



## **NORTHERN SUPERIOR RESOURCES INC.**

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**NEWS RELEASE - For Immediate Release**

### **Northern Superior Resources Inc. responds to Government of Ontario's Statement of Defence**

**Sudbury, Ontario** – (January 29, 2014) – Junior mineral exploration company Northern Superior Resources Inc. (“Northern Superior” or “NSR”) (TSXV:SUP) received the Government of Ontario’s (“Ontario”) Statement of Defence last week in response to the company’s pending \$110 million lawsuit against Ontario, for failure to consult with First Nations. The lawsuit, filed in November 2013, is the result of extraordinary circumstances that prevented NSR from accessing its Thorne Lake, Meston Lake and Rapson Bay gold properties in northwestern Ontario.

Ontario’s response acknowledges that beyond sending a standard form letter identifying Sachigo Lake First Nation (“SLFN”) among others, as a community to be contacted, the government did not undertake any consultation nor did it assist NSR in engaging with the community until after NSR was issued an “eviction” notice by the First Nation. Ontario also admits that NSR did all it could reasonably do to meaningfully engage with SLFN.

Despite these admissions, the Statement of Defence raises the same tired arguments heard previously from Ontario and, significantly, fails to address several key items of NSR’s lawsuit. Ontario’s position will be of interest to the industry in that it is clear that despite the requirements repeatedly laid down by the courts, Ontario will leave companies to fend for themselves, at their expense, when issues arise with Aboriginal communities, whether justified or not.

Ontario’s position in the lawsuit reaffirms that in Ontario, exploration and mining companies who peacefully retreat from areas from which they have been evicted by Aboriginal communities and ensure that the rule of law is upheld will be left to their own devices, while companies who in similar situations risk or bring about civil disobedience and escalate matters will be compensated by the government.

NSR continues to utilize industry best practices in its engagement and consultation efforts and has been recognized by the Canadian Council for Aboriginal Business for excellence in this regard. The challenges encountered in this particular case were taken very seriously by NSR and despite our best efforts they were unable to be resolved. NSR is proud of the positive relationships and partnerships we have forged with the Aboriginal communities we continue to work with around our other properties in Ontario and Quebec.

NSR will be delivering a formal reply to Ontario’s defence shortly and looks forward to seeing Ontario’s evidence and documentary support. Below are NSR’s specific points in response to the Statement of Defence.

## Specific Response Points to Ontario's Statement of Defence

### 1. Ontario's defence raises nothing new:

- The Ontario government's statement of defence merely puts into legalese the same tired arguments NSR heard already in its meetings with government officials leading up to the lawsuit.
- NSR is confident it can overcome these arguments as it believes they have no support in the law and are based on incorrect facts.

### 2. Ontario's arguments are interesting news to the industry and contrary to the established facts:

- That Ontario can basically do nothing to discharge its legal duty to consult with First Nations, despite the clear direction from the courts to the contrary, and a company has no right to complain – a remarkable position for a government to take;
- That a company can do all it can reasonably do to engage a First Nation and still end up getting evicted. This situation, according to Ontario, would not be the government's problem;
- That Ontario in this case did all it could to "reconcile" the interests of one of the First Nations involved and Northern Superior. The record is clear, however, that Ontario took *no action of any kind* until after NSR had been evicted, a case of too little too late.
- Ontario alleges unspecified "concerns" and "complaints" expressed to Ontario by SLFN about NSR which allegations are, plain and simple, nonsense. Fortunately, NSR has its case starting from 2005 fully documented.

### 3. Ontario has no answer to the following:

- Ontario granted Northern Superior access to the area but then did nothing to ensure access would in fact be available.
- The two other First Nations who also evicted NSR from areas *they too* claimed, lie within their traditional lands (KIFN and Red Sucker First Nation);
- Why Ontario granted Northern Superior exclusions of time (under the Mining Act) in which it acknowledged Northern Superior's problems were a special case;
- Why Ontario's Mining Act at the time did not have anything to ensure consultation could be properly carried out, or that issues with First Nations could be resolved;
- Why the nearby Mining Exclusion Zone was really created and why it was drawn the way it was.

### 4. Ontario's other "novel" position - the cost of the obligation to consult with First Nations:

- Although the legal obligation to consult with First Nations according to law lies with Ontario, Ontario says it is the company that has to bear all the costs.
- This is the first time NSR was ever made aware of such a position in this case.

5. Ontario provides yet another “explanation” for the creation of the massive Mining Exclusion Zone:

- The latest explanation does not match the public record;
- This should lead to skepticism as to the real basis for this extraordinary step, taken by the government on a Friday evening with no prior announcement;
- While Ontario admits that companies like Northern Superior can be affected by the creation of such exclusion zones, that is the company’s problem and not Ontario’s.

#### **About Northern Superior Resources Inc.**

Northern Superior is a junior exploration company exploring for gold in the Superior Province of the Canadian Shield, specifically in the Provinces of Quebec and Ontario (see Company web site [www.nsuperior.com](http://www.nsuperior.com)) in the Stull-Wunnumin and Chibougamau-Chapais gold districts. Northern Superior is a reporting issuer in British Columbia, Alberta, Ontario and Quebec, and trades on the TSX Venture Exchange under the symbol SUP. For further information contact:

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