the applicable transitional provisions, and did not impact the Company's condensed interim financial statements.

- IAS 16, "*Property, Plant and Equipment*" and IAS 38, "*Intangible Assets*": were adopted effective January 1, 2016.
- IFRS 7, "*Financial Instruments: Disclosure*": was adopted effective January 1, 2016.
- IFRS 11, "*Joint Arrangements*": was adopted effective January 1, 2016.
- IAS 1, "*Presentation of Financial Statements*": was adopted effective January 1, 2016.
- IAS 19, "*Employee Benefits*": was adopted effective January 1, 2016.

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.
- 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.

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(c) 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 February 13, 2017, the Company announced concurrent financings (the "Concurrent Financings"), as to:

- 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.
- an additional non-brokered private placement to raise gross proceeds of up to $2,500,000 by way of Units under the same terms as the Offering (the "Unit Offering") and flow-through common shares at a price of $0.055 per share (the "FT Offering"). The Unit Offering and the FT Offering are collectively referred to as the "Concurrent Offering", and subscribers may elect to receive Units or flow-through shares or a combination thereof.
- The Concurrent Financings closed as follows:

	Tranche #1	Tranche #2	Total
Closing Date	March 2, 2017	March 6, 2017	
Gross Proceeds	$3,097,000	$1,403,000	**$4,500,000**
FT Shares Issued	3,400,000	7,499,999	**10,899,999**
NFT Shares Issued	58,200,000	19,810,000	**78,010,000**
Finders' Fees			
Cash	$41,250	$54,150	**$95,400**
NFT Warrants Issued	58,200,000	19,810,000	**78,010,000**
NFT Warrant Exercise Price	$0.08	$0.08	
NFT Warrant Expiry Date	March 2, 2019	March 6, 2019	

On April 6, 2017, the Company engaged Renmark Financial Communications Inc. to provide investor relation services. For the services, there will be a cash consideration of up to $8,000 CDN starting April 1, 2017 for a period of six months ending on September 30, 2017, and monthly thereafter.

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 MDA for the year ended December 31, 2015. 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.