Northern Superior Resources Inc.

Condensed Interim Financial Statements

(Expressed in Canadian dollars)

For the three months ended March 31, 2015 and 2014

Northern Superior Resources Inc.

Notice to Reader:

These condensed interim financial statements of Northern Superior Resources Inc. (the "Company") have been prepared by management and reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors of the Company. In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its external auditors have not reviewed these condensed interim financial statements, notes to financial statements and the related quarterly Management Discussion and Analysis.

Northern Superior Resources Inc.
Condensed Interim Financial Statements
(Expressed in Canadian dollars)

Statements of Financial Position

		March 31 2015		December 31 2014
Assets				
Current assets				
Cash and cash equivalents	$	3,123,830	$	3,615,065
Prepaids and receivables *note 4*		561,830		513,491
Available-for-sale investments *note 5*		2,500		1,750
	$	3,688,160		4,130,306
Non-current assets				
Receivables *note 4*		6,189		49,796
Equipment		18,517		21,321
Exploration and evaluation properties *note 6*		5,792,287		5,672,479
		5,816,993		5,743,596
Total Assets	$	9,505,153	$	9,873,902
Liabilities				
Current				
Trade payables and accrued liabilities *note 7*	$	296,722	$	189,880
Equity				
Share capital *note 8*		62,784,407		62,784,407
Reserve - Stock options *notes 8(b) and 8(c)*		4,618,683		4,600,764
Accumulated other comprehensive income *note 5*		(750)		(1,500)
Deficit		(58,193,909)		(57,699,649)
Total Equity		9,208,431		9,684,022
Total Liabilities and Equity	$	9,505,153	$	9,873,902

Nature of operations *note 1*
Commitments *note 13*
Event subsequent to the end of the reporting period *note 16*

APPROVED AND AUTHORIZED FOR ISSUE BY THE BOARD ON APRIL 30, 2015

"Alan C. Moon" *"Arnold Klassen"*

Director Director

See accompanying notes to condensed interim financial statements

(Expressed in Canadian dollars)

Statements of Loss and Comprehensive Loss

Three months ended March 31,		**2015**		2014
Expenses				
Consulting fees *note 8(d)*	**$**	**30,087**	$	29,533
Depreciation		**2,803**		2,803
Legal and accounting		**52,898**		9,349
Office expense *note 8(d)*		**165,479**		159,183
Shareholder information		**59,890**		122,935
Travel		**7,592**		9,285
Loss before the undernoted		**(318,749)**		(333,088)
Interest income		**8,457**		16,148
Ontario litigation costs *notes 6 and 14*		**(183,968)**		(56,963)
Net loss for the period	**$**	**(494,260)**	$	(373,903)
Items that may be classified subsequently to Profit or Loss				
Change in available-for-sale investments *note 5*		**(750)**		-
Net loss and comprehensive loss for the period	**$**	**(495,010)**	$	(373,903)
Net loss per share - basic and diluted				
Basic	**$**	**(0.00)**	$	(0.00)
Diluted	**$**	**(0.00)**	$	(0.00)
Weighted-average number of shares outstanding:				
Basic		**188,654,889**		188,562,581
Diluted		**188,654,889**		188,562,581

See accompanying notes to condensed interim financial statements

Northern Superior Resources Inc.
Financial Statements
(Expressed in Canadian dollars)

Statements of Equity

	Share Capital		Reserves			
	Number of Shares	Amount	Stock options	Accumulated other comprehensive income	Deficit	Total Equity
Balance, December 31, 2013	**188,654,889**	**$ 62,704,407**	**$ 4,462,802**	**$ -**	**$ (47,035,094)**	**$ 20,132,115**
Share-based payments *note 8(d)*	-	-	42,146	-	-	42,146
Net loss for the period	-	-	-	-	(373,903)	(373,903)
Balance, March 31, 2014	**188,654,889**	**$ 62,704,407**	**$ 4,504,948**	**$ -**	**$ (47,408,997)**	**$ 19,800,358**
Common shares issued for exploration and evaluation property *note 8(b)*	307,694	80,000	-	-	-	80,000
Change in available-for-sale investments *note 5*	-	-	-	(1,500)	-	(1,500)
Share-based payments note 8(d)			95,816	-	-	95,816
Net loss for the period	-	-	-	-	(10,290,652)	(10,290,652)
Balance, December 31, 2014	**188,962,583**	**$ 62,784,407**	**$ 4,600,764**	**$ (1,500)**	**$ (57,699,649)**	**$ 9,684,022**
Change in available-for-sale investments note 5	-	-	-	750	-	750
Share-based payments *note 8(d)*	-	-	17,919	-	-	17,919
Net loss for the year	-	-	-	-	(494,260)	(494,260)
Balance, March 31, 2015	**188,962,583**	**$ 62,784,407**	**$ 4,618,683**	**$ (750)**	**$ (58,193,909)**	**$ 9,208,431**

See accompanying notes to condensed interim financial statements

Northern Superior Resources Inc.
Financial Statements
(Expressed in Canadian dollars)

Statements of Cash Flows

Three months ended March 31,		**2015**		*2014*
Operating Activities				
Net loss for the period	**$**	**(494,260)**	$	(373,903)
Items not involving cash:				
Depreciation		**2,803**		2,803
Share-based payments *note 8(d)*		**15,167**		26,790
Change in non-cash operating working capital items:				
Decrease in prepaids and receivables		**1,458**		23,822
Decrease (Increase) in trade payables and accrued liabilities		**30,056**		(19,196)
Cash used in operating activities		**(444,776)**		(339,684)
Investing Activities				
Exploration and evaluation expenditures		**(73,749)**		(495,529)
Recovery of exploration and evaluation expenditures		**27,290**		-
Cash used in investing activities		**(46,459)**		(495,529)
Decrease in cash during the period		**(491,235)**		(835,213)
Cash, beginning of period		**3,615,065**		5,390,544
Cash, end of period	**$**	**3,123,830**	$	4,555,331

Supplemental cash flow information *note 10*

See accompanying notes to condensed interim financial statements

1. DESCRIPTION OF BUSINESS AND NATURE OF OPERATIONS

Northern Superior Resources Inc. ("Northern Superior" or the "Company") is an exploration stage junior mining company engaged in the identification, acquisition, evaluation and exploration of gold properties in Ontario and Québec. The Company has not determined whether its properties contain mineral reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation properties and related deferred costs is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development, and attaining future profitable production from the properties or proceeds from disposition.

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. Management believes that financing is available and may be sourced in time to allow the Company to continue its current planned activities in the normal course.

The head office, principal address and registered and records office of the Company is 1351C Kelly Lake Road, Unit 7, Sudbury, Ontario, Canada, P3E 5P5.

2. BASIS OF PREPARATION

a) Statement of Compliance

The accompanying financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. The accounting policies, methods of computation and presentation applied in these financial statements are consistent with those of the previous financial year.

These condensed interim financial statements have been prepared on a historical cost basis, except for financial instruments classified as available-for-sale ("AFS"), which are stated at their fair values. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the December 31, 2014 annual financial report.

b) Approval of Financial Statements

The condensed interim financial statements of the Company for the three months ended March 31, 2015 were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on April 30, 2015.

3. SIGNIFICANT ACCOUNTING POLICIES

a) Use of Estimates and Judgements

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates where management's judgment is applied include asset valuation, asset retirement obligations, income taxes, share-based payments and ability to continue as a going concern. Actual results may differ from those estimates and judgements.

(Expressed in Canadian dollars)

b) Comparative Figures

Certain comparative figures have been reclassified in accordance with the current period's presentation.

4. PREPAIDS AND RECEIVABLES

		March 31 2015		December 31 2014
Quebec government refundable tax credits	**$**	**474,272**	$	424,475
Sales tax receivable - net		**47,613**		22,556
Prepaid expenses		**15,203**		27,848
Interest receivable		**9,742**		36,299
Other receivables		**15,000**		2,313
Total Current Prepaids and Receivables	**$**	**561,830**	$	513,491
Receivables (non-current):				
Quebec Government refundable tax credits		**6,189**		49,796
Total	**$**	**568,019**	$	563,287

5. AVAILABLE-FOR-SALE ("AFS") INVESTMENTS

At March 31, 2015 and December 31, 2014, the Company held the following AFS investment:

As at	**March 31, 2015**				December 31, 2014				
	Number of Shares		**Cost**	**Fair Value**	Number of Shares		Cost		Fair Value
Bold Ventures Inc.	**50,000**	**$**	**3,250**	**$2,500**	50,000	$	3,250	$	1,750

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION PROPERTIES

For the three months ended March 31, 2015	**Ti-pa-haa-kaa-ning**	**Croteau Est**	**Waconichi**	**Grizzly**	**Lac Surprise**	**Total**
Balance, December 31, 2014	**$ 2,254,124**	**$ 1,917,421**	**$ 234,766**	**$ 105,053**	**$ 1,161,115**	**$ 5,672,479**
Acquisition, assessment and maintenance	**73,099**	**1,210**	**105**	**488**	**831**	**75,733**
Analytical	**-**	**998**	**-**	**-**	**-**	**998**
Geology	**12,700**	**17,840**	**-**	**-**	**17,220**	**47,760**
Drilling	**384**	**384**	**-**	**-**	**-**	**768**
Research	**19,033**	**-**	**-**	**-**	**-**	**19,033**
Project administration	**734**	**307**	**-**	**-**	**1,710**	**2,751**
Cost recoveries	**-**	**(6,020)**	**-**	**-**	**(15,027)**	**(21,047)**
Refundable tax credits and adjustments	**-**	**(5,322)**	**-**	**-**	**(866)**	**(6,188)**
Net increase (decrease) for the period	**105,950**	**9,397**	**105**	**488**	**3,868**	**119,808**
Balance, March 31, 2015	**$ 2,360,074**	**$ 1,926,818**	**$ 234,871**	**$ 105,541**	**$ 1,164,983**	**$ 5,792,287**

For year ended December 31, 2014	Ti-pa-haa-kaa-ning	Croteau Est	Waconichi	Grizzly	Lac Surprise	Total
Balance, beginning of year	$ 6,178,434	$ 5,832,840	$ 754,087	$ 41,897	$ 1,147,916	$ 13,955,174
Acquisition, assessment and maintenance	1,137	170,169	980	42,294	6,986	221,566
Analytical	-	51,354	8,023	-	-	59,377
Geology	69,099	424,876	31,644	28,524	22,744	576,887
Drilling	-	347,354	32,510	-	-	379,864
Research	53,870	466	-	-	-	54,336
Project administration	1,584	49,414	1,257	5,650	11,161	69,066
Cost recoveries	-	(2,000)	-	-	(20,774)	(22,774)
Refundable tax credits and adjustments	-	(335,317)	(29,410)	(13,312)	(6,918)	(384,957)
Write-off exploration and evaluation properties	(4,050,000)	(4,621,735)	(564,325)	-	-	(9,236,060)
Net increase (decrease) for the year	(3,924,310)	(3,915,419)	(519,321)	63,156	13,199	(8,282,695)
Balance, December 31, 2014	**$ 2,254,124**	**$ 1,917,421**	**$ 234,766**	**$ 105,053**	**$ 1,161,115**	**$ 5,672,479**

Ti-pa-haa-kaa-ning ("TPK") property

The Company owns a 100% interest in the TPK project. The Company incurred expenditures of $105,950 (2014-$29,902) on the property during the three months ended March 31, 2015 and since acquisition has recorded total cumulative expenditures of $17,010,074 on the property.

On December 31, 2014, the Company recorded a write-down of $4,050,000 with respect to the TPK property. The write-down was based on a number of impairment review factors, including, but not limited to, the Company's assesment of indicated market value, current and the Company's market capitalization.

Under an agreement with Lake Shore Gold Corp. ("Lake Shore") dated May 27, 2010, the Company granted Lake Shore an assignable (subject to a right of first refusal in favor of the Company) 2% Net Smelter Royalty ("NSR") on all minerals produced from TPK, with the Company having the right to purchase back one quarter of the NSR (0.5%) for $1,000,000. On 5 of the TPK claims, there is also a 2% NSR on all commodities in favour of Vale S.A., and on 7 of the TPK claims there is a 2% NSR for diamonds only in favour of Vale S.A.

The agreement also provided that: (i) the Company with be responsible for all expenditures on TPK from January 1, 2010 onward: (ii) for a period of 5 years and so long as Lake Shore maintains at least a 10% ownership interest, it will be offered the right to participate in any future equity financings pro rata in order to maintain its ownership interest: and (iii) for so long as Lake Shore maintains at least a 19.9% ownership interest it will be entitled to nominate at least two directors to serve on the Company's board, and should its holdings drop below 19.9% but remain above 10% it shall be entitled to nominated one director.

Croteau Est property

On August 24, 2011, the Company entered into an option agreement with the owners (the "Optionors") of the Croteau Est gold property in Québec who granted the Company an option to acquire 100% of the property. To exercise the option, the Company is required to spend $1.7 million on exploration on the property over four years from the date of the agreement (note 13): $200,000 in year 1, $300,000 in year 2, $400,000 in year 3 and $800,000 in year 4, all of which has already been incurred. The Company must also make cash payments to the Optionors totaling $350,000: $35,000 upon signing the letter of intent (paid), $35,000 by the end of year 1 (paid), $40,000 by the end of year 2 (paid), $80,000 by the end of year 3 (paid) and $160,000 by the end of year 4. In addition, the Company must issue to the Optionors, $280,000 worth of common shares of the Company: $40,000 at the end of year 2 (issued), $80,000 by the end of year 3 (issued) and $160,000 by the end of year 4. The number of common shares issuable shall be based on the greater of the market price of the Company's shares at the time of issuance and $0.26 per share. Upon exercise of the option, the Optionors shall retain a 1.0% net smelter royalty ("NSR") on any commercial production with the Company having the right to buyback 0.5% of the NSR for $1.5 million, at any time.

The Company incurred net expenditures of $9,397 (2014-$254,667) on the property during the three months ended March 31, 2015 and since acquisition has recorded total cumulative expenditures of $6,548,553 on the property.

On December 31, 2014, the Company recorded a write-down of $4,621,735 (2013-$Nil) with respect to the Croteau Est property. The write-down was based on a number of impairment review factors, including, but not limited to, indicated market value and the Company's market capitalization.

Waconichi property

Under an agreement signed in May 2013 , the Company acquired a 100% interest in the Waconichi property Quebec by making a one-time cash payment of $225,000 and granting a 1% NSR royalty on a majority of the Waconichi claims.

The 1% NSR royalty covers all except 7 claims (comprising approximately 287 hectares) which were already subject to a prior 2% NSR royalty in favor of the prospector who originally staked the claims. The Company has the right to repurchase half of the 1% NSR royalty (reducing it to a 0.5% NSR royalty) at any time for $1,000,000. Similarly, the Company has the right to repurchase half of the Charbonneau 2% NSR royalty (reducing it to a 1% NSR royalty) at any time, for $1,000,000. In either case, should the Company exercise its buy-back right, it will then have a right of first refusal with respect to the remaining NSR royalty.

The Waconichi property consists of 306 claims covering an area of approximately 17,588 hectares and the largest cluster of claims are adjacent to the Company's Croteau Est gold property located to the south.

The Company incurred net expenditures of $105 (2014-$20,597) on the property during the three months ended March 31, 2015 and since acquisition has recorded total cumulative expenditures of $799,197 on the property.

On December 31, 2014, the Company recorded a write-down of $564,325 (2013-$Nil) with respect to the Waconichi property. The write-down was based on a number of impairment review factors, including, but not limited to, indicated market value and the Company's market capitalization.

Grizzly Property

In July 2013, the Company entered into an option agreement to acquire the Grizzly property in Québec. For the Company to earn a 100% in the property, the Company must:

a) Spend an aggregate of $1.7 million on exploration on the property over five years, as follows:
   - (i) $75,000 in year 1 (incurred);
   - (ii) $100,000 in year 2;
   - (iii) $300,000 in year 3;
   - (iv) $400,000 in year 4; and
   - (v) $825,000 in year 5;

b) Make cash payments to the Optionors totaling $315,000 over five years, as follows:
   - (i) $35,000 in year 1 (paid);
   - (ii) $40,000 in year 2;
   - (iii) $80,000 in year 3;
   - (iv) $80,000 in year 4 and
   - (v) $80,000 in year 5;

c) Issue 1,000,000 shares of the Company to the Optionors during the last 4 years of the option, as follows:
   - (i) 200,000 shares in year 2;
   - (ii) 200,000 shares in year 3;
   - (iii) 300,000 shares in year 4; and
   - (iv) 300,000 shares in year 5.

The Company has the right to accelerate its exercise of the option.

Upon exercise of the option, the optionors shall retain a 1.0% NSR on any commercial production with the Company having the right to buyback 0.5% of the NSR for $1.5 million, at any time. The parties have agreed that any further claims staked within 1.5 km of the property, shall form part of the option and any production therefrom shall be subject to the NSR.

The Company incurred net expenditures of $488 (2014–$12,007) on the property during the three months ended March 31, 2015 and since acquisition has recorded total cumulative expenditures of $104,541 on the property.

(Expressed in Canadian dollars)

Option Earn-in Agreement on Lac Surprise Property

In April 2014, the Company signed an option agreement with Bold Ventures Inc. ("Bold") whereby Bold can earn a 50% working interest in the Lac Surprise property by spending an aggregate of $2,000,000 on exploration of the property and issuing to the Company a total of 350,000 common shares of Bold, all over a three year period, 50,000 shares of which were issued upon signing the agreement. Bold is obligated to spend a minimum of $500,000 on exploration of the property in the first year, at the end of which a further 50,000 common shares of Bold are issuable. The second year optional commitment is 100,000 common shares of Bold and $500,000 in exploration work. The third year optional commitment calls for $1,000,000 in exploration work on the property and the issuance of 150,000 common shares of Bold. Bold will also hold the option to earn an additional 10% in the project by delivering a positive feasibility study within five years from the date of execution of the formal option agreement. If Bold takes up all parts of the option it will have earned a 60% interest in the property. Upon Bold earning either 50% or 60% interest in the property, the Company and Bold shall form a joint venture to hold the property and conduct further exploration activities.

Write-off of Meston Lake, Rapson Bay and Thorne Lake Properties and Related Ontario Litigation Costs

In the year ended December 31, 2013, the Company recorded a write-off of $6,005,125, representing the unamortized balance of its deferred exploration costs incurred in connection with its exploration of the Meston Lake, Rapson Bay and Thorne Lake properties (the "Properties"). The decision to write-off the Properties was based on the Company's determination that it lost the ability to access to the Properties, as well as its ability to realize the benefits of any value created from its exploration expenditures to date, due to the actions of third parties. On October 24, 2013, the Company filed a civil lawsuit against the Government of Ontario seeking among other things, damages of $110 million and consisting mainly of amounts expended to date as well as for lost value of the Properties, as a result of lost access to the Properties. A trial date of June 1, 2015 has been set by the Ontario Superior Court. In the three months ended March 31, 2015 the Company incurred costs of $183,968 (2014-$56,963) in respect to the litigation of its claim (note 14).

7. TRADE PAYABLES AND ACCRUED LIABILITIES

As at	**March 31, 2015**	December 31, 2014
Trade payables	**$ 180,976**	$ 32,846
Amounts due to related parties *note 9*	**5,154**	2,931
Accrued liabilitites - general	**24,592**	19,103
Accrued liabilitites - severance	**86,000**	135,000
	$ 296,722	$ 189,880

8. SHARE CAPITAL

a) Authorized: Unlimited common shares without par value.

b) Issued Capital

In August 2014, the Company issued 307,694 shares of the Company at a deemed aggregate share cost of $80,000 in connection with an option agreement to acquire a 100% interest in the Croteau Est property in Québec (note 6).

c) Stock Options

As at March 31, 2015, the Company had 10,785,000 stock options outstanding of which 6,176,666 were exercisable under the Company's stock option plan. The terms of all options cannot exceed ten years and the minimum exercise price cannot be less than the closing price of the Company's common shares on the TSX Venture Exchange on the last trading day preceding the grant of the option. All of the outstanding options of the Company were issued with an expiry date of 5 years from the date of issue. The Board of Directors determines the vesting terms of the options, with a typical vesting schedule of 1/3 of the options under the grant vesting on each anniversary over a three year period after the date of grant.

(Expressed in Canadian dollars)

A summary of the changes in the Company's stock option plan for the three months ended March 31, 2015 and the year ended December 31, 2014 is as follows:

	Three months ended March 31, 2015		Year ended December 31, 2014	
	Number of options	**Weighted-average exercise price**	Number of options	Weighted-average exercise price
Outstanding, beginning of year	**11,160,000**	**$0.28**	12,194,567	$0.21
Granted	**-**	**-**	2,675,000	0.05
Expired	**(375,000)**	**0.11**	(2,154,567)	0.12
Forfeited	**-**	**-**	(1,555,000)	0.28
Outstanding, end of period	**10,785,000**	**$0.19**	11,160,000	$0.19
Exercisable, end of period	**6,176,666**	**$0.28**	6,043,334	$0.28

The weighted average grant-date fair value for options granted during the year ended December 31, 2014 was $0.03, which was determined using the Black-Scholes Option Pricing Model and the following assumptions: no dividends to be paid; volatility of 121.50%; risk-free interest rate 1.43%; and expected life of 5 years.

The following table summarizes information regarding stock options outstanding and exercisable at March 31, 2015: :

Exercise Price Range	Number of Options Outstanding	Remaining Contractual Life (in years)	Weighted Average Exercise Price	Number of Options Exercisable	Remaining Vested Contractual Life (in years)	Weighted Average Vested Excercise Price
$0.05 - $0.19	7,150,000	3.65	$0.08	2,541,666	3.02	$0.10
$0.20 - $0.39	1,835,000	1.59	0.24	1,835,000	1.60	0.24
$0.40 - $0.59	1,750,000	0.60	0.55	1,750,000	0.60	0.55
$0.60 - $0.79	50,000	1.08	$0.70	50,000	1.08	0.70
	10,785,000	2.86	$0.19	6,176,666	1.90	$0.28

d) Share-Based Payments

Share-based payments recognized in the year are capitalized to exploration and evaluation properties or expensed as consulting fees and office expense.

The following table summarizes the share-based payment expense for stock option grants that the Company recorded for the three months ended March 31, 2015 and 2014:

(Expressed in Canadian dollars)

For the three months ended March 31,		**2015**		2014
Consulting fees	**$**	**1,587**	$	2,533
Office expense		**13,580**		24,257
		15,167		26,790
Exploration and evaluation properties		**2,752**		15,356
Total share-based payments	**$**	**17,919**	$	42,146

Share-based payments of $2,752 (2014-$15,356) related to exploration and evaluation properties are capitalized to exploration and evaluation properties and share-based payments of $15,167 (2014-$26,790) related to consulting fees and office expense were expensed for the three months ended March 31, 2015.

e) Basic and Diluted Loss per Share

The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the year. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options and share purchase warrants, in the weighted average number of common shares outstanding during the year, if dilutive.

Potentially dilutive items not included in the calculation of diluted loss per share for the three months ended March 31, 2015 were 10,785,000 (2014-12,194,567) stock options that were anti-dilutive.

9. RELATED PARTY TRANSACTIONS

For the three months ended March 31,		**2015**		2014
Management fees	**$**	**28,626**	$	36,064
Directors' fees		**24,500**		29,750
Salaries and wages		**60,577**		109,577
Share-based payments		**9,926**		26,323
	$	**123,629**	$	201,714

The Company paid Morfopoulos Consulting Associates Ltd., a company controlled by the CFO, $18,126 for accounting and management and administration services during the three months ended March 31, 2015 (2014-$18,000), which amounts are included in management and other fees above.

All related party transactions are in the normal course of operations and measured at the exchange amount agreed to between the related parties. For the purposes of disclosure, related parties are defined as the officers and directors of the Company and companies controlled by the officers and directors.

Included in accounts payables at March 31, 2015 is $5,154 due to related parties (December 31, 2014-$2,931) (Note 7).

10. SUPPLEMENTAL CASH FLOW INFORMATION

For the three months ended March 31		**2015**		2014
Non-cash investing and financing activities				
Changes in working capital related to exploration properties		**76,785**		691,110
Interest received	**$**	**35,051**	$	16,148
Interest paid		**-**		-
Taxes paid		**-**		-

(Expressed in Canadian dollars)

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

a) Financial Instruments

The carrying value of financial assets and liabilities are as follows as of the dates shown:

As at		**March 31, 2015**		December 31, 2014
Financial Assets				
Fair value through profit or loss, measured at fair value				
Cash and cash equivalents	**$**	**3,123,830**	$	3,615,065
Loans and receivables, measured at amortized cost				
Receivables - interest		**24,742**		36,299
Financial Liabilities				
Other liabilities, measured at amortized cost				
Trade payables and due to related parties	**$**	**186,129**	$	189,880

The fair value hierarchy of financial instruments measured at fair value on the statement of financial position is as follows:

As at		**March 31, 2015**		December 31, 2014
		Level 1		Level 1
Cash and cash equivalents	**$**	**3,123,830**	$	3,615,065

Management of Financial Risks

The Company thoroughly examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include credit risk, liquidity risk, market risk and other price risks. Where material, these risks are reviewed and monitored by the Board of Directors.

i. Credit Risk

Credit risk is the risk of an unexpected loss if a party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to cash and receivables. The Company has no significant concentration of credit risk arising from operations. Management believes that the credit risk concentration with respect to financial instruments included in receivables is remote. The Company is not exposed to significant credit risk and overall the Company's credit risk has not changed significantly from the prior year.

ii. Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meets its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2015, the Company had cash and cash equivalents of $3,123,830 (December 31, 2014-$3,615,065) to settle trade payables and accrued liabilities totaling $296,722 (December 31, 2014-$189,880). All of the Company's financial liabilities have contractual maturities of 30 days and are subject to normal trade terms.

(Expressed in Canadian dollars)

iii. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to short term interest rates through the interest earned on cash balances. For the three months ended March 31, 2015, a 1% change in short term rates would not be material to the interest income and net loss of the Company.

Unless otherwise noted, it is management's opinion that the Company is not exposed to significant currency or commodity risk arising from financial instruments.

12. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it to effectively support the acquisition, exploration and development of mineral properties. In the definition of capital, the Company includes, as disclosed on its statement of financial position: share capital, deficit, equity reserves and cash and cash equivalents.

The properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for general administrative costs, the Company will be using its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so (Note 6).

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the period ended March 31, 2015. The Company is not subject to externally imposed capital requirements and does not have exposure to asset-backed commercial paper or similar products.

13. COMMITMENTS

	1 - 5 years	Total
Operating lease - office lease	$ 105,669	**$ 105,669**

The Company has future commitments under exploration and evaluation property option agreements to issue shares and incur exploration expenditures (note 6).

14. CONTINGENCIES

On October 24, 2013, the Company filed a civil lawsuit against the Government of Ontario seeking among other things, damages of $110 million and consisting mainly of amounts expended to date as well as for lost value of the Properties, as a result of lost access to the Properties. A trial date of June 1, 2015 has been set by the Ontario Superior Court. In the three months ended March 31, 2015 the Company incurred costs of $183,968 (2014-$56,963) in respect to the litigation of its claim (note 6).

15. SEGMENTED INFORMATION

The Company conducts its business as a single operating segment being the mining business in Canada. All resource properties and equipment are situated in Canada.

16. EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

On April 21, 2015, the Company signed an option and joint venture agreement with Chalice Gold Mines Limited ("Chalice") relating to the Company's Croteau Est gold property in Quebec. For the purposes of the agreement, the Croteau Est property includes the Company's adjacent Waconichi property.

Under the agreement, Chalice can earn a 65% joint venture interest in the Croteau Est property by spending an aggregate of $4,000,000 on exploration expenditures over three years. Chalice is obligated to spend a minimum of $500,000 on exploration of the Croteau Est property in the first year regardless of whether it fully exercises its option.

Upon completion of the $4,000,000 expenditure earn-in requirement, a joint venture will be formed with Chalice holding a 65% joint venture interest and Northern Superior owning a 35% joint venture interest and thereafter, each party will be required to contribute to any further programs pro rata according to its joint venture interest. Should a joint venture party fail to make any of its required program contributions, its interest will be diluted accordingly.

Under this agreement, if one of the parties interest is diluted below 10%, its interest will be converted to a NSR interest as follows:

(i) with respect to any claims which are already subject to an NSR (to a third party):

- a. for period(s) where the price of gold (as quoted on the London Gold Fix) is less than C$1,800 per ounce, a 1% NSR; and
- b. for period(s) where the price of gold (as quoted on the London Gold Fix) exceeds C$1,800 per ounce, a 2% NSR; and

(ii) with respect to all other claims, a 2% NSR,

and in each case, one-half of the NSR percentages can be bought back for $1,000,000.