Northern Superior Resources Inc.
Management's Discussion and Analysis
For the Six Months Ended June 30, 2018
(the "Period")

The previous filing on SEDAR contained the Financial Report in error.

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 six months ended June 30, 2018 has been prepared by management in accordance with the requirements under National Instrument 51-102 as at August 9, 2018 (the "Report Date"). The Report should be read in conjunction with the Company's condensed interim financial statements for the six months ended June 30, 2018 and the notes thereto, and the audited financial statements and the notes thereto for the year ended December 31, 2018, which have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") and within which the Company's accounting policies are described (collectively, the "Financial Statements"). All dollar amounts in the Report are in Canadian dollars unless otherwise noted.

The Financial Statements, together with the MD&A, are intended to provide investors with a reasonable basis for assessing the performance and potential future performance of the Company, and are not necessarily indicative of the results that may be expected in future periods. The information in the MD&A may contain forward-looking statements, and the Company cautions investors that any forward looking statements by the Company are not guarantees of future performance, as they are subject to significant risks and uncertainties that may cause projected results or events to differ materially from actual results or events. Please refer to the risks and cautionary notices of this MD&A. Additional information relating to the Company may be found on SEDAR at www.sedar.com.

Northern Superior is an exploration stage company engaged in the identification, evaluation, acquisition and exploration primarily of gold properties in Ontario and Québec. The Company is a reporting issuer in British Columbia, Alberta, Ontario and Québec. The Company trades on the TSX Venture Exchange under the symbol SUP and on the OTCQB under the symbol NSUPF.

As at June 30, 2018, the Company has cash and cash equivalents of $1,898,552, and working capital of $1,805,500. 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"), pursuant to which, 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. On March 1, 2018, the Company concluded its lawsuit with the Province of Ontario, avoiding any further court proceedings. The Company and the Province of Ontario settled on a reduced costs amount, which amount cannot be disclosed due to confidentiality restrictions as dictated in the final settlement.

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 2018.

This MD&A contains forward-looking statements. Statements throughout the Report with respect to the cost or timeline of planned or expected exploration are all forward-looking statements. As well, statements about growth, financial position, capital adequacy and/or the need for future financing are also forward-looking statements. All forward-looking statements, including forward-looking statements not specifically identified in this paragraph, are made subject to the cautionary language at the end of this document, and readers are directed to refer to that cautionary language when reading any forward-looking statements. Please refer to the cautionary language at the end of this document.

STRATEGY

Northern Superior continued its strategy of identifying and engaging a strategic partner(s) for either (or both) of its Ti-pa-haa-kaa-ning (TPK) and/ or Croteau Est properties. The Company has been encouraged by the interest expressed for both properties, and is optimistic in procuring such a strategic partner. The same can be said for the Company's other mineral properties. As part of this engagement exercise, management continues to upgrade existing geological reports and producing various internal reports that address key strategic issues for both the Company and its individual mineral properties.

The Company continues to stay engaged with key strategic shareholders and stakeholders that include various First Nation communities.

Northern Superior also initiated a review of its extensive geoscientific database, with the intention of identifying the next generation of exploration projects for the Company. Growing and maintaining this database (now almost a terabyte in size) is essential to Northern Superior, allowing the Company to continue its traditional role as a "project generator."

HIGHLIGHTS, Q2

Corporate

- Continued to identify and engage prospective strategic partners;
- Upgraded existing geological reports for all its current mineral properties; and
- Initiated additional reports addressing a variety of strategic opportunities.

TPK

- Completed the TPK exploration camp's spring maintenance program;
- Engaged Neskantaga First Nation, maintaining communication protocols;
- Developed gold emplacement models for the Big Dam and Annex areas of the property; and
- Undertook a thorough examination of all gold mineral targets, engaging external parties to challenge and provide further insight into mineral targeting.

Croteau

- Completion of a thorough review of the Croteau Bouchard Shear Zone (CBSZ) geological model;
- Planning a comprehensive core drill program, based on the ability to intersect mineralized material as successfully predicted (proven from the 2017 Phase II and II core drill programs) from the CBSZ geological model:
  - ✓ Pursuing the extension of the high grade shoots east to source; and
  - ✓ Testing the presence of additional high grade material at depth.
- Initiated a review of all other mineral showings on the Croteau Est property

Lac Surprise

- Compiling an internal geological report ongoing.

Geoscientific Database

- Completed the integration of all geoscientific data generated from the various 2017 exploration programs into the Company's geoscientific database;
- Continued to grow the database; and
- Initiated studies of the database, the purpose to identify the next generation of exploration projects for the Company.

OUTLOOK, Q3

Corporate

The primary focus of the Company is to aggressively pursue strategic partners for either or both of its 100% owned TPK and Croteau Est properties. This is key in advancing these projects, as both are at a stage where sustained drill programs are required and the Company is seeking non-dilutive means of advancing the projects.

In addition, the Company will continue to seek out partnerships for its other exploration efforts at Lac Surprise, Wapistan, Rapson Bay, Thorne Lake and Meston Lake.

TPK

- Complete various reports addressing various geological aspects of the property; and
- Maintain communication protocols with the Company's various stakeholders.

Croteau Est

- Complete comprehensive core drill program planning for the CBSZ; and
- Complete review of all mineral targets and showings identified within the Croteau Est property.

Lac Surprise

- Complete an internal geological report which could serve as the basis for a NI 43-101 compliant report, summarizing:
  - ✓ All geological information attained from geological programs completed from 2014- 2017;
  - ✓ Integrating the results from those programs into the Company's database for this Property;
  - ✓ Defining the next phase of exploration projects for the property; and
  - ✓ Defining associated budgets.

Geoscientific Database

- Continue the acquisition and integration of all publicly available geoscientific information into the Company's geoscientific database.
- Continue the in-depth review of this database to identify the next generation of exploration projects for the Company. A variety of commodities will be considered.

RESULTS OF OPERATIONS

Exploration and evaluation property expenditures

During the Period, the Company incurred the following exploration and evaluation property expenditures:

	Ti-pa-haa-kaa-ning ($)	Croteau Est ($)	Lac Surprise ($)	Wapistan ($)	Total ($)
Acquisition, assessment and maintenance	3,015	263	1,288	250	**4,815**
Analytical	183	22,229	-	-	**22,412**
Geophysics	5,100	11,090	-	-	**16,190**
Geology	68,183	160,115	19,260	6,197	**253,755**
Project administration	3,378	512	-	-	**3,890**
Total expenditures	**82,775**	**194,208**	**20,548**	**6,447**	**303,977**
Refundable tax credits and adjustments	-	(2,426)	-	-	**(2,426)**
Net	**82,775**	**191,782**	**20,548**	**6,447**	**301,551**

General and administrative costs

	Six months ended June 30, 2018 ($)	Six months ended June 30, 2017 ($)	Increase (decrease) ($)	Increase (decrease) (%)
General operating expenditures				
Consulting fees	46,900	603,410	(556,510)	(92)
Legal and accounting	26,737	80,834	(54,097)	(67)
Office expenses	307,241	291,674	15,567	5
Shareholder information	198,563	177,784	20,779	12
Travel	717	10,833	(10,116)	(93)
Foreign exchange	(41)	-	(41)	
Taxes	7,343	-	7,343	
	587,459	1,164,535	(577,076)	(236)
Other items				
Depreciation	-	2,782	(2,782)	(100)
Interest (expense) income	3,325	(3,035)	6,360	(210)
Ontario litigation costs	(252,311)	-	(252,311)	
	(248,986)	(252)	(248,734)	98,704
Loss for the period	**338,473**	**1,164,283**	**(825,810)**	**(71)**

The decrease of loss for the Period as compared with the prior year's period reflects the reduced costs amounts paid to the Ontario Government in respect of the litigation. General operating expenditures increases include Directors' fees, which were instated January 1, 2017, shareholder communications on the retention of shareholder service providers, and the share-based compensation on the vesting of incentive stock options. 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.

SUMARY OF QUARTERLY RESULTS

The following selected financial data should be read in conjunction with the Company's Financial Statements:

	2018		2017				2016	
Quarter ended	June 30 ($)	March 31 ($)	Dec 31 ($)	Sept 30 ($)	June 30 ($)	March 31 ($)	Dec 31 ($)	Sept 30 ($)
Interest (expense) income	(3,325)	(5,486)	(9,799)	189	2,259	776	288	819
Net (Loss)	(338,473)	(69,788)	(186,185)	(295,792)	(930,837)	(233,446)	(358,118)	(223,958)
Net (loss) per share (basic and diluted)	-	-	-	-	-	-	-	-
Total assets	8,995,787	9,322,982	10,011,917	10,214,398	10,424,407	10,946,079	6,504,565	4,829,895

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

The Company is not in commercial production on any of its mineral properties and accordingly, it does not generate cash from operations. The Company finances its activities by raising capital through the equity markets, and its investment policy is to keep its cash on deposit in an interest-bearing Canadian chartered bank account. Should the Company wish to continue fieldwork on its exploration projects, further financing will be required and the Company will either have to go to the market or engage a strategic partner to achieve this. Given the volatility in equity markets, unfavorable market condition in the mining industry, cost pressures and results of exploration activities, management constantly reviews expenditures and exploration programs and equity markets in order that the Company have sufficient liquidity to support its growth strategy.

On November 15, 2016, the Company closed a private placement for gross proceeds of $2,000,000 and on March 2 and March 6, 2017, completed concurrent financings for total gross proceeds of $4,500,000. At June 30, 2018 the Company had cash and cash equivalents of $1,898,552 and working capital of $1,805,500 to settle trade payables and accrued liabilities totaling $165,594.

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 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 caliber 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				**319,078,626**
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	0.100	December 3, 2018	1,000,000	
	0.050	November 10, 2019	1,300,000	
	0.050	November 5, 2020	950,000	
	0.100	August 1, 2021	500,000	
	0.050	November 21, 2021	1,050,000	
	0.065	April 23, 2022	9,600,000	
	0.050	November 30, 2022	5,050,000	
				19,450,000
				436,538,626

[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 periods ended June 30, 20187 and 2017, the Company was charged for services, net of any share-based payments, by these parties as follows:

For the six months ended June 30,	**2018 ($)**	2017 ($)
CEO and President	**112,500**	112,500
Company controlled by CFO	**24,000**	21,000
Corporate Secretary	**18,000**	18,000
VP-Exploration	**78,000**	-
	232,500	151,500

Included in trade payables at June 30, 2018 is $357 due to related parties (December 31, 2017: $88,229) in respect of expenses incurred on behalf of the Company.

Directors' Compensation

In April 2017, the Company revised the way in which it compensates independent directors. Effective January 1, 2017, each director is paid a fee of $20,000 per annum. In addition, the Chairman of the Board and the Chairman of the Audit Committee each receive an additional sum of $5,000; all fees to be paid quarterly, in arrears. Subject to exchange approval (received on June 23, 2017), one-half of the independent directors' fees is to be paid in common shares of the Company, with the number of shares issuable to be determined based on the closing price of the Company's shares on the date such fees are payable, but in any event, no less than $0.05 per share.

For the six months ended June 30,	**2017**	2017
	($)	($)
Directors' fees	**62,912** [1]	57,033

[1] At June 30, 2018, a total of $79,162 was owed to Directors in respect of Directors' fees, as to $15,206 payable in cash, and $63956 payable in common shares of the Company, with the number of shares issuable to be determined based on the closing price of the Company's shares on the date such shares are issuable, but in any event, not less that $0.05 per share.

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, 2018. These changes were made in accordance with the applicable transitional provisions, and the adoption of these standards did not have a material impact on the Company's financial statements.

- 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. The Company adopted IFRS 9 retrospectively, without restatement of prior year financial statements. IFRS 9 replaces the provisions of IAS 39, Financial Instruments: Recognition and Measurement ("IAS 39") that relate to the recognition, classification, and measurements of financial assets and financial liabilities, derecognition of financial instruments and impairment of financial assets. IFRS 9 uses a single approach to determine whether a financial asset is classified and measured at amortized cost or fair value. The approach in IFRS 9 is based on how the Company manages its financial instruments and the contractual cash flow characteristics of the financial asset. The Company has elected to classify its marketable securities as Fair Value Through Other Comprehensive Income ("FVTOCI") as they are not considered to be held for trading, and this presentation will prevent the statement of income (loss) from being impacted by value changes of these non-operating assets. The application of IFRS 9 did not impact the Company's classification and measurement of financial assets and liabilities, and there was also no impact to the carrying value of any of the Company's financial assets or liabilities on the date of transition.
- IFRS 15, *"Revenue from Contracts and Customers"*: the effective date of adoption has been deferred to January 1, 2018 (with earlier application permitted).
- IFRIC 22, *"Foreign Currency Transactions and Advance Consideration":* is effective for annual period beginning on or after January 1, 2018.

Accounting standards issued but not yet in effect

- IFRS 16, "Leases": is effective for annual periods beginning on or after January 1, 2019.
- IFRIC 23, "Uncertainty over Income Tax Treatments": the effective for annual periods beginning on or after January 1, 2019.

The Company has evaluated the impact of these new and amended standards on its financial statements. The adoption of these new and amended standards 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 its 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

There are no events subsequent to the Period that have not been disclosed in this Report.

RISKS AND UNCERTAINTIES

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, may be insufficient in quantity and quality to return a profit from production at a given time. The Company evaluates its property interests on an ongoing basis and intends to abandon properties that fail to remain prospective. A high level of ongoing expenditures is required to locate and estimate ore reserves, which are the basis for further development of a property. At the time of writing this Report the Company expects to incur further property acquisition, and development and exploration expenses. The Company has a history of incurring losses and deficits and is subject to a number of risks and uncertainties due to the nature of its business and present stage of explorations, such as, but not limited to, the risks discussed below and contained elsewhere in this Report. In addition to the other information presented in this Report, the reader is directed to the risks discussed in the Financial Statements. 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 as well as during their time as investors.

Lack of Revenue and Limited Financial Resources

The Company has no significant source of operating cash flow and no revenues from operations. The Company has limited financial resources, and its ability to continue operating as a going concern is dependent upon management's success in raising additional monies to sustain the Company until cash flow from operations is adequate to sustain the Company's viability. Substantial expenditures are required to be made by the Company and/or its development partners to establish ore reserves and develop a mining operation. Exploration and development of mineral deposits is an expensive process, and frequently the greater the level of interim stage success the more expensive it can become. At present, the Company has no producing properties and generates no operating revenues; therefore, for the foreseeable future, it will be dependent upon selling equity in the capital markets to provide financing for its continuing exploration budgets. While the Company has been successful in obtaining financing from the capital markets for its projects in recent years, there can be no assurance that the capital markets will remain favourable in the future, and/or that the Company will be able to raise the financing needed to continue its exploration programs on favourable terms, or at all. Restrictions on the Company's ability to finance could have a materially adverse outcome on the Company and its securities.

Title and Rights

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/First Nations 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 in this Report, the Company is not aware of any Aboriginal land claims having been asserted or any legal actions relating to issues having been instituted with respect to any of the exploration & evaluation assets in which the Company has an interest. The Company is in ongoing communication with the Aboriginal/First Nations communities associated with its properties, and 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.

Market

The Company's securities trade on public markets and the trading value thereof is determined by the evaluations, perceptions and sentiments of both individual investors and the investment community taken as a whole. Such evaluations, perceptions and sentiments are subject to change, both in short term time horizons and longer-term time horizons. An adverse change in investor evaluations, perceptions and sentiments could have a material adverse outcome on the Company and its securities.

Metal and Commodities Prices

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.

Exploration and Development

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
The Company's activities in Canada are subject to risks common to operations in the mining industry in general. Mineral exploration and mining activities and production activities may be affected in varying degrees by political stability and government regulations relating to the mining industry. Any changes in regulations or shifts in political conditions are beyond the control of the Company and may adversely affect its business. Operations may be affected in varying degrees by government regulations with respect to community rights, restrictions on production, price controls, export controls, restriction of earnings, taxation laws, expropriation of property, environmental legislation, water use, labour standards and workplace safety.

Environmental
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.

Competition in the Mineral Exploration Industry
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.

Key Personnel
The Company's operations are dependent to a large degree on the skills and experience of certain key personnel. The Company does not maintain "key man" insurance policies on these individuals. Should the availability of these persons' skills and experience be in any way reduced or curtailed, this could have a materially adverse outcome on the Company and its securities.

Uninsurable
The Company and its subsidiaries may become subject to liability for pollution, fire, explosion and other risks against which it cannot insure or against which it may elect not to insure. Such events could result in substantial damage to property and personal injury. The payment of any such liabilities may have a material, adverse effect on the Company's financial position.

Critical Accounting Estimates

In the preparation of financial information, management makes judgments, estimates and assumptions that affect, amongst other things, the carrying value of its mineral property assets. All deferred mineral property expenditures are reviewed, on a property-by-property basis, to consider whether there are any conditions that may indicate impairment. When the carrying value of a property exceeds its net recoverable amount that may be estimated by quantifiable evidence of an economic geological resource or reserve, joint venture expenditure commitments or the Company's assessment of its ability to sell the property for an amount exceeding the deferred costs, a provision is made for the impairment in value. Management's estimates of exploration, operating, capital and reclamation costs, if any, are subject to certain risks and uncertainties which may affect the recoverability of mineral property costs. Although management has made its best estimate of these factors, it is possible that changes could occur in the near term that could adversely affect management's estimate of the net cash flow to be generated from its properties. The Company also uses the Black-Scholes Option Pricing Model in relation to share based payments. Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable single measure of the fair value of the Company's stock options granted/vested during the period.

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.