Northern Superior Resources Inc.
Management's Discussion and Analysis
For the years ended December 31, 2014 and 2013
(Expressed in Canadian dollars)

GENERAL

The information in this Management's Discussion and Analysis ("MD&A") is intended to assist the reader in the understanding and assessment of the trends and significant changes in the results of operations and financial conditions of Northern Superior Resources Inc. (the "Company" or "Northern Superior"). This MD&A should be read in conjunction with the audited financial statements of the Company for the years ended December 31, 2014 and 2013, and MD&A of such financial statements, and other information relating to the Company on file with the Canadian provincial securities regulatory authorities on SEDAR at www.sedar.com. The Company's audited financial statements for the years ended December 31, 2014 and 2013 have been prepared in accordance with International Financial Reporting Standards ("IFRS"). This MD&A has taken into account information available up to and including April 14, 2015.

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.

This MD&A contains forward-looking statements. Please refer to the cautionary language at the end of this document.

HIGHLIGHTS for 2014:

- Completion of three exploration programs on the Croteau Est gold property. The data acquired through a winter reverse circulation drill program, summer and fall mapping, prospecting and trenching programs culminated in a comprehensive understanding of the property's geology and structural properties. This work was critical in identifying those areas on the property that host the potential for economic gold mineralization. Exploration plans and budgets are in place to test these areas with both reverse circulation and core drill programs;

- Completion of a joint venture agreement with Bold Ventures Inc. in July 2014, which facilitated the advancement of exploration on the Northern Superior's Lac Surprise property. The agreement was followed by exploration programs during the summer and fall of 2014, which included prospecting, mapping, trenching and ground geophysical programs, and which lead to the understanding of the geology and structural controls for gold mineralization and the discovery of seven gold showings;

- Interpretation and compilation of all data from Northern Superior's exploration programs on the Grizzly gold property identified several types of mineralization on the property and an understanding of the geology and structural controls associated with mineralization;

- Completion of a comprehensive technical report for the Ti-pa-haa-kaa-ning ("TPK") gold, silver and copper property in northwestern Ontario summarizes all exploration to date, the Company's understanding of the geology and structural controls for mineralization on the property and includes an exploration plan and budget for the next phase of exploration;

- Marketing of Ville Marie diamond property in 2014 generating interest from potential partners. In addition to the 2 kimberlite pipes already discovered on the property (one diamondiferous), eight drill-ready targets have been identified and a budget has been prepared for the testing of these targets;

- A comprehensive review of the Company's geoscientific data base began in November 2014, with the goal of being able to identify the next generation of exploration properties for Northern Superior;

- Continued to engage and enhance Company's relationships with First Nation stakeholders. With the assistance of the local First Nation, Northern Superior was successful in obtaining its first plan and permit approval under the New Mining Act in Ontario (for TPK property). Northern Superior was also accepted into the Progressive Aboriginal Relations (PAR) "Committed" status ("PAR Committed") of the Canadian Council for Aboriginal Business for the second year in a row. PAR is the only corporate social responsibility program with an exclusive focus on aboriginal relations and it continues to recognize Northern Superior's ongoing commitment to building meaningful relationships with Aboriginal communities and businesses;

- Advancement on Company's lawsuit against Ontario Government. A series of key steps have been completed so far, and the litigation is moving towards a a trial date (set for June 2015);

- Reduction of Company's annual overhead costs by 14% in 2014 (see "Results of Operations" below); and

- Ended year with $3.6 million in cash (and $3.9 million working capital).

Croteau Est Gold Property:

- Completed a 108 hole, winter reverse circulation drill program (1,147 m) testing five shear-hosted gold target areas identified earlier from geological mapping, prospecting and geophysical programs;
- Completed two phases of exploration during the summer and fall, consisting of bedrock mapping, prospecting and overburden trenching programs;
- Discovered a new gold- bearing structural zone (the "Croteau Fault");
- Defined the extension of the large, robust, gold- bearing alteration corridor associated with the Croteau Bouchard Shear Zone (CBSZ), extending east from the CBSZ for an additional 9.8 km across the property, measuring 50- 150 m in width;
- Identified six target areas on the property that are prime candidates for further mineral discovery;
- Developed an understanding of the structural controls for gold mineralization on the property and surrounding area;
- Completed mapping and channel sampling of a high grade gold shoot exposed within the gold mineralized CBSZ-one of four such shoots identified thus far within the CBSZ;
- Refined the lithological and structural controls of that CBSZ high grade shoot (see press release, July 23, 2014);
- Developed and refined high-priority core drill targets; and
- Completed a comprehensive technical report summarizing all exploration efforts to date and proposing an exploration program and budget.

Lac Surprise Gold Property

- Optioned this property to Bold Ventures Inc. in July 2014, under which Bold can earn a 50% working interest by spending $2,000,000 and issuing 350,000 shares over a three year period;
- Completion of a summer and fall prospecting, bedrock mapping and sampling, trenching and ground geophysical programs;

- Developed a more comprehensive understanding of the bedrock and structural framework of the property, including the recognition of four east-southeast shears thought to be important in controlling gold mineralization on the property; and
- Discovery of seven gold showings (Amber, Till-39, Till-68, Tonalite-1, Black Phoenix, Fox, Fox North).

Grizzly Gold Property

- Completed the compilation of geoscientific data from the 2013 fall exploration program with all historic, publicly available technical reports and local data derived recently from the Ministère des Ressources Naturelles (MRN) Québec;
- Completed a comprehensive technical report of the property which includes a proposed exploration program and budget;
- Recognition of two volcanogenic massive sulphide (VMS) targets, the "Lac Porphyre-Sud" and "Bras Pichamobi";
- Recognition of a magmatic nickel-copper +/- platinum-group-element (Ni-Cu ± (PGE)) target, the
- "Ruisseau Daladier-Nord"; and
- Recognition of shear-hosted gold-copper (Au-Cu) target, the "Lac Mahekan".

OUTLOOK for 2015

Northern Superior will focus primarily on five activities through 2015: 1) Management of the ongoing lawsuit against the Ontario Government; 2) Developing the next generation of mineral exploration projects; 3) Pursuit of option and joint venture partners for the Company's current portfolio of exploration properties; and 4) Maintain and improve the Company's relationships with its First Nation and option/joint venture stakeholders and shareholders.

Ontario Litigation

The Company is now entering the next stages of its litigation against the Ontario Government, being fortunate in having the process advanced as quickly as it has (see press release November 4th, 2014). The Company will continue to review and integrate materials and information derived from the discovery process just completed, as it prepares for the trial set for the June, 2015.

Exploration Projects - The Next Generation

The current portfolio of exploration properties have successfully been taken to an advanced state of exploration. The TPK, Croteau Est, Lac Surprise and Ville Marie projects all now have drill-ready targets identified, with exploration plans and budgets defined. As such, it is imperative that Northern Superior bring forward the next generation of exploration projects. Although the Grizzly property is an excellent start with much potential already identified (see last press April 29th, 2014), it is important for the Company to identify other highly prospective opportunities.

Northern Superior has already initiated a review of its extensive geoscientific data bases (almost a terrabyte of geoscientific information) and has identified several areas upon which to refine its search. This data base has been built through: a) inheritance of the CANABRAVA Diamond Corp. digital Canada data base (5 %); b) acquisition of the INCO AEM-Survey data base and interpretation for Ontario and Québec (10 %); c) purchase of various Government sourced regional, geocientific data sets (13 %); and d) data derived directly from the Company's exploration programs (72 %).

Pursuit of Option and Joint Venture Partners

Exploration completed by Northern Superior on the TPK, Croteau Est, Lac Surprise and Ville Marie has demonstrated the opportunity and potential mineral value that these properties represent. The properties have been taken to a point where significant reverse circulation and/or core drilling is required to advance further exploration. As such, the Company is seeking option and joint venture partners to advance the properties. The option/joint venture with Bold Ventures Inc. for the Lac Surprise property in 2014 was the first agreement signed in the Company's new efforts in this direction.

Stakeholders

Northern Superior's success has been founded on the strong relationships built with its First Nation and option/ joint venture stakeholders, and of course, the support from our shareholders. Northern Superior has signed agreements with Neskantaga First Nation (Early Economic Benefits Agreement) and with the Grand Council of the Cree, the Cree Regional Authority and with the community of Ouje-Bougoumou (Pre-development Agreement). These agreements were reached after much consultation, and form the basis of the constructive relationship that both the communities and the Company enjoy. Northern Superior has a strong record of working with First Nations. Engagement and consultation with First Nations is a priority on any project that Northern Superior is involved with. This effort is emphasized by the Company's involvement with the Progressive Aboriginal Relations (PAR) program ("PAR Committed") of the Canadian Council for Aboriginal Business.

Cost Efficiencies

Northern Superior continues to strive to find ways of reducing its administrative costs. The Company has reduced overhead costs by 49% since 2012 and continues to examine ways to further reduce costs.

Ontario Litigation

On October 24, 2013, the Company filed a civil lawsuit against the Government of Ontario seeking, among 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"). At the same time, the Company recorded a write-off of $6,005,125, representing the unamortized balance of deferred exploration costs incurred in connection with its exploration of 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.

RESULTS OF OPERATIONS

In the year ended December 31, 2014, the Company incurred exploration and evaluation property expenditures before tax credits of $1,338,332 (2013-$2,366,368). The majority of exploration expenditures were incurred on the Croteau Est project (which consists of the Croteau Est and Waconichi properties), with aggregate expenditures before tax credits of $1,116,047 during the year ended December 31, 2014 (2013-$1,997,642).

A net loss of $10,664,555 was recorded for the year ended December 31, 2014 (2013 -$16,575,095), which includes exploration property writedowns of $9,236,060 (2013-$15,005,125). The writedowns were the result of a year-end impairment review of exploration properties, and were based on a review of indicated market value and the Company's market capitalization.

(Expressed in Canadian dollars)

For the year ended December 31, 2014, the Company's operating expenses, net of Ontario litigation costs, depreciation and share-based payments, declined by 14% compared to the previous year (2014-$955,439 compared to 2013-$1,151,510), as the Company continued to reduce overhead costs.

In the year ended December 31, 3014, the Company incurred costs of $286,230 (2013-$260,866) in connection with its litigation against the Government of Ontario.

The Company reports share-based payments by expensing a portion of such costs to office expense and consulting fees, and allocating a portion of such costs to exploration properties for employees involved in exploration work. The allocation of share-based payments for the years ended December 31, 2014 and 2013 was as follows:

For the years ended December 31,	**2014**	2013
Consulting fees	**$ 6,655**	$ 126,071
Office expense	**85,230**	104,275
	91,885	230,346
Exploration and evaluation properties	**46,077**	13,860
Total share-based payments	**$ 137,962**	$ 244,206

ANNUAL FINANCIAL INFORMATION

The following selected annual financial data has been prepared in accordance with IFRS.

Years ended December 31,	**2014**	2013	2012
Interest income	**$ 51,272**	$ 87,656	$ 147,910
Net loss and operating loss	**(10,664,555)**	(16,575,095)	(3,013,665)
(Loss) income per share* - basic diluted	**(0.06)**	(0.09)	(0.02)
Total assets	**9,873,902**	20,251,543	36,793,736

**(Loss) Income per share is calculated based on the weighted average number of shares outstanding.*

(Expressed in Canadian dollars)

QUARTERLY FINANCIAL INFORMATION

The following selected quarterly financial data has been prepared in accordance with IFRS.

2014 Fiscal Quarter ended	**December 31**	September 30	June 30	March 31
Interest income	**$ 12,013**	$ 11,097	$ 12,014	$ 16,148
Net income (loss)	**(9,668,282)**	(307,756)	(314,614)	(373,903)
Net income (loss) per share* - basic and diluted	**(0.05)**	(0.00)	(0.01)	(0.00)
Total Assets	**9,873,902**	19,455,683	19,638,071	19,897,423

2013 Fiscal Quarter ended	**December 31**	September 30	June 30	March 31
Interest income	$ 17,864	19,868	$ 23,285	$ 26,639
Net income (loss)	(9,338,579)	(6,416,491)	(394,778)	(425,247)
Net income (loss) per share* - basic and diluted	(0.09)	(0.03)	(0.00)	(0.01)
Total Assets	20,251,543	29,662,441	35,850,626	36,737,741

**Basic and diluted (loss) income per share calculated based on the weighted average number of shares outstanding.*

For the quarter ended December 31, 2014

A net loss of $9,668,282 (2013-$9,338,579) was recorded for the three months ended December 31, 2014, which includes a $9,236,060 writedown on three of the Company's exploration and evaluation properties. In the three months ended December 31, 2014, operating expenses of $223,306 (2013-$63,201) were affected by one-time severance payments and accruals totaling $154,103 (2013-$Nil).

In the three months ended December 31, 2014, the Company incurred exploration and evaluation property expenditures of $254,691 net of tax credits and adjustments. The majority of exploration expenditures were incurred on the Croteau Est and Waconichi properties, with net aggregate expenditures of $202,401 during the three months ended December 31, 2014.

In the three months ended December 31, 2014, the Company incurred costs of $45,081 (2013-$114,043) in connection with its litigation against the Government of Ontario.

For the quarter ended September 30, 2014

In the three months ended September 30, 2014, the Company incurred exploration and evaluation property expenditures of $413,789 net of tax credits and adjustments. The majority of exploration expenditures were incurred on the Croteau Est and Waconichi properties, with net aggregate expenditures of $368,199 during the three months ended September 30, 2014. A net loss of $307,756 was recorded for the three months ended September 30, 2014 (2013-$6,416,491). For the three months ended September 30, 2014, the Company reduced its operating expenses, net of Ontario litigation costs, depreciation and share-based payments by 49%, compared to the same period last year ($181,327 in 2014 versus $355,046 in 2013). In the three months ended September 30, 2014, the Company incurred costs of $93,309 (2013-$77,524) in connection with its litigation against the Government of Ontario.

For the quarter ended June 30, 2014

In the three months ended June 30, 2014, the Company incurred exploration and evaluation property expenditures of $162,121 net of tax credits and adjustments. The majority of exploration expenditures were incurred on the Croteau Est and Waconichi properties, with net aggregate expenditures of $97,050 during the three months ended June 30, 2014. A net loss of $314,614 was recorded for the three months ended June 30, 2014 (2013-$394,778). For the three months ended June 30, 2014, the Company reduced its operating expenses, net of Ontario litigation costs, depreciation and share-based payments by 48%, compared to the same period last year ($190,348 in 2014 versus $366,034 in 2013). In the three months ended June 30, 2014, the Company incurred costs of $45,665 (2013-$29,200) in connection with its litigation against the Government of Ontario.

For the quarter ended March 31, 2014

In the three months ended March 31, 2014, the Company incurred exploration and evaluation property expenditures of $507,721 (2013-$1,042,354) net of tax credits and adjustments. The majority of exploration expenditures were incurred on the Croteau Est project (which consists of the Croteau Est and Waconichi properties), with aggregate expenditures of $448,397 during the three months ended March 31, 2014. A net loss of $373,903 was recorded for the three months ended March 31, 2014 (2013-425,247). For the three months ended March 31, 2014, the Company's operating expenses, net of Ontario litigation costs, depreciation and share-based payments, similar to the same period last year (2014-$360,458 compared to 2013-$367,229). In the three months ended March 31, 3014, the Company incurred costs of $102,175 (2013-$20,028) in connection with its litigation against the Government of Ontario.

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. At December 31, 2014 the Company had $3,615,065 cash and no debt, other than current trade debt. The Company's working capital as at December 31, 2014 was $3,940,426 (2013-$6,054,600).

Cash used in operating activities during the year ended December 31, 2014 was $1,192,173 (2013-$1,277,265). Depreciation, share based payments, write-off of exploration and evaluation properties and changes in non-cash working capital items make up the amounts that reconcile the statement of loss for the quarter to the statement of cash flows from operating activities.

Prepaids and receivables at December 31, 2014 include $22,556 (2013-$30,528) in government sales taxes receivable, $36,299 (2013-$58,431) interest receivable, $27,848 (2013-$42,033) in prepaid expenses and $424,475 (2013-$642,940) in refundable tax credits on exploration expenditures in Québec. The Company also has long-term receivables of $49,796 in refundable tax credits from eligible exploration expenditures in Québec (2013-$89,807).

The Company's principal activity is the acquisition and exploration of exploration and evaluation properties. During the year ended December 31, 2014, the Company incurred net expenditures of $1,338,332 (December 31, 2013-$2,366,368) on exploration and evaluation properties. The Company's investment policy is to keep its cash on deposit in an interest-bearing Canadian chartered bank account.

The Company does not hold any asset-backed commercial paper.

(Expressed in Canadian dollars)

OUTSTANDING SHARE CAPITAL

At December 31, 2014, Northern Superior had 188,962,583 outstanding common shares outstanding.

The following is a summary of stock options outstanding at December 31, 2014, of which 6,043,334 were exercisable:

Number of Options	Exercise Price
7,525,000	$0.05 - $0.19
1,835,000	$0.20 - $0.39
1,750,000	$0.40 - $0.59
50,000	$0.60 - $0.79
11,160,000	

RELATED PARTY TRANSACTIONS

For the purpose of this disclosure, related parties are defined as the officers and directors of the Company.

For the years ended December 31,		**2014**		2013
Management fees	**$**	**107,896**	$	111,395
Directors' fees		**113,000**		143,750
Salaries and wages		**407,000**		419,950
Share-based payments		**82,885**		227,661
	$	**710,781**	$	902,756

The Company paid Morfopoulos Consulting Associates Ltd., a company controlled by the CFO, $72,000 for accounting and management and administration services during the year ended December 31, 2014 (2013-$72,000), 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 December 31, 2014 is $2,931 due to related parties (December 31, 2013-$12,708).

OFF-BALANCE SHEET ARRANGEMENTS

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

PROPOSED TRANSACTIONS

There are no proposed transactions as of the date of this MD&A.

CRITICAL ACCOUNTING ESTIMATES

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, contingent liabilities, share-based payments and ability to continue as a going concern. Actual results may differ from those estimates.

These 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 revision affects only that period or in the period of revision and further periods if the review affects both current and future periods.

FINANCIAL INSTRUMENTS

The Company classifies all financial instruments as either available-for-sale, financial assets or liabilities at fair value through profit or loss ("FVTPL"), loans and receivables or other financial liabilities. Loans and receivables and other financial liabilities are measured at amortized cost. Available-for-sale instruments are measured at fair value with unrealized gains and losses recognized in accumulated other comprehensive income. These amounts will be reclassified from shareholders' equity to net income when the investment is sold or when the investment is impaired and the impairment is considered less than temporary. Instruments classified as FVTPL are measured at fair value with unrealized gains and losses recognized on the statement of loss and comprehensive loss.

The Company has designated its cash as FVTPL, which is measured at fair value. Exploration advances and other receivables are classified as loans and receivables, which are measured at amortized cost. Trade payables are classified as other financial liabilities which are measured at amortized cost.

ADOPTION OF NEW AND REVISED STANDARDS AND INTERPRETATIONS

At the date of authorization of the December 31, 2014 financial statements, the IASB and IFRIC have issued the following new and revised Standards and Interpretations which are not yet effective for the relevant reporting periods.

The following standards have been published by the IASB, but have not yet been adopted by the Company:

IFRS 9 *Financial Instruments*

The IASB has undertaken a three-phase project to replace IAS 39 'Financial Instruments: Recognition and Measurement' with IFRS 9 'Financial Instruments'. In November 2009, the IASB issued the first phase of IFRS 9, which details the classification and measurement requirements for financial assets. Requirements for financial liabilities were added to the standard in October 2010. In July 2014, the IASB issued the final elements of IFRS 9. IFRS 9 introduces new requirements for classifying and measuring financial assets, as follows:

- Financial assets meeting both a "business model" test and a "cash flow characteristics" test are measured at amortized cost (the use of fair value is optional in some limited circumstances)
- Investments in equity instruments can be designated as "fair value through other comprehensive income" with only dividends being recognized in profit or loss
- All other instruments (including all derivatives) are measured at fair value with changes recognized in profit or loss
- The concept of "embedded derivatives" does not apply to financial assets within the scope of the standard and the entire instrument must be classified and measured in accordance with the "business model" test and "cash flow characteristics" test.
- The revised financial liability provisions maintain the existing amortized cost measurement basis for most liabilities. New requirements apply where an entity chooses to measure a liability at fair

value through profit or loss – in these cases, the portion of the change in fair value related to changes in the entity's own credit risk is presented in other comprehensive income rather than within profit or loss.

The amendments are effective for annual periods beginning on or after January 1, 2018.

***Presentation of Financial Statements* (Amendments to IAS 1)**

Amends IAS 1 *Presentation of Financial Statements* to clarify certain aspects focused on three main areas:

- clarification of concept of materiality and aggregation of items in the financial statements
- the use and presentation of subtotals in the statement of loss and comprehensive loss
- providing of additional flexibility in the structure and disclosures of the financial statements to enhance understandibility

Applicable to annual periods beginning on or after January 1, 2016.

***Related Party Disclosures* (Amendments to IAS 24)**

Amends IAS 24 *Related Party Disclosures* to clarify that a management entity, or any member of a group of which it is a part, that provides key management services to a reporting entity, or its parent, and is a related party of the reporting entity. The amendments also require an entity to disclose amounts incurred for key management personnel services provided by a separate management entity. This replaces the more detailed disclosure by category required for other key management personnel compensation.

Applicable to annual periods beginning on or after July 1, 2014.

***Operating Segments* (Amendments to IFRS 8)**

Amends IAS 8 *Operating Segments* to clarify aggregation criteria.

Applicable to annual periods beginning on or after July 1, 2014.

***Joint Arrangements* (Amendments to IFRS 11)**

Amends IFRS 11 to clarify accounting for acquisition of interest in a joint operation.

Applicable to annual periods beginning on or after January 1, 2016.

***Employee Benefits* (Amendments to IAS 19)**

Amends IAS 19 to clarify definition of discount rate.

Applicable to annual periods beginning on or after January 1, 2016.

***Intangible Assets* (Amendments to IAS 38)**

Amends IAS 38 to clarify acceptable methods of depreciation and amortization.

Applicable to annual periods beginning on or after January 1, 2016.

The Company has not early adopted these standards, amendments and interpretations; however, the Company is currently assessing the impact of these standards or amendments on the financial statements of the Company.

CHANGES IN ACCOUNTING POLICIES

The Company adopted amendments to IFRS 2, *'Share-based Payments'* – effective July 1, 2014, which is an amendment that clarifies the definition of vesting conditions and separately define a performance condition and a service condition. The adoption of IFRS 2 did not result in a significant impact on the Company's financial statements.

The Company adopted amendments to IAS 36, *'Impairment of Assets*' – effective January 1, 2014, which was amended to require disclosure of the recoverable amount of impaired assets and requires additional disclosures about the measurement of the recoverable amount when the recoverable amount is based on fair value less costs of disposal, including the discount rate, when a present value technique is used to measure the recoverable amount. The adoption of IFRS 36 did not result in a significant impact on the Company's financial statements.

The Company adopted IAS 32 (Amendment), *'Financial Instruments: Presentation'* - effective January 1, 2014, which revises certain aspects of the requirements on offsetting. The adoption of IAS 32 did not result in a significant impact on the Company's financial statements.

The Company adopted IFRIC 21, *'Levies'* – effective January 1, 2014, which provides guidance on the accounting for levies within the scope of IAS 37 provisions, contingent liabilities and contingent assets. The main feature of IFRIC 21 is that the obligating event that gives rise to a liability to pay a levy is the activity that triggers the payment of the levy, as identified by the legislation, and the liability to pay a levy is recognized progressively if the obligation event occurs over a period of time. The adoption of IFRIC 21 did not result in a significant impact on the Company's financial statements.

The Company adopted amendments to IFRS 10 '*Consolidated Financial Statements'*, IFRS 12 *'Disclosure of Interests in Other Entities'*, and IAS 27 '*Separate Financial Statements* – effective January 1, 2014, which provides "investment entities" (as defined) an exemption from the consolidation of particular subsidiaries and instead require that an investment entity measure the investment in each eligible subsidiary at fair value through profit or loss in accordance with IFRS 9 '*Financial Instruments'* or IAS 39 '*Financial Instruments: Recognition and Measurement.'* The amendments also require additional disclosure about why the entity is considered an investment entity, details of the entity's unconsolidated subsidiaries, and the nature of relationship and certain transactions between the investment entity and its subsidiaries and requires an investment entity to account for its investment in a relevant subsidiary in the same way in its consolidated and separate financial statements (or to only provide separate financial statements if all subsidiaries are unconsolidated). The adoption of amendments to IFRS 10, IAS 27 and IAS 27 did not result in a significant impact on the Company's financial statements.

MANAGEMENT OF CAPITAL

The Company manages its cash, common shares and stock options as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. The Company does not have any externally imposed capital requirements to which it is subject.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

In order to maximize ongoing exploration efforts, the Company does not pay out dividends. The Company's investment policy is to keep its cash treasury on deposit in an interest bearing Canadian chartered bank account.

COMMITMENTS

		1 - 5 years		Total
Operating lease - office lease	$	116,600	**$**	**116,600**

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

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.

RISK FACTORS

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. The Company is confident that it will be able to meet its earn-in obligations on those properties which management considers to be of merit. 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.

QUALIFIED PERSON

Mr. Scott Parsons was the Company's Qualified Person ("QP") (as defined in National Instrument 43-101, "Standards of Disclosure for Mineral Projects") for the TPK and Lac Surprise projects. Mr. Ron Avery is the QP for the Croteau Est gold project. Mr. Avery was responsible for the preparation and supervision of scientific and technical information for Croteau Est gold project.

ADDITIONAL INFORMATION

Additional information is provided in the Company's audited financial statements for the year ended December 31, 2014. These documents are available on SEDAR at www.sedar.com.