



NORTHERNSHIELD
RESOURCES INC.

(A Development Stage Company)

Northern Shield Resources Inc.

Management Discussion and Analysis

for the three and nine-month periods ended September 30, 2017

Set out below is a review of the activities, results of operations and financial condition of Northern Shield Resources Inc. ("Northern Shield", or the "Company") for the three and nine-month periods ended September 30, 2017.

The following information should be read in conjunction with the Company's condensed consolidated interim financial statements for the three-month period ended September 30, 2017. The policies applied in the financial statements are based on International Financial Reporting Standards (IFRSs) issued and effective as at November 21, 2017 for periods ending on or before September 30, 2017.

All dollar figures included in the following Management Discussion and Analysis ("MD&A") are quoted in Canadian dollars unless otherwise indicated. This MD&A has been prepared as at November 21, 2017.

The Company is a reporting issuer in British Columbia, Quebec, Alberta and Ontario, and has its head office in Ottawa, Ontario and its registered office in Calgary, Alberta.

The Company is incorporated pursuant to the Canada Business Corporations Act and trades on the TSX Venture Exchange under the symbol "NRN" and on the Frankfurt (Germany) Stock Exchange under the symbol "N9S".

Additional information related to the Company is available on SEDAR at www.sedar.com.

1. DESCRIPTION OF BUSINESS

Northern Shield Resources Inc. (the "Company" or "Northern Shield") is an active junior mining company primarily engaged in the exploration for platinum group element ("PGE") and associated metals in Canada. Northern Shield's mission is to create a successful mineral exploration company through technical excellence and efficient management, where success is measured by the identification and development of high-quality mineral exploration projects, which ultimately may be optioned, sold or developed for maximum return on investment.

The Company is focusing its exploration efforts on under-explored regions of northern Quebec, as management believes the chances of success in finding significant ore deposits are greatly increased by exploring outside of existing mining camps. The majority of both provinces is underlain by "shield" rocks, a geologic terrain favourable for a variety of mineral deposits including platinum, diamonds, gold and base-metals. Quebec also possess an attractive economic and investment climate, in particular due to the advent of the "super" flow-through tax structure and relatively advanced infrastructure. On a regional scale, the Company's grass roots exploration strategy is driven by the understanding and interpretation of geological and exploration modeling. That is, what should a deposit look like; where should it form; and what controls its formation or emplacement. The perspective of this model is then adapted to reflect the observed geological environment. The exploration programs that the Company then implements to test these models are a balance between aggressiveness and dynamism, which allows for cost effective exploration yet retains the ability to adapt the exploration programs as the Company's understanding of the target evolves.

The information in this Management Discussion and Analysis ("MD&A") contains forward-looking statements. These statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those included in the forward-looking statements. See "Cautionary Statement" at the end of this MD&A. This MD&A has been prepared in accordance with the requirements of National Instrument 43-101, "Standards of Disclosure for Mineral Projects", and National Instrument 51-102, "Continuous Disclosure Obligations."



2. CORPORATE DEVELOPMENTS

During the three-month period ending September 30, 2017 the Company completed a drill program at Huckleberry funded under the terms of the Option and Joint Venture agreement with South 32 Canada Exploration Inc. The drill program was expanded from 2,000 metres to 3,200 metres and results are reported under the Property Section.

3. MINERAL PROPERTIES



The Company conducts the majority of its exploration in northern Ontario and Quebec.

The Company has not yet determined whether its properties contain economically recoverable mineral reserves. Recoverability is dependent upon the reserve's existence, the ability of the Company to obtain the necessary financing to complete exploration and development, and upon future profitable production or proceeds from the disposition of the properties. Until such time as it is able to consistently monetize its mineral property holdings, the Company's ability to continue its operations as a going concern is dependent on its ability to secure additional financing, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future.

PRINCIPAL PROPERTIES

<u>PROPERTY</u>	<u>COMMODITIES</u>	<u>INTEREST</u>	<u>NUMBER OF CLAIMS/AREA</u>
HUCKLEBERRY	Cu, Ni-PGE	100%*	179 / 87 km ²
IDEFIX	PGEs, Ni-Cu	100%	241 / 109 km ²
SÉQUOI	Cu-Ni-PGE	100%	107 / 52 km ²
SÉ2	Cu-Ni-PGE/Au	100%	291 / 141 km ²

*Subject to option agreement described in Section 3.1.1

OTHER PROPERTIES

SEDEX

3.1 PRINCIPAL PROPERTIES

3.1.1 HUCKLEBERRY COPPER-NICKEL-PGE

In July 2014, Northern Shield acquired 37 claims, through staking, covering newly discovered mineralization hosted within a glomeroporphyritic gabbro (GPG) at the southern end of the Labrador Trough about 100 km north of Schefferville. Further exploration has continued locate significant and extensive Cu-Ni-PGE mineralization in several different zones. Of the 147 samples collected from Huckleberry to date by Northern Shield, 98 assay greater than 0.3% Cu with an average grade of 1.0% Cu, 0.2% Ni and 0.72g/t PGE and highs of 14% Cu, 17 g/t PGE+Au and 1.2% Ni.

Huckleberry is being explored as a large-scale, segregated magmatic Cu-Ni-PGE deposit. Similar deposits include Kevitsa and Sakatti in Finland, the Duluth Complex, and Noril'sk-Talnakh. These deposits form when copper-rich fluids segregate from the nickel during unusually slow cooling of the magma. Although the copper-rich portions may be economic on their own, the nickel-rich portion may be contiguous (at depth) with the copper seen on surface or in a separate body.

The property has since been expanded to 179 claims.

Title

The Company currently holds a 100% interest in Huckleberry. However, during the period, the Company signed an option agreement and pre-negotiated joint venture agreement with South 32 Limited of Perth, Australia ("South 32") regarding its Huckleberry property. Under the terms of the agreement South 32 can earn a 50% interest in the Huckleberry property by incurring \$2,500,000 in exploration expenditures within the first two years of the agreement and by making an upfront cash payment of \$200,000 (which is made during the period). On successfully earning a 50% interest, South 32 can elect to increase its interest to 70% by incurring a further \$2,500,000 of exploration expenditures by the end of the third year. The Company will be operator during the earn-in and be paid a management fee of 10% of the cost of all exploration programs. As well, the Company's interest will be free carried to the completion of a PEA study on the Huckleberry property.

Q3'17 Update

The drill program was designed to test various gravity, magnetic and electro-magnetic anomalies as well as the down-dip extension of the of the mineralized Lower Olivine Websterite which to date is the principal zone of mineralization. Drilling was also designed to test "leakage" of mineralization along a fault system that is observed in the Eastern Copper Zone and may originate from the feeder source of the Lower Olivine Websterite.

Western Copper Zone

Drill-holes HK17-08,09,12 and 16 tested various aspects of the Lower Olivine Websterite (LOW) in the Western Copper Zone which was identified by the Company in 2016 as the principal host to the mineralization. All four of these drill-holes intersected mineralization hosted in the Lower Olivine Websterite, which can now be traced through drilling and surface sampling for a 3,000 metre strike-length and a down-dip extension of over 1,200 metres. It remains open along strike to the north and south and, down-dip to the east. The thickness of the mineralized Lower Olivine Websterite increases down-dip (eastward) from 9.46 in drill-hole 16HK-01 (Discovery Zone area) through 15.08 metres in drill-hole 17HK-08 to a total of 31.85 metres in 17HK-12 where the zone bifurcates.

Summary of select mineralized intervals from the Western Copper Zone:

Drill-hole	From (m)	To (m)	Interval (m)	Cu (%)	Ni (%)	PGE+Au (g/t)
17HK-08	313.54	328.62	15.08	0.22	0.15	0.30
17HK-09	482.3	492.5	8.45	0.12	0.10	0.14
17HK-12	502.8	523.3	20.5	0.18	0.08	0.20
<i>Including</i>	502.8	505.7	2.9	0.38	0.17	0.43
	547.4	565.0	17.6	0.19	0.14	0.25
	570.7	584.95	13.95	0.13	0.10	0.16
17HK-16	87.9	94.9	7.0	0.32	0.19	0.31
<i>Including</i>	87.9	90.9	3	0.52	0.27	0.44
<i>Including</i>	88.9	89.9	1	0.63	0.32	0.47

Note: drill-hole 17HK-11 was abandoned

Calculated metal tenors (grades normalized to 100% sulphide) remain relatively consistent throughout the Lower Olivine Websterite with copper ranging between 12-15%, nickel 4-6% and PGE 10-17 g/t. The last drill-hole of this season's program, hole 17HK-16, was drilled approximately 900 metres south of the Discovery Zone, in an area with no outcropping surface mineralization nor geophysical anomalies. This drill hole contains the highest individual copper and nickel assay from drill-core to date in the Western Copper Zone (0.63% Cu, 0.32% Ni) and shows slightly increased Ni tenor, perhaps providing a vector on the mineralization.

Eastern Copper Zone

Drill-holes HK17-10,13,14 and 15 were collared in the Eastern Copper Zone to target surface mineralization and test for potential upward "leakage" of Ni-Cu-PGE mineralization through a fault zone from a magma chamber at depth. Drill-holes HK17-13 and 15 both intersected widespread, weakly to moderately disseminate pyrrhotite and chalcopyrite that could be consistent with upward permeating sulphides through a co-magmatic fault zone. The Eastern Copper Zone is generally poor in Ni and PGE compared to the Western Zone.

Summary of select mineralized intervals from the Eastern Copper Zone:

Drill-hole	From (m)	To (m)	Interval (m)	Cu (%)
17HK-13	177.5	190.2	12.45	0.11
17HK-14	109.5	120.85	11.35	0.19
17HK-15	131.5	151.7	20.2	0.18

Further sampling in the Eastern Zone identified several new copper occurrences (0.71%, 0.72% and 0.75% Cu). Some of this mineralization is hosted within ultramafic rocks, which is the first time this lithology has been seen in the eastern Copper Zone. The Eastern Copper Zone is separated from the Western Copper Zone by a structural corridor and the relationship between the two is not yet fully understood by the Company. The high copper to nickel ratio in the east could be the result of the remobilization of copper up through (co-magmatic) fault structures or the result of magmatic segregation.

Historical Exploration

Northern Shield completed a brief ground program at Huckleberry in the third quarter of 2015. The program was designed to follow up on the discovery of Cu-Ni-PGE mineralization during a reconnaissance of the property in May 2015. At that time, Cu-Ni-PGE mineralization had been observed over a 950-meter strike length in the Western Zone including delineating continuous Cu-Ni-PGE mineralization in the Discovery Zone over a 200-meter strike length.

Of the 147 samples collected from Huckleberry to date by Northern Shield, 98 assay greater than 0.3% Cu with an average grade of 1.0% Cu, 0.2% Ni and 0.72g/t PGE and highs of 14% Cu, 17 g/t PGE+Au and 1.2% Ni. The mineralization is consistently associated with magnetic portions of the gabbro at Huckleberry. The copper mineralization is extensive and observed in multiple zones and

geological settings. Nickel and PGEs are commonly associated with the copper mineralization in the Western Zone but not in the Eastern Zone.

Western Copper Zone

The principal mineralized zone is in the western portion of the property and includes the Discovery Zone. The Western Copper Zone can be traced for 3 kilometers and the average of 70 samples with greater than 0.3% Cu is 1.1% Cu, 0.2% Ni and 0.87 g/t PGE+Au. The average of all 51 samples collected from the Discovery Zone is 1.2% Cu, 0.2% Ni and 1.0 g/t PGE+Au. Significantly, mineralization within the Discovery Zone can now be traced continuously for a strike length of 600 m, an extension of over 400 meters from the previously reported and is up to 100 m wide. Whereas the initial sampling focused on the mineralized glomeroporphyritic gabbro (“GPG”) due to its conspicuous gossanous habit, the latter phase of exploration focused on a layer of olivine melagabbro (“OMG”), which appears to be economically more significant. Initial interpretation suggests the OMG intruded the GPG/anorthosite when the latter was still a crystal mush. The mafic component to the OMG along with chalcopryrite and pyrrhotite then filtered down through the anorthositic crystal mush forming anorthosite glomerocrysts with interstitial clinopyroxene, orthopyroxene and blebs and disseminations of sulphides.

The OMG which is locally more peridotitic in composition appears to form at the base of a layered sequence that intrudes an anorthosite or GPG. The OMG is often seen to be flow-banded. At all locations where the contact of the OMG with the anorthosite/GPG outcrops, it is seen to be mineralized. The OMG is often found in valleys, gullies and topographic depressions due to its lower resistance to erosion.

A large gabbro xenolith (approx. 0.5-1 meter-long) hosting semi-massive sulphides was observed at one location in the Discovery Zone at the base of the OMG. A sample of the xenolith assayed 1.17% Ni, 0.83% Cu and 1.08 g/t PGE+Au. The presence of the xenolith indicates that nickel-rich, semi-massive sulphides exist somewhere nearby in the magmatic system. Also of importance is the discovery of a large angular boulder within the property consisting of an anorthosite breccia cemented by chalcopryrite that assayed 4.04% Cu. Coarse bronzite crystals have also formed between the fragments. The fragments of anorthosite that compose the breccia also contain finely disseminated chalcopryrite and are identical to mineralized anorthosite seen elsewhere within the property. Thus the boulder is very likely to originate from within the Huckleberry property and suggests that there is more high-grade copper mineralization yet to be found at Huckleberry.

Also of the significance was the discovery of mineralized metasedimentary xenolith found within the GPG. The white siliceous xenolith appears to be a re-melted shale and contains about 5% chalcopryrite. The xenolith assays 1.6% Cu and 0.97 g/t PGE+Au. The magma that formed the GPG is not likely hot enough to re-melt a shale and thus suggests that somewhere within the property the OMG (which would be hot enough to melt a shale) is in contact with the metasedimentary country rock.

Eastern and Other Zones

A further 15 samples were collected in the eastern portion of the property to follow-up on an area of lower grade copper mineralization discovered early this year by Northern Shield. Eleven of the 15 samples assayed greater than 0.3% Cu with an average of 0.92% Cu and a high of 3.6% Cu. The samples were collected at irregular intervals along a 5-kilometer-long magnetic trend. The average of 15 other samples with greater than 0.3% Cu from various areas of the property averaged 0.6% Cu, 0.17% Ni and 0.52 g/t PGE+Au.

Sample	Cu (%)	Ni (%)	PGE+Au (g/t)
Average of 50 samples over 0.3% Cu from Discovery Zone	1.22	0.21	1.01
Average of 70 samples over 0.3% Cu from Western Zone (including Discovery Zone)	1.10	0.21	0.87
Average of 12 samples over 0.3% Cu from Eastern Zone	0.87	0.14	0.11
Average of 15 samples over 0.3% Cu from Other Zones	0.63	0.17	0.52

Table 1: Average assays results from various mineralized zones from grab sampling programs at Huckleberry

The high Cu:Ni ratios in the mineralization found on surface at Huckleberry is indicative of a segregated deposit whereby the copper has separated from the nickel. As such, Huckleberry is being explored as a large-scale, segregated magmatic Cu-Ni-PGE deposit. Similar deposits include Kevitsa and Sakatti in Finland, the Duluth Complex, and Noril'sk-Talnakh. These deposits form when copper-rich fluids segregate from the nickel during unusually slow cooling of the magma. A magma can only cool so slowly if it is part of a very large magma chamber or if there is constant influxes of fresh hot magma. Either method has very positive implications for the presence of large scale Ni-Cu-PGE mineralization. Although the copper-rich portions may be economic on their own, the nickel-rich portion may be contiguous (at depth) with the copper seen on surface or in a separate body. However, the discovery of a large xenolith hosting nickel-bearing semi-massive sulphides suggests that the nickel-rich portion may lie underneath or nearby in the conduit system.

Geological observations indicate the magmatic history of the host rocks to the mineralization at Huckleberry to be dynamic, violent, episodic and long-lived. These are common characteristics of many giant Cu-Ni-PGE deposits. The evidences are the presence of: 1) various magmatic breccias throughout the intrusion; 2) flow-banding in some of the ultramafic layers; 3) multiple phases of mineralization; 4) a variety of mineralized host rocks; 5) xenoliths, including mineralized metasedimentary country rock and nickel-rich semi-massive sulphides; and 6) sulphide globules.

Over a very short period, Northern Shield has discovered extensive Cu-Ni-PGE mineralization at Huckleberry. The complexity of the geology and segregated nature of the mineralization makes a strong argument for comparison to known giant ore deposits. A more comprehensive follow-up ground program is recommended to better further define the mineralization of the Huckleberry Property as well as an airborne EM survey.

3.1.2 SÉQUOI–NI-CU-PGES

The Séquoi property comprises 107 claims, covering a large multi-lobed magnetic anomaly that Northern Shield interprets to be a flat-lying, saucer-shaped mafic-ultramafic intrusion, perhaps related to Huckleberry and part of the feeder system to the sills of the Labrador Trough. Within this anomaly are small pockets of higher magnetism, some of which coincide with electro-magnetic anomalies identified from a mid-1980s, government sponsored airborne survey. Exhaustive analysis of the historic lake bottom sediment sample results and glacial history of the area provides for a compelling case to be made that Séquoi lies at the head of a very large and distinct Ni-Cu-PGE dispersion train that dominates the southern Labrador Trough.

Title

The Company currently holds a 100% interest in Séquoi but a Pre-emptive Right is held by South 32 under the terms of the Huckleberry Option Agreement.

Q3'17 Update

No exploration was undertaken on the Séquoi claims during the three-month period ending September 30th, 2017, though prospecting was undertaken nearby.

3.1.3 SÉ2–NI-CU-PGES

The Sé2 property, consisting of 291 claims is located a few kilometers southeast of Séquoi. Sé2 totals approximately 141 square kilometers and includes occurrences of mafic-ultramafic intrusives. The property covers the intersection of a set of deep seated structures that are also seen at Séquoi which Northern Shield believes influences mafic-ultramafic magmatism in the area.

Title

The Company currently holds a 100% interest in Sé2.

Q3'17 Update

A till sampling program was undertaken at S62 during the period ending September 30th, 2017. The results show anomalous gold, locally combined with anomalous copper. The survey was designed to cover a portion of the VTEM survey completed in 2016. Although the claims were originally staked for their nickel potential, the discovery of gold and copper nearby by the Company and other discoveries in the Labrador Trough prompted more attention to gold in the area.

Seventy-nine till samples were collected over approximately 130 square kilometres and each sample was analysed for a multi-element geochemical suite as well as picked for heavy mineral sorting. In total, 198 grains of gold were picked (normalized to 5 kilograms) from the 79 samples with the most anomalous sample containing 13 grains. Twenty-five of the gold grains are in pristine condition, suggesting proximity to source. Geochemical analysis results are consistent with the number of observed gold grains picked from the till samples. Five samples returned greater than 50 ppb Au with a high of 98 ppb Au. Tungsten, often a pathfinder for gold mineralization, is locally anomalous with a high of 704 ppb W compared to background assays of 70 ppb W. Copper is also locally anomalous (up to 108 ppm Cu).

Although outcrop is very limited within the Property, it is possible to define a tightly folded unit from the airborne Magnetic-VTEM survey completed in 2016. The gold anomalies in the till study appear to be generally confined to this unit.

These results continue to highlight the gold potential of the Labrador Trough and the S62 area showing similarities to Lode Gold systems elsewhere and will factor into the Company's exploration programs being planned for next year.

3.1.4 IDEFIX-PGES

The Idefix property currently consists of 241 claims covering 109 square kilometers. The property is being explored for PGEs and Ni-Cu-PGEs hosted by a differentiated gabbro-norite sill.

Title

The Company holds 100% ownership of the Idefix property.

On May 5, 2012, the Company signed an Option and Joint Venture Agreement with Impala Platinum Holdings Limited of South Africa ("Impala") allowing Impala to earn a 50% interest in Idefix by making cash payments to Northern Shield totaling \$300,000 over two years and incurring \$3.2 million in exploration expenditures at Idefix or the surrounding area over three years, with total expenditures of \$1,950,000 committed for the first two years. Impala had the right to also earn a 50% interest in up to two additional "designated properties" within an agreed upon area of mutual interest in Quebec by incurring a further \$1.25 million of expenditures per additional property. For budgetary reasons Impala elected not to pursue the option at Idefix and never earned an interest in the property.

Q3'17 Update

A brief visit was made to the property during the period to locate the VTEM anomaly identified from the 2016 VTEM survey relative to the geology observed on the ground. The anomaly is proximal to the gabbro-sediment contact.

Historical Exploration

A two-day reconnaissance of the Idefix property was conducted in early September 2011. Twenty-five rock samples were collected from the property of which twenty-one were from the mafic-ultramafic sill with four coming from the country rock. These results led to the option agreement signed with Impala Platinum Holdings Limited in May 2012.

The original focus at Idefix was for reef-type PGE mineralization after the discovery of significant and extensive PGE mineralization in 2012 along a gabbro-norite escarpment with grades up to 16 g/t Pt+Pd at a ratio of 1:3. Significant new PGE mineralization was discovered 900 meters immediately south of the Idefix Ridge at La Colline in 2013. At this location, 41 of 92 surface samples collected

over an outcrop measuring approximately 220 meters by 50 meters assayed over 1 g/t Pt+Pd+Au. This includes a zone defined by 34 continuous sawn channel samples which average 1.4 g/t Pt+Pd+Au, 0.28% Cu and 0.1% Ni over 31.35 meters within which there is a higher-grade zone averaging 1.9 g/t Pt+Pd+Au, 0.38% Cu and 0.13% Ni over 15.85 meters (see Tables 1 and 2). Also of significance are several grab sample collected 900 meters east of Idefix Ridge which assayed 11.1 g/t PGE+Au (4.6 g/t Pt, 3.8 g/t Pd, 2.7g/t Au) and 0.92% Cu and 2.8 g/t PGE+Au (1.3 g/t Pt, 1.1 g/t Pd, 0.4 g/t Au) and 0.26% Cu. This occurrence differs from others within the Idefix property as it has a 1:1 Pt:Pd ratio (compared to a 1:3 Pt:Pd ratio found along the Idefix Ridge). This discovery is suggestive of yet another PGE zone, or perhaps reef, on the eastern side of Idefix, which has seen very little exploration in the past.

In 2013, fourteen drill-holes totaling 1501 meters were completed at Idefix. Drilling did not intercept similar grades of PGEs as seen on surface but did prove the existence of reef type mineralization (*senso stricto*) averaging 0.2-0.4 g/t PGE over 16-34 meters widths (see table 3) that can be traced continuously for 3.5 km and intermittently for a further 3.5 km. Of the 1614 samples collected at Idefix, 934 assays greater than 0.1 g/t PGE+Au. This highlights the significant enrichment of PGE at Idefix.

However, the presence of large Ni-Cu-PGE bearing sulphide globules seen in nearly every drill hole completed along the Idefix Ridge points to the possible existence or massive magmatic sulphides, perhaps similar to Noril'sk-type model.

Based on analysis with a hand-held XRF analyzer, these globules average 3-5% Ni, 2-3% Cu and over 20 g/t Pd. Globules form from bubbles of then liquid sulphide being transported away from a pool of massive sulphide by an injecting pulse of magma during the formation of the sill; somewhat akin to a pebble being transported down-stream in a river. Globules are dense and fragile and research has shown that they travel very short distances, typically on the order of a few hundred metres. Thus it can be concluded from this information alone, that at the time of formation of the Idefix Gabbro sill, a pool of liquid sulphide (massive sulphide) existed nearby with high grades of Ni, Cu and PGE. The uncertainties are: 1) does the massive sulphide still exist or did the pulse of magma that formed the Idefix gabbro completely destroy the pool of massive sulphide and 2), if the massive sulphide still exists, where is it located relative to the drill-holes. These globules are also very similar to those seen adjacent to the massive sulphides at Noril'sk.

The possible existence of massive sulphides is supported by the geochemical signatures of the Ni-Cu-PGE mineralization seen at La Colline. The mineralization at La Colline was first thought to be a continuation of the reef-type mineralization seen in drill-core along the Idefix Ridge. However, La Colline does not possess the same reef-type signature as seen along the ridge, but instead has a signature more commonly attributed to massive sulphides. Hence, it is interpreted that the disseminated mineralization at La Colline represents the fringe of a massive sulphide lens that extends northwards and located about 400 meters east of the Idefix Ridge. This is supported by a north-south magnetic anomaly that underlies this area.

Table 1: La Colline Continuous Channel Sample (Idefix Property)

Sample	Sample type	Interval (m)	Ni (%)	Cu (%)	Pd (g/t)	Pt (g/t)	Au (g/t)	Pd+Pt+Au (g/t)
		31.35	0.10	0.28	1.01	0.33	0.06	1.41
<i>including</i>		15.8	0.13	0.38	1.41	0.45	0.09	1.94
		<i>composed of the following intervals</i>						
421062	channel	1.5	0.07	0.17	0.45	0.16	0.03	0.64
421063	channel	1.7	0.11	0.29	0.89	0.29	0.07	1.25
421064	channel	0.7	0.08	0.17	0.46	0.17	0.04	0.67
421065	channel	0.9	0.12	0.34	1.20	0.38	0.09	1.67
421066	channel	1.2	0.07	0.16	0.46	0.19	0.04	0.68
421067	channel	1.0	0.07	0.16	0.74	0.30	0.05	1.09
421068	channel	1.0	0.02	0.07	0.34	0.08	0.02	0.43
421069	channel	0.45	0.01	0.00	0.00	0.00	0.00	0.01
421070	channel	1.0	0.05	0.14	0.21	0.07	0.02	0.30
421071	channel	1.0	0.05	0.17	0.52	0.18	0.05	0.74
421072	channel	0.6	0.09	0.26	0.85	0.28	0.07	1.20
421073	channel	1.0	0.08	0.17	0.70	0.23	0.04	0.97
421074	channel	1.0	0.08	0.25	1.08	0.32	0.07	1.47
421075	channel	0.7	0.13	0.35	1.24	0.48	0.10	1.82
421076	channel	1.0	0.11	0.26	1.46	0.47	0.08	2.01
421077	channel	0.3	0.16	0.51	2.72	0.60	0.16	3.68
421078	channel	1.1	0.17	0.46	1.77	0.54	0.10	2.41
421079	channel	0.8	0.13	0.33	1.18	0.41	0.07	1.66
421080	channel	1.0	0.21	0.68	1.94	0.64	0.13	2.71
421081	channel	1.0	0.19	0.57	2.08	0.62	0.11	2.80
421082	channel	1.0	0.11	0.27	0.97	0.31	0.05	1.33
421083	channel	0.7	0.17	0.52	1.63	0.48	0.11	2.22
421084	channel	0.9	0.14	0.41	1.33	0.42	0.08	1.83
421085	channel	0.8	0.14	0.44	1.46	0.50	0.12	2.08
421086	channel	0.9	0.14	0.45	1.54	0.50	0.11	2.14
421087	channel	0.8	0.09	0.23	0.92	0.29	0.05	1.25
421088	channel	1.0	0.10	0.22	1.44	0.45	0.07	1.96
421089	channel	0.7	0.14	0.40	1.19	0.46	0.08	1.73
421090	channel	1.0	0.11	0.29	1.00	0.34	0.09	1.43
421091	channel	1.1	0.10	0.31	1.09	0.34	0.06	1.49
421092	channel	0.6	0.07	0.15	0.65	0.28	0.03	0.96
421093	channel	0.9	0.05	0.11	0.48	0.16	0.02	0.66
421094	channel	1.1	0.07	0.19	0.66	0.23	0.05	0.94
421095	channel	0.9	0.08	0.24	0.81	0.29	0.05	1.15

Table 2: Other Significant Samples from La Colline (Idefix Property)

Sample	Sample type	Length (m)	Ni (%)	Cu (%)	Pd (g/t)	Pt (g/t)	Au (g/t)	Pd+Pt+Au (g/t)
421041	grab	n/a	0.10	0.31	0.83	0.26	0.03	1.1
421043	grab	n/a	0.09	0.43	2.09	0.58	0.09	2.8
421046	grab	n/a	0.07	0.62	1.71	0.46	0.09	2.3
421048	grab	n/a	0.04	0.12	1.88	0.57	0.09	2.5
421051	grab	n/a	0.06	0.31	1.45	0.29	0.08	1.8
421052	grab	n/a	0.04	0.16	0.77	0.26	0.03	1.1
421053	grab	n/a	0.07	0.25	0.94	0.48	0.04	1.5
421054	grab	n/a	0.07	0.28	1.03	0.37	0.04	1.4
421099	grab	n/a	0.03	0.21	1.18	0.32	0.07	1.6
421100	grab	n/a	0.12	0.41	1.53	0.49	0.07	2.1
421104	grab	n/a	0.04	0.12	1.11	0.32	0.03	1.5
421105	grab	n/a	0.05	0.18	0.92	0.34	0.04	1.3
421108	channel	1.0	0.05	0.30	1.30	0.38	0.06	1.7
421109	channel	1.0	0.15	0.50	1.34	0.54	0.06	1.9
421111	channel	1.0	0.13	0.52	1.32	0.52	0.09	1.9
421112	channel	1.0	0.11	0.40	0.99	0.38	0.05	1.4
LT13-2012A	grab	n/a	0.25	0.73	2.05	0.46	0.22	2.7
LT13-7040A	grab	n/a	0.11	0.31	2.21	0.67	0.09	3.0

LT13-7041A	grab	n/a	0.03	0.38	1.30	0.41	0.16	1.9
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Table 3: PGE Intersections from Drill-holes (Idefix Property)

Drill Hole	From (m)	To (m)	Interval (m)	Pd (g/t)	Pt (g/t)	Au (g/t)	Pd+Pt+Au (g/t)
13ID-01	27	47	20.0	0.29	0.09	0.02	0.40
<i>including</i>	28	29	1.0	0.44	0.18	0.03	0.65
13ID-02	34	58	24.0	0.19	0.06	0.01	0.26
<i>including</i>	34	35	1.0	0.64	0.22	0.04	0.90
13ID-03	28	48	20.0	0.22	0.08	0.01	0.31
13ID-04	24	41	17.0	0.21	0.07	0.03	0.31
<i>including</i>	34	35	1.0	0.63	0.20	0.34	1.18
13ID-05	35	52	17.0	0.26	0.08	0.02	0.35
<i>including</i>	35	36	1.0	0.48	0.16	0.02	0.67
13ID-06	29	46	17.0	0.25	0.08	0.02	0.36
<i>including</i>	30	33	3.0	0.49	0.16	0.03	0.68
13ID-07	21.3	25	3.7	0.31	0.10	0.01	0.42
<i>including</i>	24	25	1.0	0.57	0.18	0.02	0.77
13ID-08	29	70	31.0	0.1	0.03	0.1	0.14
13ID-09	69.5	71	1.5	1.11	0.34	0.06	1.50
13ID-09	78	97	19.0	0.15	0.05	0.01	0.21
13ID-10							
13ID-11	28.5	43	14.5	0.18	0.06	0.01	0.25
13ID-12	47	49	2.0	0.35	0.12	0.01	0.48
13ID-13	111	145	34.0	0.24	0.08	0.01	0.34
13ID-14	11.2	12.2	1.0	0.46	0.14	0.01	0.61

Table 4: Significant Assays from Idefix Ridge (Idefix Property)

Sample	Sample type	Length (m)	Ni (%)	Cu (%)	Pd (g/t)	Pt (g/t)	Au (g/t)	Pd+Pt+Au (g/t)
LT13-3029A	grab	n/a	0.42	1.31	10.60	5.52	0.35	16.5
LT13-5025A	grab	n/a	0.18	1.66	10.45	3.52	0.45	14.4
LT13-3030A	grab	n/a	0.13	0.57	4.03	0.87	0.21	5.1
421019	channel	1.0	0.11	0.38	2.91	0.72	0.08	3.7
421008	channel	1.0	0.09	0.25	2.61	0.99	0.49	4.1
LT13-8114A	grab	n/a	0.03	0.41	1.85	1.70	0.44	4.0
421026	channel	1.0	0.07	0.24	1.53	0.45	0.08	2.1
421089	channel	1.0	0.14	0.40	1.19	0.46	0.08	1.7
LT13-3071A	grab	n/a	0.03	0.08	0.77	0.79	0.01	1.6
421047	grab	n/a	0.11	0.19	1.19	0.37	0.06	1.6
LT13-2011A	grab	n/a	0.05	0.21	1.08	0.41	0.07	1.6
421025	channel	1.0	0.03	0.23	1.17	0.22	0.03	1.4
421023	channel	1.0	0.07	0.32	1.00	0.28	0.08	1.4
LT13-8111A	grab	n/a	0.05	0.13	0.96	0.25	0.04	1.3
421020	channel	1.0	0.05	0.15	0.81	0.22	0.03	1.1

3.1 OTHER PROPERTIES

3.2.1 SEDEX

The Sedex property was staked in early 2016. No material exploration has been performed on the property to date.

4. FINANCIAL UPDATE

The Company's financial success is dependent upon the discovery of properties that could be economically viable to develop. Such development could take years to complete and the resulting income, if any, is difficult to determine. The sales value of any mineralization discovered by the Company is dependent upon factors beyond its control. The Company is not aware of any trends, uncertainties, demands, commitments, or events affecting Northern Shield in particular and not all junior mining companies, which are reasonably likely to have a material effect on the Company's capital resources or that would cause reported financial information not necessarily to be indicative of future operating results.

4.1 Operational Results

The level of operational expenditures is related to the financing and exploration activities that are being conducted by the Company, which in turn may depend on the Company's recent exploration experience and prospects, as well as the general market conditions relating to the availability of funding for exploration-stage resource companies. Consequently, the Company does not acquire properties or conduct exploration work on a pre-determined basis and, thus, there may not be predictable or observable trends in the Company's business activities and comparisons of financial operating results with prior years may not be meaningful.

The Company has no operating revenue to date as its mineral properties are all in the exploration and analysis stage.

The Company incurred a comprehensive loss of \$118,194 for the three-month period and \$794,640 for the nine-month period, both ended September 30, 2017 (2016 - \$115,585 and \$1,327,658).

4.1.1 MINERAL PROPERTY ACTIVITIES

	Idefix	Huckleberry	Séquoï	Sé2	Other	Total
December 31, 2015 Balance	\$ -	\$255,055	\$ -	\$ -	\$14,353	\$269,408
Expenditures						
Acquisition:	9,726	23,763	22,777	19,822	22,090	98,178
Exploration:						
Sample Analysis	-	49,169	8,833	7,402	3,566	68,970
Airborne Geophysics	36,139	36,583	86,850	-	-	159,572
Ground Geophysics	-	67,153	1,125	1,500	650	70,428
Geology Remuneration	1,800	129,546	45,004	-	9,190	185,540
Drilling/Sampling	-	236,992	131,671	-	-	368,663
Mob/Demob	43,751	809,195	492,926	57,019	17,263	1,420,154
Travel/Accom	-	76,810	42,565	-	-	119,375
Total Exploration	81,690	1,405,448	808,974	65,921	30,669	2,392,702
Total Property Expenditures	91,416	1,429,211	831,751	85,743	52,759	2,490,880
External Funding	-	(1,542,538)	-	-	-	(1,542,538)
Government Assistance	(5,086)	(71,977)	-	-	(9,585)	(86,648)
Expensed current exploration	-	-	-	-	(30,669)	(30,669)
December 31, 2016 Balance	\$86,330	\$69,751	\$831,751	\$85,743	\$26,858	\$1,100,433
Expenditures						
Acquisition:	2,248	2,645	-	-	34,250	39,143
Exploration:						
Sample Analysis	-	36,547	8,300	600	10,345	55,792
Airborne Geophysics	-	-	5,500	-	-	5,500
Ground Geophysics	-	142,497	-	2,500	1,500	146,497
Geology Remuneration	438	128,313	2,338	9,178	54,777	195,044
Mob/Demob	-	976,264	29,417	161,385	47,348	1,214,414
Total Exploration	438	1,711,473	45,555	183,475	140,425	2,081,366
Total Property Expenditures	2,686	1,714,118	45,555	183,475	174,675	2,120,509
External Funding	-	(1,681,029)	-	-	-	(1,681,029)
Expensed Current Exploration	-	-	-	-	(146,111)	(146,111)
September 30, 2017 Balance	\$89,016	\$102,840	\$877,306	\$269,218	\$55,422	\$1,393,802

As at September 30, 2017, the Company's resource asset carrying value was \$1,393,802 (December 31, 2016 - \$1,100,433).

Gross exploration expenditures were \$1,451,197 for the three-month period and \$2,210,509 for the nine-month period, both ended September 30, 2017 (2016 - \$576,235 and \$669,312).

The Company incurred \$84,444 worth of prospecting activity during the three-month period and \$146,111 during the nine-month period, both ended September 30, 2017 (2016 - \$11,098 and \$29,669).

4.1.2 ADMINISTRATIVE ACTIVITIES

General and administrative expenses of \$82,197 were incurred during the three-month period and \$501,637 during the six-month period, both ended September 30, 2017 (2016 – \$221,101 and \$620,004).

The details of the comparative amounts for the nine-month periods ended September 30, 2017 and 2016 are summarized in the following table:

	2017	2016	Change	as %
Remuneration and consulting fees	\$ 219,839	\$ 147,285	72,554	49%
Office expenses	126,582	127,917	(1,335)	-1%
Travel expenses	56,448	37,507	18,941	50%
Marketing expenses	17,972	33,225	(15,253)	-46%
Professional fees	18,479	55,816	(37,337)	-67%
Public company expenses	21,599	13,418	8,181	61%
Insurance expenses	8,949	8,726	223	3%
	\$ 469,868	\$ 423,894	45,974	11%
Share-based compensation	263,625	794,600	(530,975)	-67%
General and administrative recovery	(50,431)	(24,991)	(25,440)	102%
	\$ 683,062	\$ 1,193,503	20,534	2%

- Remuneration included a one-time bonus and a new hire in the current year.
- Office expenditures were consistent year-on-year.
- Administrative travel increased significantly due to increased early-year marketing activity.
- Marketing costs dropped because of reduced trade-show activity in the current year.
- The reduction in financing activities caused a considerable drop in Professional fees year-on-year.
- Public company expenses rose due to increased market activity along with an increase in public market fees.
- Annual insurance rates remained consistent year-to-year.

4.2 SUMMARY OF QUARTERLY RESULTS

The following table sets forth financial information for the Company's recently completed quarters:

2017				
	Mar 31	Jun 30	Sep 30	
Total Revenues	-	-	-	
G & A Expense*	\$234,453	\$184,987	\$82,197	
Expensed Exploration**	\$22,491	\$39,176	\$84,444	
(Loss)/Income for the period	(\$200,593)	(\$475,853)	(\$118,194)	
Basic and diluted loss per share	(\$0.00)	(\$0.00)	(\$0.00)	

2016				
	Mar 31	Jun 30	Sep 30	Dec 31
Total Revenues	-	-	-	-
G & A Expense*	\$182,305	\$216,598	\$221,101	\$329,599
Expensed Exploration**	\$3,200	\$15,371	\$11,098	\$1,000
(Loss)/Income for the period	(\$185,504)	(\$1,026,569)	(\$115,585)	(\$301,464)
Basic and diluted loss per share	(\$0.00)	(\$0.01)	(\$0.00)	(\$0.00)

2015		Dec 31
Total Revenues		-
G & A Expense*		\$177,542
Expensed Exploration**		\$3,034,022
(Loss)/Income for the period		(\$3,158,589)
Basic and diluted loss per share		(\$0.02)

* excluding share-based compensation

** including write-downs of previously capitalized property expenditures

4.3 Liquidity

The Company is presently exploring its projects for economically viable mineral deposits. None of the Company's projects are yet in production and consequently do not produce revenue. The Company currently funds all operations with its working capital. At November 21, 2017, the Company had working capital of approximately \$1,300,000.

At September 30, 2017, the Company had working capital of \$1,443,221 (December 31, 2016 – \$2,279,250).

4.4 Capital Resources

At September 30, 2017, the Company was not involved in any agreements for which it had commitments to satisfy any expenditure requirements.

4.5 Acquisitions and Dispositions of Resources Properties and Write-offs

There were no material acquisitions or disposals of properties during the three-month period ended September 30, 2017.

4.6 Related Party Transactions

The Company incurred legal fees with a law firm at which one of the Company's directors is a partner and the Company's corporate secretary is an associate. All transactions were made on terms equivalent to those that prevail in arm's length transactions.

During the nine-month period ended September 30, 2017 the Company incurred \$40,983 in fees from the related party (2016 - \$94,554).

At June 30, 2017, the Company owed \$26,204 to the related party (December 31, 2016 - none).

4.7 Significant Accounting Estimates

The preparation of these annual consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The consolidated financial statements include estimates, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the consolidated statement of financial position date, which could result in a material adjustment to the carrying amounts of assets and liabilities, if actual results differ from assumptions made, relate to, but are not limited to, the following:

- the recoverability of amounts receivable and prepayments which are included in the consolidated statement of financial position;
- impairment of non-financial assets;
- the estimated useful lives of property, plant and equipment which are included in the consolidated statement of financial position and the related depreciation included in the consolidated statement of comprehensive loss;
- the inputs used in accounting for share-based compensation expense in the consolidated statement of comprehensive loss;
- the inputs used in determining the various commitments and contingencies accrued in the consolidated statement of financial position; and
- the inputs used in accounting for warrant value associated to reserves.

4.8 Financial Instruments

The fair value of the Company's cash, unbilled receivables, amounts receivable, and accounts payable and accrued liabilities approximates their carrying amount due to the short-term nature of these instruments.

4.9 Internal Controls Over Financial Reporting

During the three-month period ended September 30, 2017, there have been no changes in the design of the Company's internal controls over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting.

4.10 Subsequent Events

None

5. RISK FACTORS

5.1 Exploration and Development

Exploration for PGEs and other ore minerals is a speculative venture involving substantial risk. There is no certainty that the expenditures to be made by the Company with respect to its properties will result in discoveries of diamonds or ore. Few properties that are explored for minerals are ultimately developed into producing mines.

The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by several factors, which are beyond the control of the Company.

5.2 Financing

The Company is presently exploring its projects for economically viable PGE, Ni-Cu, Cu-Zn-Ag and other ore deposits. None of the Company's projects are yet in production and consequently do not produce revenue. Accordingly, the Company's ability to conduct operations, including the acquisition, exploration and development of mineral properties, when it doesn't have sufficient working capital to do so is based on its ability to raise funds, primarily through equity issuances and potentially through proceeds from the disposition of its properties.

There can be no assurance that the Company will succeed in obtaining required financing, now or in the future. Failure to raise additional financing could cause the Company to suspend exploration and eventually to sell or forfeit its interest in some or all its properties and could result in the Company ultimately ceasing to continue as a going concern.

The ability of the Company to obtain financing is somewhat dependent on the equity market conditions. The trading price of the common shares of the Company may be subject to wide fluctuations in response to variations in operating results, results of exploration programs and other events and factors outside of the control of the Company. In addition, the stock market has experienced extreme price and volume fluctuations that have particularly affected the market price for many junior mining companies like the Company. These broad market fluctuations may adversely affect the market price of the common shares of the Company and hence its ability to raise funds or to create significant dilution from funds raised.

5.3 Mining Operations

Mining operations involve a high degree of risk. Hazards such as unusual or unexpected formations and other conditions may arise. The Company may become subject to liability for pollution, abandonment and reclamation and environmental or other hazards against which it cannot insure or against which it may elect not to insure. Such liabilities may have a material adverse effect on the Company's financial position and prospects.

5.4 Economics of Developing Mineral Properties

Substantial expenditures are required to establish reserves through drilling, to develop metallurgical processes to extract metal from ore and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineral deposit, no assurance can be given that minerals will be discovered in sufficient quantities or grades to justify development of the deposit, or that the funds required for development can be obtained at all or, if attainable, can be obtained on a timely basis.

5.5 Marketability of PGEs and Base Metals

PGE and base metal exploration and development are speculative businesses, which involve a high degree of risk. The marketability of PGEs and/or base metals acquired or discovered by the Company (if sufficient amounts are acquired or discovered) will be affected by numerous factors beyond the control of the Company. These factors include market fluctuations, government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting and environmental protection. The exact effect of these factors cannot be accurately predicted, and the combination of these factors may result in the Company receiving insufficient returns on invested capital. Additionally, depending on the price of minerals produced, the Company may determine that it is not commercially feasible to commence or continue commercial production.

5.6 Prices for PGEs and Base Metals

The value of the Company and its common shares will depend in some degree on the prevailing prices obtainable for PGEs and base metals in the market. The price of those commodities can fluctuate, and is affected by numerous factors beyond the Company's control including international economic and political conditions, expectations of inflation, international currency exchange rates, interest rates, economic conditions globally and nationally, global or national consumption patterns, speculative activities, levels of supply and demand, increased production due to new mine developments and improved mining and production methods, stock levels maintained by producers and others and inventory carrying costs. The effect of these factors on the price of PGEs and base metals cannot be accurately predicted.

5.7 Environmental Requirements

To date the Company has conducted all its exploration activities in the provinces of Ontario and Quebec. All phases of its operations have been subject to the environmental legislation of the provinces of Ontario and Quebec and of the Government of Canada. Even though the Company does not operate a mine and is not developing a mine, at the current 'exploration' stage of its business cycle it must still abide by numerous laws and regulations relating to the environment. Environmental legislation is evolving; more corporate responsibility, stricter fines and penalties, and more stringent guidelines, could in the future, adversely affect the Company's operations. The cost of compliance with these changes could have a material adverse effect on the Company, its financial condition and prospects.

5.8 Competition

The mining industry (exploration and development) is intensely competitive in all its phases. The Company competes with many companies possessing greater financial resources and technical facilities and expertise than itself for the acquisition and exploration of mineral concessions, claims, leases and other mineral interests as well as for the recruitment and retention of qualified management and employees.

5.9 Title

While the Company has registered its claims, licenses and leases with the appropriate mining authorities and has filed all pertinent information to industry standards, this should not be construed as a guarantee of title. The Company's properties may also be subject to prior unregistered agreements or transfers or native land claims, and the Company's title may be affected by these and other undetected defects. The Company's properties may include recorded third party mineral claims, which have not been surveyed, and therefore, the precise area and location of such claims and licenses may be in doubt. The Company may also lose entitlement to claims if certain exploration expenditures are not made by certain set dates as required by provincial mining regulators and regulations.

5.10 Mining Regulation

Mining operations in Canada are subject to extensive governmental regulations. Future changes in government regulation could adversely affect mining in Canada. The development of mines and related facilities is contingent upon government approval, which must be obtained through statutory review processes. The Company does not have and has not applied for approvals for the development of any of its properties.

5.11 Required Capital and Ongoing Business

The Company has not yet generated any earnings or cash flow to fund its operations and there can be no assurance that the Company will generate any earnings or cash flow in the future. If the Company does not generate cash flow in the future, additional external funding will be required to finance the Company's ongoing operations. This funding may not be available at all or, if available, may not be available on terms acceptable to the Company and could result in the Company ultimately ceasing to exist as a going concern.

5.12 Dilution

Shareholders will suffer dilution with respect to future private and/or public offerings of the Company's common shares (or securities convertible into common shares).

5.13 Key Management

The Company has not purchased any "key man" insurance with respect to any of its directors, officers or key employees to the date hereof. The loss of the Company's President and Chief Executive Officer could have an adverse impact on the Company and its business, financial position and prospects.

5.14 Conflicts of Interest

Certain of the directors and officers of the Company currently, and may in the future, serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties as a director or officer of the Company and their duties as a director and officer of such other companies. The directors and officers of the Company are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosures by directors of conflicts of interest and the Company will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors or officers.

5.15 Market Volatility

In the past, there has been limited trading in the Company's common shares. Additionally, the trading price of the common shares may be subject to wide fluctuations in response to variations in operating results, results of exploration programs, market conditions and other events and factors outside the control of the Company. In addition, the stock market has experienced extreme price and volume fluctuations, which have particularly affected the market price for many junior resource companies. During the nine-month period ended September 30, 2017, the price of the Company's shares fluctuated between \$0.04 and \$0.09. There can be no assurance that significant price fluctuations will not occur.

5.16 Aboriginal Claims

Aboriginal rights may be claimed on Crown or other types of tenure with respect to which mining rights have been granted. The Company is fully aware of the mutual benefits afforded by cooperative relationships with indigenous people in conducting exploration activity and is fully supportive of measures established to achieve such cooperation.

Outstanding Share Data as of November 21, 2017

Common Shares	
Issued and Outstanding	205,144,921
Warrants	6,070,486
Options	12,750,000
Fully Diluted	223,965,407

Warrants Outstanding			
Exercise Price	Qty	Expiry Date	Potential Proceeds
\$0.22	3,125,000	1-Jul-19	687,500
\$0.22	1,385,300	16-Jul-19	304,766
\$0.30	1,136,364	12-Sep-19	340,909
\$0.17	423,822	29-Nov-18	72,050
	6,070,486		1,405,225

Options Outstanding			
Exercise Price	Qty	Expiry Date	Potential Proceeds
\$0.16	6,850,000	10-Jun-21	1,096,000
\$0.17	350,000	15-Jul-21	59,500
\$0.10	5,550,000	30-Jun-22	555,000
	12,750,000		\$ 1,710,500

Additional information on the Company is available on its website www.northern-shield.com or on SEDAR www.sedar.com.

Cautionary Statements

Certain statements included in this Management Discussion and Analysis constitute forward-looking statements under applicable securities legislation. Forward-looking statements or information typically contain statements with words such as "anticipate", "believe", "expect", "plan", "intend", "estimate", "propose", or similar words suggesting future outcomes or statements regarding an outlook. Forward looking statements or information in this Management Discussion and Analysis include, but are not limited to, statements regarding:

- business objectives, plans and strategies;
- exploration objectives, plans and strategies; and
- certain geological interpretations and expectations.

Such forward-looking statements or information are based on several assumptions which may prove to be incorrect. In addition to other assumptions identified in this Management Discussion and Analysis, assumptions have been made regarding, among other things:

- the ability of Northern Shield to continue to fund its operations through financings, options and joint ventures;
- the ability of Northern Shield to obtain equipment, services and supplies in a timely manner to carry out its activities;
- the level of exploration activities;
- the ability of Northern Shield to retain and access its mineral claims; and
- current and future mineral commodity prices.

Although Northern Shield believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward looking statements because Northern Shield can give no assurance that such expectations will prove to be correct. Forward-looking statements or information are based on current expectations, estimates and projections that involve several risks and uncertainties which could cause actual results to differ materially from those anticipated by Northern Shield and described in the forward-looking statements or information. These risks and uncertainties include but are not limited to:

- the ability of management to execute its business and exploration objectives, plans and strategies;
- the risks of the mining industry, such as operational risks in exploring for minerals and market demand;
- risks and uncertainties involving geology of mineral deposits;
- potential delays or changes in plans with respect to exploration projects;
- Northern Shield's ability to retain and access its mineral claims;
- fluctuations in current and future mineral commodity prices;
- health, safety and environmental risks;
- uncertainties as to the availability and cost of financing;
- general economic, business and market conditions;
- the possibility that government policies or laws may change;
- aboriginal claims; and
- other risks and uncertainties described elsewhere in this Management Discussion and Analysis or in Northern Shield's other filings with Canadian securities authorities.

The forward-looking statements or information contained in this Management Discussion and Analysis are made as of the date hereof and Northern Shield undertakes no obligation to update publicly or revise any forward-looking statements or information, whether because of new information, future events or otherwise, unless so required by applicable securities laws.

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Directors and Officers

Board of Directors

Russell M. Richards (Chair)
Ian Bliss (President & CEO)
Scott Jobin-Bevans
Marcus Archer
Frank Santaguida

Compensation Committee

Marcus Archer (Chair)
Scott Jobin-Bevans

Audit Committee

Russell M. Richards (Chair)
Scott Jobin-Bevans
Frank Santaguida

Officers

Ian Bliss (President & CEO)
Sam Legg (Chief Financial Officer)
James O'Sullivan (Corporate Secretary)

Technical Committee

Scott Jobin-Bevans
Frank Santaguida

Listing

TSX Venture: "NRN"
Frankfurt (Germany) Exchange: "N9S"

Capitalization (November 21, 2017)

Shares Issued: 205,144,921
Fully Diluted: 223,965,407

Counsel

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