



NORTHERNSHIELD
RESOURCES INC.

(An Exploration Stage Company)

Northern Shield Resources Inc.

Management Discussion and Analysis

for the three and nine-month periods ended September 30, 2018



Form 51-102-F1 Management Discussion & Analysis for the three and nine-month periods ended September 30, 2018

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, 2018.

The following information should be read in conjunction with the Company's audited consolidated financial statements for the three and six-month periods ended September 30, 2018. The policies applied in the financial statements are based on International Financial Reporting Standards ("IFRSs") issued and effective as at November 26, 2018 for periods ending on or before September 30, 2018.

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 26, 2018.

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", which includes all wholly-owned subsidiaries) is an active junior mining company primarily engaged in the exploration for nickel, copper and platinum group elements ("PGEs"). 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 was built from the ground up as a Ni-Cu-PGE explorer and has considerable knowledge and understanding of magmatic systems. The Company utilizes this knowledge and science as part of its exploration strategy which allows it to effectively discriminate prospective magmatic systems and quickly vector in on the mineralization. As such, the Company focuses its exploration efforts on under-explored regions to generate targets and, early stage projects that can quickly benefit from Northern Shield's knowledge and experience in this field and in a cost-effective way.

Through its recently created, wholly-owned subsidiary, Seabourne Resources Inc., the Company has expanded its model driven approach in exploration to epithermal gold and related mineralization in under-explored regions of eastern Canada and Europe.

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 period ending September 30th, 2018 the Company continued exploration on the Shot Rock property under the terms of the Option Agreement signed in December 2017. The project is being operated under wholly-owned subsidiary, Seabourne Resources.

3. MINERAL PROPERTIES



The Company conducts the majority of its exploration in Eastern Canada.

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>
SHOT ROCK	Au	0%*	2,000 / 200 km ^{2**}
HUCKLEBERRY	Cu, Ni-PGE	100%	179 / 87 km ²
SÉQUOI	Cu-Ni-PGE	100%	65 / 32 km ²
IDEFIX	PGEs, Ni-Cu	100%	241 / 109 km ²

*Subject to option agreement described in Section 3.1.1

** Subsequent to period-end, increased to 268 km²

3.1 PRINCIPAL PROPERTIES

3.1.1 SHOT ROCK - AU

The Shot Rock Property is composed of 2,000 mining claims units staked under the terms of the Mineral Resources Act of Nova Scotia, which represents a total area of 200 square km. It is located along the Trans-Canada Highway between New Glasgow and Antigonish and covers an epithermal gold setting of a type not previously recognized in Nova Scotia.

Title

The Company current holds no interest in the Shot Rock property. However, through a wholly owned subsidiary ("Seabourne Resources") the Company has signed an Option Agreement with a prospector that gives the Company the right to acquire up to an 80% interest in the Shot Rock Gold Property.

Under the terms of the Option Agreement, Seabourne Resources can earn a 50% interest in the Property by incurring \$500,000 in expenditures on the Property within two years. The Option Agreement also contains cash payments totalling \$50,000 (\$10,000 paid) and share issuances totalling 650,000 Company shares to the prospector over three installments during the initial two-year period (150,000 issued after year-end).

Over an additional two-year period, Seabourne Resources can increase its interest to 80% by incurring an additional \$1.5M in expenditures, while making an additional \$50,000 in cash payments and issuing an additional 500,000 Company shares to the prospector.

The prospector will retain a 1% NSR of which half (0.5%) can be bought back by Northern Shield for \$1M.

Q3'18 Update

The Company completed substantial exploration at Shot Rock in the period ending September 30, 2018 and continued community engagement. Exploration consisted of stream sediment sampling, grab sampling and geological reconnaissance. Results will be reported in Q4'18 Update.

Stream sediment sampling identified 16 samples anomalous in gold (> 10 ppb) with a high of 1,045 ppb Au. Six of these, including the three highest samples from the survey, are located within the Highway Zone in the central portion of the Property.

Stream sediment sampling immediately south of the community of Barney's River also highlighted this area as being anomalous in gold. These results support historic HMC (Heavy Metal Concentrates) gold anomalies with values up to 44,000 ppb Au.

Follow-up prospecting in the Highway Zone throughout the period ending September 30, 2018 identified a number of angular float samples of quartz vein material exhibiting classic low sulphidation epithermal textures including colloform and crustiform banding (generally chalcedony), bladed carbonate, comb textured quartz with jasper infilling and brecciated colloform chalcedonic quartz with jasper fragments and selvages.

Forty-nine of the 70 samples of quartz vein material from the area are anomalous in gold (>25 ppb) with a high of 3.3 g/t Au. Outcrop of stockwork-style epithermal quartz veins was also found during the period within the Highway Zone and proximal to where the majority of the float samples were collected. Samples from the stockwork outcrop assayed up to 0.95 g/t Au.

The textures and mineralogy of the quartz vein material are all very consistent with the upper levels of epithermal gold systems, likely above the boiling cap. Boiling caps form at the level where rising boiling fluids, which carry the gold, interreact with cooler near surface water (water table). This results in epithermal quartz veins that typically show significant and rapid vertical zonation in gold grades from low-grades above the cap to higher grades below.

The discovery of this gold-bearing low sulphidation epithermal quartz system at Shot Rock is the first of its kind in Nova Scotia. The discovery is within 1 kilometre of the Trans-Canada Highway, a railway and powerline.

Historical Exploration

Following up on historic heavy mineral concentrate samples with up to 44,000 ppb Au, the prospector panned gold from streams that appears to be related to a specific geological unit. Sampling of boulders and outcrop also identified low grade gold but with significant pathfinder elements (including Hg, As and Sb) which are often associated with epithermal gold mineralization. Geologists from Department of Natural Resources have identified similar rocks 80 km to the west and suggests potential for district-scale mineralization comparable to deposits in Nevada, USA.

3.1.2 HUCKLEBERRY COPPER-NICKEL-PGE

Northern Shield first acquired claims in the Huckleberry area after discovering copper mineralization hosted within a glomeroporphyritic gabbro (“GPG”) at the southern end of the Labrador Trough about 100 km north of Schefferville. Further exploration identified significant and extensive Cu-Ni-PGE mineralization in several different zones.

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

In 2016, the Company signed an option agreement and pre-negotiated joint venture agreement with South32 Limited of Perth, Australia (“South32”) regarding its Huckleberry property. Under the terms of the agreement South32 could have earned a 50% interest in the Huckleberry property by incurring \$2,500,000 in exploration expenditures within the first two years of the agreement with an option to its interest to 70% by incurring a further \$2,500,000 of exploration expenditures by the end of the third year. However, after successfully meeting 50% earn-in requirements South32 elected to terminate the option agreement. The Company currently holds a 100% interest in Huckleberry.

Q3’18 Update

A brief visit was made to Huckleberry and surrounding during the quarter ending September 30, 2018 to collect samples for geochemical purposes.

Historical Exploration

Initial prospecting at Huckleberry in 2014 and 2015 identified two main mineralized zones of which the Western Zone could be traced for 3 kilometres with average grades of grab samples 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. Sporadic copper mineralization was also found in the Eastern Zone but with generally lower associated Ni and PGEs.

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 nickel-rich sulphides does, or at least did exist, within the magmatic 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.

To date, exploration at Huckleberry has included mapping, sampling, a VTEM survey, a ground gravity survey, a drone magnetic survey and diamond drilling.

Geology

The magmatic geology and geochemistry of the Huckleberry Complex is challenging and somewhat atypical. The Complex consist of multiple phases of mafic/ultramafic intrusions, some of which have undergone in-situ fractionation and/or differentiation; the parental magma from which these were all derived was highly differentiated (basaltic). There is considerable inter-mixing of at least two of the phases of magma; faulting and deformation was on-going during time of intrusion and, some of the mineralization and sills are the result of downward "injection" of magma.

The three main phases at Huckleberry are an anorthosite-rich Glomeroporphyritic Gabbronorite (GPG), unit which has been intruded by the Layered Gabbroic Sequence (LGS), and the Layered Noritic Sequence (LNS), which includes the lower olivine websterite unit which forms at, or just below the base of the LNS. The LGS is approximately 100m thick and the LNS is 200-250m thick. The base of the LNS is often strongly interlayered with the GPG.

It is the Lower Olivine Websterite unit that hosts much of the mineralization in the western zone though some mineralization has percolated into the surrounding GPG.

Western Copper Zone

The principal mineralized zone is in the western portion of the property and includes the Discovery Zone.

Drill-holes HK16-01, 02, 06 and 07 and HK17-08,09,12 and 16 tested various aspects of the Lower Olivine Websterite (LOW) in the Western Copper Zone. All drill the above-mentioned drill-holes intersected mineralization in the LOW 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.

Perhaps significantly, average, Ni, Cu and PGE grades increase down-dip as does Ni and PGE tenor whereas Cu tenor decreases. This could indicate a vector to the feeder in this direction.

A large gabbro xenolith (approx. 0.5-1 metre-long) hosting semi-massive sulphides was observed at one location in the Discovery Zone at the base of the LOW. 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 chalcopyrite 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 chalcopyrite 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.

Eastern and Other Zones

Drill-holes HK16- 03 and 04 and 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.

Further sampling in the Eastern Zone in 2017 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.

3.1.3 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.

Q3'18 Update

No exploration was undertaken during the quarter ending September 30, 2018.

Historical Exploration

A VTEM survey completed in 2016 identified several strong EM conductors with coincident magmatic response. The Company completed 6 drill-holes to test 5 geophysical targets that the Company believed to represent large scale Ni-Cu-(PGE) magmatic deposits. The results were disappointing with no significant magmatic mineralization intersected. The conductors were caused by pyrrhotite-bearing graphite horizons.

3.1.4 IDEFIX-PGES

The Idefix property currently consists of 241 claims covering 109 square kilometres. 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 totalling \$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.

Q3'18 Update

No exploration was undertaken during the quarter ending September 30, 2018.

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 escarpment with grades up to 16 g/t Pt+Pd at a ratio of 1:3. Significant new PGE mineralization was discovered 900 metres 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 metres by 50 metres 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 metres 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 metres (see Tables 1 and 2). Also of significance are several grab sample collected 900 metres 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 totalling 1501 metres 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 metres 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 of 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 metres 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	0.80	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

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
including	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
including	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
including	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
including	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
including	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
including	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



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 \$56,178 for the three-month period ended September 30, 2018 (2017 - \$118,194) and of \$869,490 for the nine-month period ended September 30, 2018 (2017 - \$794,640).

4.1.1 MINERAL PROPERTY ACTIVITIES

	Idefix	Huckleberry	Séquoï	Sé2	Shot Rock	Other	Total
December 31, 2016 Balance	\$ 86,331	\$ 69,751	\$ 831,751	\$ 85,743	\$ -	\$ 26,859	\$ 1,100,435
Expenditures							
Acquisition:	5,289	2,645	-	-	18,060	34,250	60,244
Exploration:							
Sample Analysis	-	54,200	8,300	21,492	1,067	12,174	97,233
Airborne Geophysics	469	2,578	5,500	-	-	-	8,547
Ground Geophysics	-	142,497	-	2,500	-	1,500	146,497
Geology Remuneration	713	181,837	2,338	10,028	2,625	63,842	261,383
Drilling/Sampling	-	364,871	-	8,915	-	1,594	375,380
Mob/Demob	-	981,481	39,417	161,952	27	47,348	1,230,225
Travel/Accom	-	62,981	-	897	-	26,317	90,195
Total Exploration	1,182	1,790,445	55,555	205,784	3,719	152,775	2,209,460
Total Property Expenditures	6,471	1,793,090	55,555	205,784	21,779	187,025	2,269,704
External Funding	-	(1,713,548)	-	-	-	-	(1,713,548)
Expensed current exploration	-	-	-	-	-	(158,461)	(158,461)
Property write-down	-	-	-	-	-	-	-
December 31, 2017 Balance	\$ 92,802	\$ 149,293	\$ 887,306	\$ 291,527	\$ 21,779	\$ 55,423	\$ 1,498,130
Expenditures							
Acquisition:	-	12,034	8,903	-	25,490	5,392	51,819
Exploration:							
Sample Analysis	-	544	-	-	30,687	825	32,056
Geology Remuneration	-	10,419	3,300	675	115,988	43,367	173,749
Drilling/Sampling	-	-	-	-	8,100	-	8,100
Mob/Demob	-	27,513	83	591	15,796	5,227	49,210
Travel/Accom	-	4,396	-	-	31,664	53,402	89,462
Total Exploration	-	42,872	3,383	1,266	202,235	102,821	352,577
Total Property Expenditures	-	54,906	12,286	1,266	227,725	108,213	404,396
Expensed Current Exploration	-	-	-	-	-	(102,821)	(102,821)
Property write-down	-	-	-	(292,793)	-	-	(292,793)
September 30, 2018 Balance	\$ 92,802	\$ 204,199	\$ 899,592	\$ -	\$ 249,504	\$ 60,815	\$ 1,506,912

As at September 30, 2018, the Company's resource asset carrying value was \$1,506,912 (December 31, 2017 - \$1,498,130).

Gross exploration expenditures were \$135,002 for the three-month period ended September 30, 2018 (2017 - \$1,451,197) and \$404,396 for the nine-month period ended September 30, 2018 (2017 - \$2,210,509).

The Company incurred \$7,113 worth of prospecting activity during the three-month period ended September 30, 2018 (2017 - \$84,444) and \$102,821 during the nine-month period ended September 30, 2018 (2017 - \$146,111).

The Company also wrote-down one of its properties, Sé2, for a charge of \$292,793, during the second quarter of 2018 (2017 - nil).

4.1.2 ADMINISTRATIVE ACTIVITIES

General and administrative expenses of \$211,074 were incurred during the three-month period ended September 30, 2018 (2017 – \$82,197) and \$637,290 during the nine-month period ended September 30, 2018 (2017 - \$501,637)

The details of the comparative amounts for the nine-month periods ended September 30, 2018 and 2017 are summarized in the following table:

	2018	2017	Change	as %
Remuneration and consulting fees	\$ 280,895	\$ 283,637	(2,742)	-1%
Office expenses	197,492	191,904	5,588	3%
Travel expenses	22,664	66,212	(43,548)	-66%
Marketing expenses	20,567	22,896	(2,329)	-10%
Professional fees	64,420	51,116	13,304	26%
Public company expenses	37,819	40,551	(2,732)	-7%
Insurance expenses	13,433	13,424	9	0%
	637,290	669,740	(32,450)	-5%
General and administrative recovery	-	(168,103)	168,103	-100%
	\$ 637,290	\$ 501,637	135,653	27%

- Remuneration in 2017 included one additional employee and included a one-time bonus, however allocation of staff remuneration to field activities was much greater in 2017.
- Office expenditures were higher due to a considerable interest penalty assessed as a result of a re-assessment of the company's 2016 Quebec taxation refund.
- Administrative travel decreased significantly due to less international travel in the current year.
- Marketing costs were modestly lower year-on-year due to reduced promotional activity.
- Professional fees related to corporate structure changes drove the significant increase year-on-year.
- Public company expenses dropped due to decreased market activity.
- Annual insurance rates remained consistent year-to-year.
- Administrative recovery was zero in the current year to date as the program that generated it in the previous year was terminated by the Company's partner.

4.2 SUMMARY OF QUARTERLY RESULTS

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

	2018			
	Mar 31	Jun 30	Sep 30	
Total Revenues	-	-	-	
G & A Expense*	\$227,232	\$198,984	\$211,074	
Expensed Exploration**	\$71,141	\$317,361	\$7,113	
(Loss)/Income for the period	(\$296,967)	(\$516,345)	(\$218,187)	
Basic and diluted loss per share	(\$0.00)	(\$0.00)	(\$0.00)	

	2017			
	Mar 31	Jun 30	Sep 30	Dec 31
Total Revenues	-	-	-	-
G & A Expense*	\$234,453	\$184,987	\$82,197	\$484,637
Expensed Exploration**	\$22,491	\$39,176	\$84,444	\$12,350
(Loss)/Income for the period	(\$200,593)	(\$475,853)	(\$118,194)	(\$217,695)
Basic and diluted loss per share	(\$0.00)	(\$0.00)	(\$0.00)	(\$0.00)

	2016
	Dec 31
Total Revenues	-
G & A Expense*	\$329,599
Expensed Exploration**	\$1,000
(Loss)/Income for the period	(\$301,464)
Basic and diluted loss per share	(\$0.00)

* 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 26, 2018, the Company had working capital of approximately \$150,000.

At September 30, 2018, the Company had working capital of \$275,369 (December 31, 2017 – \$1,127,658).

4.4 Capital Resources

At September 30, 2018, 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

During the nine-month period ended September 30, 2018, the Company expanded the Shot Rock property from 185 to approximately 200 square kilometres. Subsequent to the period the Company further expanded the property by a further 68 square kilometres. The property now consists of four claim blocks.

4.6 Off-Balance Sheet Arrangements

As at September 30, 2018 and as of the date of this report, the Company does not have any off-balance sheets arrangements.

4.7 New and Revised Accounting Policies

IFRS 9 Financial Instruments (“IFRS 9”)

IFRS 9 is a new financial instrument standard that replaces IAS 39 for classification and measurement of financial assets. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most the requirement in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity’s own credit risk in other comprehensive income, rather than profit or loss. The new standard also requires a single impairment method to be used, replacing multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018.

The Company has retroactively adopted 9 Financial Instruments (“IFRS 9”) effective January 1, 2018. There were no restatements and no material changes resulting from the adoption.

IFRS 16 Leases (“IFRS 16”)

The IASB issued a new standard, IFRS 16 on January 13, 2016, which supersedes IAS 17 *Leases*. The new standard brings most leases on the balance sheet for lessees under a single model and eliminates the distinction between operating and finance leases. Lessor accounting remains largely unchanged. The new standard will come into effect for periods beginning on or after January 1, 2019. The Company does not believe that there will be any material impact on the results and financial position of the Company because of implementing IFRS 16.

4.8 Key Management Compensation

The following table presents the compensation earned by key members of management, being officers, during the nine-month periods ended September 30:

	2018	2017
Salaries	\$ 174,908	\$ 170,347
Benefits	5,118	4,445
Share-based compensation	-	66,500
	\$ 180,026	\$ 241,292

4.9 Related Party Transactions

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

During the three-month period ended September 30, 2018 the Company incurred \$3,658 in fees from the related party (2017 - \$23,007) and \$58,460 during the six-month period ended September 30, 2018 (2017 - \$40,983).

At September 30, 2018, the Company owed nothing to the related party (December 31, 2017 - \$2,484).

4.10 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.

4.11 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.

4.12 Internal Controls Over Financial Reporting

During the nine-month period ended September 30, 2018, 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.

4.13 Subsequent Events

Subsequent to the period ending 30th of September the Company made significant advancements at the Shot Rock property including discovery of large (up to 45 centimetres) colliform banded quartz veins and zones of intense stockwork veining. The discovery confirms the existence of an extensive low sulphidation gold system. Further results will be reported in the subsequent period.

5. RISK FACTORS

5.1 Exploration and Development

Exploration for 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 potentially minable deposits. 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 mineral commodities 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 prices of any commodities 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, 2018, the price of the Company's shares fluctuated between \$0.02 and \$0.04. 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 26, 2018

Common Shares	
Issued and Outstanding	205,444,921
Warrants	6,070,486
Options	12,150,000
Fully Diluted	223,665,407

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	6,250,000	10-Jun-21	1,000,000
\$0.17	350,000	15-Jul-21	59,500
\$0.10	5,350,000	30-Jun-22	535,000
	12,150,000		\$ 1,594,500

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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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 26, 2018)

Shares Issued: 205,444,921
Fully Diluted: 223,665,407

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