SUPERIOR GOLD INC.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2020

November 17, 2020

(Expressed in thousands of United States dollars, except where otherwise indicated)

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MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE COMPANY

Notes

This Management's Discussion and Analysis ("MD&A") dated November 17, 2020, should be read in conjunction with Superior Gold's unaudited condensed consolidated interim financial statements and related notes for the three and nine months ended September 30, 2020 and 2019 ("interim financial statements") which are prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board ("IASB"). As these interim financial statements do not contain all note disclosures required under International Financial Reporting Standards ("IFRS"), they should be read in conjunction with the Company's annual audited financial statements and Management's Discussion and Analysis for the year ended December 31, 2019. All dollar figures stated herein are expressed in thousands of United States dollars, except for per share or per ounce amounts or unless otherwise specified. The Company's public filings can be viewed on the SEDAR website (www.sedar.com) and on the Company's website (www.superior-gold.com).

The following discussion contains forward-looking information that involves numerous risks and uncertainties. Actual future results could differ materially from those discussed in such forward-looking information as a result of these risks and uncertainties. Refer to the cautionary language at the end of this MD&A.

Description of the Business

Superior Gold Inc. (the "Company" or "Superior Gold") is a Canadian based gold producer that owns and operates the Plutonic Gold Operations located in Western Australia. The Plutonic Gold Operations include the Plutonic Gold Mine (which is a producing underground operation), the Hermes Gold Mine (which includes open pits at Hermes and interests in tenements within the Bryah Basin joint venture ranging from 70%-80%), and a central mill (located at the Plutonic Gold Mine).

Third Quarter Highlights

- Produced 15,699 ounces of gold, up 3% from the second quarter of 2020 and down 6% from the comparable period in 2019
- Sold 15,492 ounces of gold at total cash costs[1] of $1,471 per ounce sold and all-in sustaining costs[1] of $1,617 per ounce sold, below the realized gold price[1] of $1,756 per ounce
- Operating cash flow after working capital changes of $377 and after the repayment of $2,045 to Auramet International LLC ("Auramet") under the gold loan ("Gold loan")
- Net loss for the period of $0.02 per share and adjusted net loss of $0.01 per share
- Engaged an independent consultant to advance a preliminary economic assessment of a potential pushback of the main pit at the Plutonic Gold Operations

[1] Refer to the "Non-IFRS Performance Measures" disclosure within this MD&A for a description and calculation of these measures.

Highlights between September 30, 2020 and the reporting date

On October 29, 2020 the Company closed a financing with 24,644,500 Common Shares being issued, including 3,214,500 Common Shares issued under an overallotment option, on a bought deal basis to a syndicate of underwriters at a price of CAD$0.70 per Common Share, representing aggregate gross proceeds of $12,956 (CAD$17,251). In connection with this offering, the underwriters were paid a 6% commission totaling approximately $777 (CAD$1,035). The Company obtained consent from Auramet, which exempted it from repaying the Gold loan with the proceeds of the financing.

Impact of COVID-19

On March 11, 2020, the World Health Organization declared a global pandemic related to COVID-19. The COVID-19 pandemic is still impacting busines worldwide and current measures to combat the spread are vastly different depending on the location of an entity's operations. The unpredictable nature of the length of the COVID-19 pandemic and the severity of measures that may be taken is subject to significant variability and accordingly, estimates as to the impact on the Company's financial results in future periods is uncertain. The judgements, inputs and assumptions used as at September 30, 2020 and for the three and nine month periods ended September 30, 2020, whether related to COVID-19 or otherwise, have been considered and, where appropriate, reflected in the condensed consolidated interim financial statements. The future impact of COVID-19 actions as at September 30, 2020 are unknown.

To date COVID-19 has not had a significantly negative impact on the Company's operations. To address the risk of the pandemic to the Plutonic Mine, the Company instituted a number of measures to reduce the potential risk to employees and communities.

Additionally, the Company has developed an Infectious Disease Management Plan following the guidelines provided by the Government of Western Australia and the Department of Mines, Industry Regulation and Safety. Part of this plan includes the appointment of an Infectious Disease Manager.

As a "Fly In, Fly Out" operation, the Company requires any employee or visitor, who has travelled from overseas, to have self-isolated for 14 days prior to flying into the Plutonic Gold operations site, as directed by Australian Government Emergency Legislation. Additionally, the same restrictions have been placed on anyone exhibiting symptoms associated with or similar to COVID-19 prior to boarding Company flights to the Plutonic Gold operations, irrespective of where they have travelled from.

Should an employee display symptoms that are consistent with COVID-19, there is an established isolation area at site until it is confirmed whether the employee has contracted COVID-19. If required, emergency MEDIVAC protocols are in place. At the start of the pandemic, employees whose work could be performed off site were instructed to work from home. Since June, all site personnel are back working at site with COVID-19 screening taking place at the airport. At the corporate level, head office staff work remotely.

The Company has had no reported incidences of infection from COVID-19 to date.

With respect to supply chain considerations, the Company has not experienced any disruptions with regards to its supply chain as a result of COVID-19 and continues to operate in a pre-COVID-19 manner albeit with an increase in inventories of critical consumables. The Company continues to work with its

[1] Refer to the "Non-IFRS Performance Measures" disclosure within this MD&A for a description and calculation of these measures.

suppliers to ensure the ongoing availability of critical supplies. As a precautionary measure, the Company has established an inventory of key supplies at site.

As noted above, the Company has developed an Infectious Disease Management Plan which includes steps to mitigate the effects of potential supply chain disruptions. The Company sources its critical supplies within Western Australia from a number of companies and therefore has alternate sources for its critical supplies.

As a result of the increase in gold prices, the Company's revenue stream has not been negatively impacted by COVID-19 to date and therefore has not been subject to emergency government measures to support the Company or its workers. The Company continues to monitor actions taken by governments in Australia and Western Australia, in particular, to develop plans to access any benefits that may become applicable. As noted above, the Company has been following the guidelines and legislation established by the Governments of Australia and Western Australia, to continue operating in order to produce and sell gold.

To date, the Company's ability to meet its borrowing and leasing obligations have not been impacted by COVID-19. As a result of the increase in gold prices and the fact that Plutonic Gold Operations continue to operate, the Company is not subject to concessions from lenders, landlords, suppliers or others nor has it received permission to defer payments, at this time. Credit markets remain open and as a gold producer, management believes it has access to additional credit should it become necessary, at costs that are not prohibitive.

The Company is in compliance with all covenants, as of the date of this MD&A. Barring further negative impacts of COVID-19, the Company currently has no plans to renegotiate covenants. There is no guarantee that the Company would be successful in renegotiating covenants should the need arise.

The price of gold has increased in the three and nine months ended September 30, 2020 over the comparable periods. This has had an effect on the Company's Call options and have resulted in an increase in the liability associated with these Call options, which are settled at the respective strike prices according to the terms under the Auramet gold loan (refer to notes 9 and 10 of the condensed consolidated interim financial statements).

Key Business Developments

Plutonic Gold Operations

The Plutonic Gold Mine is located in the Archaean Plutonic Marymia Greenstone Belt and has been in continuous production since 1990, having produced over 5 million ounces of gold from both open pit and underground mining.

The Hermes Gold Mine ("Hermes") is located approximately 65 kilometres south-west of the Plutonic Gold Mine. It includes the wholly-owned Hermes open pits, that until May 2019, were being mined as a conventional open pit contractor operated excavator-truck mining operation with ore being trucked for processing at the Plutonic Gold Mine mill, and the 80% interest in the Hermes South open pit project 20 kilometres south-west of the Hermes open pits. The Company continues to advance other open pit opportunities near the mill, including engaging a third party consultant to complete a preliminary economic assessment of a potential pushback of the main pit, while also developing the best long-term open pit operational scenario for Hermes and Hermes South.

Quarterly performance summary

The Plutonic Gold Operations produced and sold 15,699 and 15,492 ounces of gold, respectively, for the third quarter of 2020. Total cash costs[1] of $1,471/ounce sold and all-in sustaining costs[1] of $1,617/ounce were below the realized gold price[1] of $1,756/ounce for the three-month period ending September 30, 2020. In comparison, 16,627 and 17,900 ounces of gold were produced and sold, respectively for the third quarter of 2019. Total cash costs[1] of $1,504/ounce sold and all-in sustaining costs[1] of $1,652/ounce were above the realized gold price[1] of $1,483/ounce for the three-month period ending September 30, 2019.

Total cash costs[1] and all-in sustaining cash costs[1] decreased over the prior period primarily as a result of higher underground tonnes and grade milled, partially offset by the processing of low grade legacy stockpiles in the current period versus the processing of higher grade Hermes stockpiles in the prior period (the Company cease mining operations at Hermes in May 2019). The variance from prior period for underground grade was the result of scheduling and developing higher grade stopes and focusing on operational improvements to reduce mining dilution. The Company generated net cash from operations after working capital changes of $377 for the three months ending September 30, 2020 after the repayment of $2,045 to Auramet under the gold loan.

Year to date performance summary

The Plutonic Gold Operations produced and sold 47,227 and 47,878 ounces of gold, respectively, for the nine months ended September 30, 2020. Total cash costs[1] of $1,393/ounce sold and all-in sustaining costs[1] of $1,524/ounce were below the realized gold price[1] of $1,643/ounce for the nine-month period ending September 30, 2020. In comparison, 62,951 and 64,342 ounces of gold were produced and sold, respectively, for the nine months ended September 30, 2019. Total cash costs[1] of $1,274/ounce sold were below the realized gold price[1] of $1,360/ounce for the nine-month period ending September 30, 2019, while all-in sustaining costs[1] of $1,377/ounce were approximately 1% higher due to higher sustaining capital expenditures.

Total cash costs and all-in sustaining cash costs increased over the prior period primarily due to an increase in the contribution of lower grade legacy stockpiles that replaced higher grade tonnages milled from Hermes for the period (the Company ceased mining operations at Hermes in May 2019) and a decrease in underground grade, partially offset by higher underground tonnes milled. The Company generated net cash from operations after working capital changes of $93 for the nine months ended September 30, 2020 after the repayment of $5,806 to Auramet under the gold loan.

Exploration Activities

During the three and nine month ended September 30, 2020, the Company operated two underground diamond drilling rigs with 15,471 and 52,774 metres, respectively, of drilling completed. Of the total, 12,910 and 34,095 metres, respectively, were drilled for grade control and stope design while 2,570 and 18,680 metres, respectively, were for reserve and resource expansion. During the third quarter,

[1] Refer to the Non-IFRS Performance Measures disclosure included in this MD&A for a description and calculation of these measures.

the focus for reserve and resource expansion was interpretive geological modelling for new mining fronts. A third drill is being added in Q4 to increase the reserve and resource expansion drilling targeting the new mining fronts.

Total expenditures for the quarter were $1,013, of which $811 was expensed and $202 was capitalized to mining interests. Total expenditures for the comparative 2019 quarter were $1,818, of which $777 was expensed and $1,041 was capitalized to mining interests.

Year to date expenditures were $3,321, of which $2,068 was expensed and $1,253 was capitalized to mining interests. The comparative year to date expenditures for 2019 were $4,363, of which $1,852 was expensed and $2,511 was capitalized to mining interests.

Outlook

The Company intends to focus on establishing the Plutonic Gold Operations as a gold producer capable of producing at least 100,000 ounces of gold annually. To achieve this goal, the Company intends to focus on:

- Continue to improve the reconciliation between the underground grade mined and reserve grade
- Improve mining practices to lower costs and increase production
- Increase operational efficiencies
- Continued optimization of the global resource model
- Advance open pit opportunities close to the mill

The Company maintains its 2020 production guidance of 60,000 to 70,000 ounces of gold, but due to a 9% strengthening in the Australian to U.S. Dollar exchange rate in the third quarter of 2020, the Company has revised its 2020 cash cost guidance as follows:

2020 Guidance	**Guidance (July 30, 2020)**	**Revised (November 18, 2020)**
Production (oz of Gold)	60,000 - 70,000	60,000 - 70,000
Cash Costs ($/oz)[1]	$1,250 - $1,350	$1,375 - $1,425
All In Sustaining Costs ($/oz)[1]	$1,350 - $1,450	$1,500 - $1,550

Note: November 18, 2020 guidance is based on an estimated Australian to U.S. Dollar exchange rate of 0.70.

Summary of Operational Results

	Three months ended September 30		Nine months ended September 30	
	2020	2019	2020	2019
Stope material mined (000's t)	157	119	461	393
Stope grade mined (g/t)	2.96	2.96	2.84	3.06
Development ore mined (000's t)	58	58	186	201
Development grade mined (g/t)	2.10	1.61	1.98	1.71
Hermes ore mined (000's t)	-	-	-	696
Hermes grade mined (g/t)	-	-	-	1.03
Hermes waste mined (000's t)	-	-	-	1,595
Strip Ratio (t:t)	-	-	-	2.3
Underground ore milled (000's t)	201	170	626	574
Underground grade milled (g/t)	2.79	2.52	2.60	2.63
Hermes ore milled (000's t)	-	244	-	677
Hermes grade milled (g/t)	-	0.75	-	1.10
Other ore milled (000's t)	179	1	514	13
Other ore grade milled (g/t)	0.20	0.33	0.30	0.37
Total ore milled (000's t)	380	415	1,140	1,263
Grade milled (g/t)	1.6	1.5	1.6	1.8
Gold recovery (%)	82	85	82	87
Gold produced (oz)	15,699	16,627	47,227	62,951
Gold sold (oz)	15,492	17,900	47,878	64,342
Total cash costs ($/oz) (1)	1,471	1,504	1,393	1,274
All-in sustaining costs ($/oz) (1)	1,617	1,652	1,524	1,377
Realized gold price ($/oz) (1)	1,756	1,483	1,643	1,360

Quarterly operational results

The Plutonic Gold Operations produced, 15,699 ounces of gold in the three-month period ending September 30, 2020 as compared to 16,627 ounces of gold in three-month period ending September 30, 2019. The decrease is largely as a result an increase in the contribution of lower grade legacy stockpiles that replaced higher grade tonnages milled from Hermes as the Company ceased mining operations at Hermes in May 2019. This was partially offset by higher underground tonnes and grade milled. The variance from prior period for underground grade was the result of scheduling and developing higher grade stopes and focusing on operational improvements to reduce mining dilution.

Total material milled during the three months ended September 30, 2020 decreased by 8% to 380 thousand tonnes compared to the same period in 2019, primarily as a result of the cessation of mining activities at Hermes in May 2019, partially offset by an increase in Other low-grade tonnes milled ("low-grade legacy stockpiles") in the three months ended September 30, 2020. Head grade increased from 1.5 g/t to 1.6 g/t primarily as a result of improved stope grade in the underground operations due to scheduling and developing higher grade stopes and focusing on operational improvements to reduce mining dilution. Recovery rates decreased from 85% to 82% as a result of Hermes ore being replaced by low-grade legacy stockpiles which typically experiences lower recoveries.

Gold sold decreased by 2,408 ounces to 15,492 during the three months ended September 30, 2020 versus the comparative period in 2019. The 13% decrease was primarily due to the absence of tonnages of higher grade milled from Hermes that was replaced with low-grade legacy stockpiles milled in the quarter, partially offset by higher underground grade and tonnes milled.

[1]Refer to the "Non-IFRS Performance Measures" disclosure within this MD&A for a description and calculation of these measures.

Total cash costs[1] were $1,471/ounce sold for the three months ended September 30, 2020, a decrease from $1,504/ounce sold from the three months ended September 30, 2019 due primarily to the decrease in Cost of Sales, as outlined in the Cost of Sales section of this MD&A, partially offset by fewer ounces sold. All-in sustaining costs[1] decreased from $1,652/ounce sold to $1,617/ounce sold predominantly due to lower total cash costs per ounce, sustaining capital expenditures and general and administrative costs.

Year to date operational results

For the nine months ended September 30, 2020 the Plutonic Gold Operations produced 47,227 ounces of gold compared to 62,951 ounces of gold in the nine months ended September 30, 2019. The decrease is primarily the result of the cessation of mining activity at Hermes in May of 2019. Total material milled decreased by 10% to 1,140 thousand tonnes as low-grade legacy stockpile feed (514 thousand tonnes at a grade of 0.30 g/t in the nine months ended September 30, 2020) was not sufficient to offset the absence of Hermes ore (677 thousand tonnes at a grade of 1.10 g/t in the nine months ended September 30, 2019). Head grade decreased marginally from 1.8 g/t to 1.6 g/t as a result of a higher proportion of low grade legacy stockpiles milled in the nine months ended September 30, 2020. Recovery rates decreased from 87% to 82% as a result of Hermes ore being replaced by low-grade legacy stockpiles which typically experiences lower recoveries and higher than anticipated arsenic content in some of the underground mined areas during the first quarter of 2020.

Gold sold decreased by 16,464 ounces to 47,878 ounces during the nine months ended September 30, 2020 versus the comparative period in 2019, as outlined above.

Total cash costs[1] were $1,393/ounce sold for the nine months ended September 30, 2020, an increase from $1,274/ounce sold from the nine months ended September 30, 2019 due largely to the decrease in ounces sold. All-in sustaining costs[1] increased from $1,377/ounce sold to $1,524/ounce sold due to higher total cash costs per ounce and slightly higher sustaining capital expenditures.

[1] Refer to the Non-IFRS Performance Measures disclosure included in this MD&A for a description and calculation of these measures.

Summary of Quarterly Financial Results

	Three month period ended September 30, 2020	Three month period ended June 30, 2020	Three month period ended March 31, 2020	Three month period ended December 31, 2019
Revenue	$ 27,223	$ 25,026	$ 26,476	$ 27,959
Cost of sales	25,600	24,155	23,701	29,119
Exploration expense	811	613	644	812
General and administrative	1,209	681	1,017	1,167
Operating Income (loss)	(397)	(423)	1,114	(3,139)
Income (loss) before taxes	(2,019)	(334)	(3,804)	(3,627)
Net income (loss)	(2,051)	(364)	(3,836)	(3,375)
Earnings (loss) per share				
–basic and diluted	(0.02)	(0.00)	(0.04)	(0.03)
Adjusted net income (loss) [1]	(1,255)	(630)	(115)	(3,156)
Adjusted net income (loss) per share – basic [1]	(0.01)	(0.01)	(0.00)	(0.03)
Cash flow from (used in) operations	377	579	(863)	10,507

	As at September 30, 2020	As at June 30, 2020	As at March 31, 2020	As at December 31, 2019
Cash and cash equivalents	14,077	15,615	16,279	22,232
Non-current assets	67,609	62,035	58,074	62,882
Total assets	91,110	86,747	82,982	96,920
Current liabilities	33,995	33,075	30,240	37,135
Non-current liabilities	35,307	30,573	31,495	32,318

[1] Refer to the "Non-IFRS Performance Measures" disclosure within this MD&A for a description and calculation of these measures.

	Three month period ended September 30, 2019	Three month period ended June 30, 2019	Three month period ended March 31, 2019	Three month period ended December 31, 2018
Revenue	$ 26,588	$ 31,629	$ 29,407	$ 23,917
Cost of sales	29,845	32,739	30,960	31,054
Exploration expense	777	523	552	501
General and administrative	1,051	657	973	978
Operating Income (loss)	(5,085)	(2,290)	(3,078)	(8,616)
Income (loss) before taxes	(5,668)	(2,314)	(3,108)	(9,099)
Net income (loss)	(4,150)	(1,909)	(2,585)	(6,714)
Earnings (loss) per share				
–basic and diluted	(0.04)	(0.02)	(0.03)	(0.07)
Adjusted net income (loss) [1]	(3,875)	(1,909)	(2,622)	(6,873)
Adjusted net income (loss) per share – basic [1]	(0.04)	(0.02)	(0.03)	(0.07)
Cash flow from operations	730	4,247	403	(374)
	As at September 30, 2019	**As at June 30, 2019**	**As at March 31, 2019**	**As at December 31, 2018**
Cash and cash equivalents	13,993	17,187	16,098	17,332
Non-current assets	62,038	61,052	63,031	63,167
Total assets	88,136	95,961	97,036	95,906
Current liabilities	28,423	29,566	27,403	25,998
Non-current liabilities	29,787	31,320	32,382	31,015

Results of Operations

The consolidated financial statements are presented in United States dollars, which is Superior Gold Inc.'s functional currency. The wholly-owned subsidiary Billabong Gold Pty. Ltd.'s functional currency is the Australian dollar which is translated into United States dollars for financial reporting purposes. The Company's results of operations are therefore subject to the impact of foreign exchange fluctuations.

The price of gold has increased over the comparable period in 2019, which has increased the Realized Gold Price[1] in the three and nine months ended September 30, 2020 and increased the liability associated with the Company's Call options. The Call options are settled at their respective strike prices according to the terms under the Auramet gold loan (refer to note 9 of the condensed consolidated interim financial statements). There have been no materially negative impacts on the Company's operations as a result of COVID-19 for the period ended September 30, 2020.

Operating Income (loss)

Operating loss for the three months ended September 30, 2020 was $397 compared to $5,085 for the three months ended September 30, 2019 due to lower Cost of sales of $4,245 and higher Revenue of $635, partially offset by higher General and administrative expenses of $158 as outlined below.

Operating income for the nine months ended September 30, 2020 was $294 compared to an Operating loss of $10,453 for the nine months ended September 30, 2019 due to lower Cost of sales of $20,088, partially offset by lower Revenue of $8,899 and higher General and administrative expenses of $226 as outlined below.

[1] Refer to the "Non-IFRS Performance Measures" disclosure within this MD&A for a description and calculation of these measures.

Revenues

During the three months ended September 30, 2020 metal sales totaled $27,223 from the sale of 15,492 ounces of gold, an increase of $635 from $26,588 from the sale of 17,900 ounces of gold for the three months ended September 30, 2019. Gold revenues were higher as a result of an increase in the realized gold price[1] to $1,756/ounce from $1,483/ounce partially offset by 2,408 fewer ounces being sold.

During the nine months ended September 30, 2020 metal sales totaled $78,725 from the sale of 47,878 ounces of gold, a decrease of $8,899 from $87,624 from the sale of 64,342 ounces of gold for the nine months ended September 30, 2019. Gold revenues were lower as a result of 16,464 fewer ounces being sold due to the absence of mill feed from Hermes as the Company ceased mining operations at Hermes in May 2019, partially offset by a higher realized gold price[1] which increased from $1,360 in the nine months ended September 30, 2019 to $1,643 in the nine months ended September 30, 2020.

Cost of Sales

	Three months ended September 30		Nine months ended September 30	
	2020	**2019**	**2020**	**2019**
Mining	$ 15,365	$ 16,325	$ 44,397	$ 58,176
Processing	5,531	5,386	16,198	17,005
Depreciation and amortization	2,467	1,915	6,400	10,821
Site services	1,551	1,278	4,204	2,998
Gold royalty	624	611	1,955	2,247
Change in inventories	62	4,330	302	2,297
	$ 25,600	**$ 29,845**	**$ 73,456**	**$ 93,544**

Cost of Sales were $25,600 for the three months ended September 30, 2020, a decrease of $4,245 from $29,845 for the three months ended September 30, 2019. Cost of sales includes mine production costs, processing costs, site services, royalties, and depreciation and amortization. Cost of sales were lower in the current period versus the same period in 2019 predominantly due to a reduction in haulage costs of $1,645 included in Mining costs in the above table. In the third quarter of 2019, haulage costs were predominantly from the Hermes stockpile, located approximately 65 kilometres southwest of the mill, which had been built up prior to its stoppage of mining in the second quarter of 2019, whereas in the current quarter haulage costs pertain to the low-grade legacy stockpile which is located close to the mill. Haulage costs also fell as a result of fewer tonnes being transported (244 thousand tonnes in respect of Hermes in the third quarter of 2019 compared to 179 thousand tonnes in respect of the legacy stockpile in the third quarter of 2020). The decrease in haulage costs was partially offset by the impact of higher foreign exchange rates in the current quarter on Australian dollar balances. Processing costs were lower due to fewer tonnes processed while depreciation and amortization increased as a result of asset additions earlier in the year. The increase in gold royalties was a result of the higher gold price, partially offset by fewer ounces sold in the quarter. Cost of sales decreased as a result of the variance in the Change in inventories category. The change in inventory of $62 in the three months ended September 30, 2020 reflected an increase in consumables inventory offset by a decrease in gold-in-circuit inventory. The Change in inventory of $4,330 in the three months ended September 30, 2019 reflected the partial drawdown and processing of Hermes stockpile inventory. Site services increased due predominantly to higher contractor and employee labour costs.

[1] Refer to the “Non-IFRS Performance Measures” disclosure within this MD&A for a description and calculation of these measures.

Cost of Sales were $73,456 for the nine months ended September 30, 2020, a decrease of $20,088 from $93,544 for the nine months ended September 30, 2019. Cost of sales includes mine production costs, processing costs, site services, royalties, and depreciation and amortization. Cost of sales were lower in the current period versus the same period in 2019 predominantly due to a reduction in mining costs at Hermes of $17,038, which included haulage, following its stoppage, partially offset by higher haulage, payroll and maintenance costs at the underground operations. The higher haulage costs of $672 reflecting the movement of low-grade legacy stockpiles and higher payroll of $2,316 accounted for the majority of offsetting increase in costs at the underground operation over the comparable period in 2019 which included additional personnel hired in 2019 to address underground supervisory, planning and maintenance matters. Processing costs were lower due to fewer tonnes processed while depreciation and amortization decreased primarily as a result of the stoppage of mining at Hermes in May 2019. The decrease in gold royalties were a result of fewer ounces sold in the nine months ended September 30, 2020, partially offset by the higher gold price. Cost of sales decreased as a result of the variance in the Change in inventories category. The Change in inventory of $302 in the nine months ended September 30, 2020 reflected a decrease in gold-in-circuit inventory, partially offset by higher consumables and finished goods inventory. The change in inventory of $2,297 in the nine months ended September 30, 2019 reflected the drawdown of Hermes ore stockpile inventory in the third quarter of 2019 following a stockpile build-up in the first six months of 2019. Site services increased due predominantly to higher contractor and employee labour costs.

General and administrative

General and administrative expenses in the three months ended September 30, 2020 were $158 higher in comparison to the three months ended September 30, 2019, mainly as a result of consulting costs entered into for business development initiatives.

For the nine months ended September 30, 2020, general and administrative expenses increased modestly by $226 in comparison to the nine months ended September 30, 2019 as a result of $263 of consulting costs for business development initiatives in the third quarter.

Other Expenses (Income)

Other Expenses for the three months ended September 30, 2020 totaled approximately $1,622 and included: i) a restructuring charge of $1,173 associated with the Company's former Chief Executive Officer in July of 2020; ii) the Change in valuation of Derivative financial instruments of ($66); and iii) a Gold Loan accretion charge of $408. Other Expenses for the three months ended September 30, 2019 totaled $583 and included: i) a restructuring charge of $392 related to management personnel changes at the Australian operations; ii) $64 of accretion on provisions; iii) $107 for lease and short-term finance charges; and iv) a foreign exchange loss of $53, offset by interest income of $34.

Other Expenses for the nine months ended September 30, 2020 totaled approximately $6,451 and included: i) the Change in valuation of Derivative financial instruments of $3,297; ii) the restructuring charge of $1,173 associated with the Company's former Chief Executive Officer; iii) a Gold Loan accretion charge of $1,344; iv) a foreign exchange loss of $128; and v) $327 for lease and short-term finance charges. Other Expenses for the nine months ended September 30, 2019 were comprised predominantly of the Restructuring charge of $392 described above and $261 of Net finance and other costs which included charges for accretion on provisions of $285 and lease finance charges of $313 offset by foreign exchange gains of $219 and interest income of $118.

In the nine months ended September 30, 2020 the Change in the valuation of Derivative financial instruments was $3,297, a result of the revaluation of the Call Options issued as part of the Gold loan agreement with Auramet in the fourth quarter of 2019. The charge reflects the increase in the fair value of the Call options, primarily the result of the increase in the gold price during the period ended September 30, 2020. The Gold loan accretion charge also stems from the Gold loan agreement with Auramet.

Net loss for the period ended September 30, 2020

The total net loss of $2,051 for the three months ended September 30, 2020 resulted primarily from the Operating loss of $397, Restructuring expenses of $1,173 and Accretion on the Gold loan of $408, as noted previously. The total net loss of $4,150 for the three months ended September 30, 2019 resulted primarily from the Operating loss of $5,085 and Restructuring expenses of $392, partially offset by an income tax recovery of $1,518.

The total net loss of $6,251 for the nine months ended September 30, 2020 resulted primarily from the Change in valuation of Derivative financial instruments of $3,297, Restructuring expenses of $1,173 and Gold loan accretion charge of $1,344, as noted previously, partially offset by Operating income of $294. The total net loss of $8,644 for the nine months ended September 30, 2019 resulted primarily from the Operating loss of $10,453 and Restructuring expenses of $392 as noted previously, partially offset by an income tax recovery of $2,446.

Adjusted net loss

Adjusted net loss[1] for the third quarter of 2020 amounted to $1,255 or $0.01 per share compared to adjusted net loss of $3,875 or $0.04 per share in the three months ended September 30, 2019, primarily due to the higher Operating loss in the comparative prior period (refer to the table in the section labeled "Adjusted Net Income and Adjusted basic net income per share" of this MD&A).

Adjusted net loss for the nine months ended September 30, 2019 amounted to $8,406 or $0.09 per share compared to adjusted net loss of $1,999 or $0.02 per share in the nine months ended September 30, 2020, primarily reflecting lower Operating Income in 2019, partially offset by the Change in the valuation of Derivative financial instruments of $3,297 from the revaluation of the Call Options issued as part of the Gold loan.

Refer to section "Non-IFRS Financial Performance Measures" for a reconciliation of the net income/loss to adjusted net income/loss.

[1] Refer to the "Non-IFRS Performance Measures" disclosure within this MD&A for a description and calculation of these measures.

Financial Position as at September 30, 2020

As at September 30, 2020, the Company's current assets totaled $23,501 and current liabilities amounted to $33,995, including the Royalty payable to Northern Star of $4,620, for a net working capital deficit of $10,494. The Company closed a financing (refer to note 20 of the condensed consolidated interim financial statements) on October 29, 2020 and intends to use a portion of the proceeds from the financing to repurchase the Northern Star royalty which was triggered in early July of 2020, as the cumulative gold recovered from the Plutonic Gold Operations exceeded 300,000 ounces. The Company obtained consent from Auramet, which exempted it from repaying the Gold loan with the proceeds of the financing. The majority of the current assets are cash and cash equivalents of $14,077 and inventories of $8,233. The increase in the working capital deficit, from $3,097 as at December 31, 2019, was predominantly the result of the repayment under the Gold loan of $5,806 and increase in the current portion of the Derivative financial instruments reflecting the increase in the Call option liability, also under the Gold loan.

Non-current assets increased by $4,727 from December 31, 2019. The increase was predominantly the result of the upgrade to the Company's power equipment recognized as a new right-of-use asset lease which resulted in an addition of $5,992, less disposal of the old lease of $2,096, and a right-of-use asset addition of $1,155 for one underground jumbo drill. Non-current asset balances increased by $922 due to foreign exchange impacts. Non-current asset additions were $1,519. Of this amount, $182 was a result of increases to the rehabilitation asset predominantly due to changes in discount and inflation rates and $1,337 was spent on development of the underground operations. Additionally, $2,929 of capital expenditures were incurred during the nine months ended September 30, 2020, $825 of which was for expansion of a tailings storage facility, $833 was for betterments to existing equipment, $175 was for improvements to the power station and $964 for mobile equipment. These amounts were offset by $6,449 of depreciation expense.

Current liabilities decreased by $3,140 to $33,995 predominantly due to the reduction in accounts payable and accrued liabilities balances due to the timing of payments. In addition, the current portion of Deferred revenue decreased by $1,921 stemming from repayments during the third quarter and foreign exchange movements associated with the Gold loan.

Non-current liabilities increased by $2,989, as a result of a new right-of-use asset recognized as a result of the upgrade to the Company's power equipment, the impact of foreign exchange movement on the non-current portion of provisions, and an increase in the non-current portion of Derivative financial instruments reflecting the mark-to-market charge on the Call options issued as part of the Gold loan. The increase in the Derivative financial instrument liability reflects a higher value associated with the Call options due to increases in the gold price. These amounts were partially offset by a reduction in Deferred revenue stemming from repayments under the Gold loan.

Share capital consisted of capital stock, net of issue costs, of $50,107. The increase of $82 from December 31, 2019 was a result of the issuance of shares for services.

Cash from (used in) Operating Activities

During the three months ended September 30, 2020 cash from operating activities was $377, while cash from operating activities was $730 for the three months ended September 30, 2019. The decrease in cash generated from operating activities was predominantly a result of repayments under the Gold loan of $2,045 and restructuring payments of $1,173 in connection with the departure of the Company's Chief Executive Officer during the quarter. In addition, the impact of working capital changes in the current quarter was $4,204 lower as the comparative quarter reflected the reduction of $4,209 of inventory mostly due to the draw down of Hermes stockpile inventory. These amounts were partially offset by a smaller Operating loss, excluding depreciation expense, in the three months ended September 30, 2020.

During the nine months ended September 30, 2020 cash generated from operating activities was $93, while cash generated from operating activities was $5,380 for the nine months ended September 30, 2019. The decrease in cash generated from operating activities was a result of the impact of non-cash working capital changes of $6,654 due to lower accounts payable balances and repayments under the Gold loan of $5,806. These changes were partially offset by higher operating income, excluding depreciation expense, and lower employee provision payments.

Cash used in Investing Activities

Cash used in investing activities in the three months ended September 30, 2020 was primarily comprised of expenditures on mine interests, property, plant and equipment of $1,270 primarily in support of underground mine development and mill improvements, a decrease of 52% compared to the $2,660 spent in the three months ended September 30, 2019.

Cash used in investing activities in the nine months ended September 30, 2020 was primarily comprised of expenditures on mine interests, property, plant and equipment of $4,290 primarily in support of underground mine development, a decrease of $1,736 or 29% compared to the nine months ended September 30, 2019.

Cash used in Financing Activities

Cash used in financing activities in the three months ended September 30, 2020 of $1,136 was comprised of repayments of the Company's lease obligations, short-term loan and interest thereon. For the three months ended September 30, 2019 cash used in financing activities comprised repayments of the Company's lease obligations and interest thereon of $957. The increase from 2019 was a result of payments in respect of additions to the mobile fleet and timing of the final repayment under the short-term.

Cash used in financing activities in the nine months ended September 30, 2020 of $3,923 was comprised of the repayment of the Company's lease obligation, short-term loan and interest thereon. For the nine months ended September 30, 2019 cash used in financing activities comprised the repayment of the Company's lease obligation, short-term loan and interest thereon of $3,152, partially offset by proceeds on issuance of shares stemming from the exercise of warrants of $467. Increased lease and short-term loan repayments in 2020 reflected additions to the mobile fleet and higher insurance premiums.

Dividends

The Company has neither declared nor paid any dividends on its Common Shares. The Company intends to retain its earnings, if any, to finance growth and expand its operations and does not have any immediate plans to pay any dividends on its Common Shares.

Liquidity and Capital Resources

The price of gold has increased the Realized Gold Price[1] over the comparable periods in the three and nine months ended September 30, 2019 and estimates for the price of gold remain positive for the next twelve months. Other than the increase in the liability associated with the Company's Call options, which are settled in gold, there have been no materially negative impacts on the Company's current operations as a result of COVID-19 to date.

The Company currently sells gold to two counterparties; the Perth Mint and Auramet. There have been no materially negative impacts on the Company's ability to sell gold or deliver gold into the Call options or the Gold loan with Auramet. Additionally, debt or equity markets in the future may be impacted by general market conditions and/or a COVID-19 outbreak which could have a material impact on the Company's ability to access such debt or equity market.

During the nine months ended September 30, 2020, the Company used cash balances, including proceeds secured under the Gold loan in the fourth quarter of 2019, and cash inflows from the Plutonic Gold Operations to fund its expenditures on mineral interests and property, plant and equipment, as well as pay down its accounts payables and lease obligation balances. On November 12, 2019, the Company entered into a Senior Secured agreement with Auramet International LLC under which the Company received gross proceeds of AUD$15 million before associated costs. As at September 30, 2020, the Company: is required to deliver a total of 3,960 ounces of gold over 9 equal monthly instalments (ending June 30, 2021); has 17,600 gold call options outstanding with Auramet at strike prices ranging from AUD$2,275 to AUD$2,360 per ounce of gold (these call options have expiration dates between October 2020 and December 31, 2021 up to a maximum of 1,500 ounces per month); has oustanding, under the zero cost collar price protection program, 8,100 puts at a strike price of AUD$1,950 per ounce and 8,100 of calls with strike prices ranging from AUD$2,300 to AUD$2,400 (all of the puts and calls under the zero cost collar price protection program have maturities on or before December 31, 2020). The Company agreed to sell a minimum of 80% of its gold production at market prices from the Plutonic Gold Operations to Auramet for a period that is not less than 6 months following repayment of the Gold Loan (refer to notes 9 and 10 of the condensed consolidated interim financial statements).

The Company has forecasted that it will have sufficient cash inflows, including a financing which closed on October 29, 2020 (refer to note 20 of the condensed consolidated interim financial statements) to satisfy the Company's obligations as they come due over the next twelve months. As at September 30, 2020, Superior Gold has cash and cash equivalents of $14,077 and a working capital deficit of $10,494.

The Company may require the issuance of equity or other forms of financing to complete or accelerate programs associated with any future development and exploration initiatives that are not contemplated in its current life of mine plan. Superior Gold's ability to raise equity and other forms of financing in the future under terms acceptable to the Company will be dependent on operating performance and on global markets, in particular, the price of gold and currency exchange rates.

Off Balance Sheet Arrangements

Refer to the Liquidity and Capital Resources section above for a discussion of the Company's off-balance sheet arrangements.

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Commitments & Contingencies

Commitments contracted for and contingencies at the end of the reporting period not recognized as liabilities are as follows:

		September 30, 2020
Property, plant and equipment (i)	$	7,725
Guarantee (ii)		2,310
	$	**10,035**

(i) Capital commitments

In the nine months ended September 30, 2020, the Company entered into commitments for mobile equipment and repairs to its airstrip. These commitments totaled $7,725 at September 30, 2020 (December 31, 2019 - $2,363).

(ii) Contingencies

The Company signed an agreement with its existing supplier to upgrade its power supply. As a result of completing the power supply upgrade; on or before July 1, 2021, the Company is required to provide a guarantee to the supplier in the amount of $2,310 that may become payable as a result of non-payment of future payments to be made under the power supply arrangement.

Critical Accounting Policies and the Use of Estimates

A detailed summary of the Company's significant accounting policies, including the use of estimates, is included in the Company's audited consolidated financial statements for the year ended December 31, 2019. The preparation of the condensed consolidated interim financial statements requires management to make estimates and judgments which are described in the Company's audited consolidated financial statements for the year ended December 31, 2019.

The accounting policies and management estimates applied in the condensed consolidated interim financial statements for the three and nine months ended September 30, 2020 are consistent with those used in the Company's consolidated financial statements for the year ended December 31, 2019. Other than the increase in the liability associated with the Company's Call options, primarily as a result of the increase in gold prices, there have been no material impacts on the Company's key assumptions underlying critical accounting estimates and judgements as of the date of this MD&A.

Financial Instruments

The Company's significant accounting policies regarding its financial instruments are set out in the Company's audited consolidated financial statements for the year ended December 31, 2019 and are consistent with those used in the Company's condensed consolidated interim financial statements for the three and nine months ended September 30, 2020. The Company is of the opinion that it is not exposed to significant interest, currency or credit risks arising from outstanding financial instruments.

Adoption of New or Amended Accounting Policies

The Company adopted the following accounting standards and amendments to accounting standards, effective January 1, 2020:

On October 22, 2018, the IASB issued amendments to IFRS 3 *Business Combinations*, that seek to clarify whether a transaction results in an asset or a business acquisition. The amendments include an election to use a concentration test. This is a simplified assessment that results in an asset acquisition if substantially all of the fair value of the gross assets acquired are concentrated in a single identifiable asset or a group of similar identifiable assets. If a preparer chooses not to apply the concentration test, or the test is failed, then the assessment focuses on the existence of a substantive process.

On September 26, 2019, the IASB issued amendments for some of its requirements for hedge accounting in IFRS 9, *Financial Instruments,* and IAS 39, *Financial Instruments: Recognition and Measurement*, as well as the related standard on disclosures, IFRS 7, *Financial Instruments: Disclosures,* in relation to Phase 1 of IBOR Reform and its Effects on Financial Reporting project. The amendments are designed to support the provision of useful financial information by companies during the period of uncertainty arising from the phasing out of interest-rate benchmarks such as interbank offered rates (IBORs). The amendments modify some specific hedge accounting requirements to provide relief from potential effects of the uncertainty caused by the IBOR reform. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties.

The adoption of these amendments had no impact on the financial statements.

Recent Accounting Pronouncements

Standards issued but not yet effective up to the date of issuance of the Company's consolidated financial statements are disclosed in Note 4 of the condensed consolidated interim financial statements.

Outstanding Share Data

The following table summarizes the capitalization of the Company as at November 17, 2020, the date of this MD&A:

	Exercise price	Expiry date	Quantity
Number of common shares issued			
Common shares	Not applicable	Not applicable	121,778,973
Number of common shares issuable			
Stock options	$0.77	February 23, 2022	4,766,667
Stock options	$0.77	July 5, 2022	150,000
Stock options	$0.77	September 5, 2022	200,000
Stock options	$0.98	June 8, 2023	125,000
Stock options	$0.41	March 29, 2024	750,000
Stock options	$0.75	August 15, 2024	50,000
Stock options	$0.60	September 25, 2024	250,000
Stock options	$0.43	December 18, 2024	150,000
Stock options	$0.39	March 30, 2025	200,000
Stock options	$0.57	May 13, 2025	150,000
Stock options	$0.83	August 4, 2025	1,000,000
DSUs	Not applicable	Not applicable	424,656
PSUs	Not applicable	June 8, 2021	41,667
PSUs	Not applicable	March 29, 2022	166,667
PSUs	Not applicable	May 14, 2022	151,500
PSUs	Not applicable	May 20, 2023	125,000
RSUs	Not applicable	August 15, 2022	50,000
Warrants	$1.5166	February 23, 2022	14,429,521
			144,959,651

Non-IFRS Performance Measures

Total cash costs per gold ounce, all-in sustaining costs per gold ounce, realized price and adjusted net income are non-IFRS performance measures, they do not have any standardized meaning under IFRS and may not be comparable to similar measures presented by other companies. In addition to conventional measures prepared in accordance with IFRS, certain investors may use these measures to evaluate the Plutonic Gold Operation's performance. Accordingly, these measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Total cash costs and All-in sustaining costs

Cash costs and all in sustaining costs reconciled to cost of sales as follows:

(in thousands of dollars, except oz or per oz amounts)	**Three months ended September 30**		**Nine months ended September 30**	
	2020	**2019**	**2020**	**2019**
Gold sold (oz)	15,492	17,900	47,878	64,342
Cost of Sales	25,600	29,845	73,456	93,544
Adjustments for:				
Depreciation and amortization	(2,486)	(1,930)	(6,449)	(10,868)
Share-based payments included in Cost of Sales	(17)	18	(44)	(20)
Inventory movements	(295)	(977)	(194)	(614)
Silver credits and other	(18)	(34)	(81)	(92)
Cash costs	22,784	26,922	66,688	81,950
Total cash costs (per gold oz)	1,471	1,504	1,393	1,274
Adjustments for items affecting all-in sustaining cash costs:				
Sustaining exploration and capital expenditures[1]	1,421	1,560	3,629	3,633
Share-based payments included in Cost of Sales	17	(18)	44	20
Corporate, general and administration[23]	801	1,051	2,499	2,681
Rehabilitation accretion	25	64	94	285
All-in sustaining cost	25,048	29,579	72,954	88,569
All-in sustaining cost (per gold oz)	1,617	1,652	1,524	1,377

Realized gold price

Realized gold price is calculated as metal sales per the statement of comprehensive loss, less silver sales. The following table provides a reconciliation of Realized gold price per ounce sold to revenues as per the consolidated financial statements:

(in thousands of dollars, except oz or per oz amounts)	**Three months ended September 30**		**Nine months ended September 30**	
	2020	**2019**	**2020**	**2019**
Metal sales	$27,223	$26,588	$78,725	$87,624
Silver sales	(18)	(34)	(81)	(92)
Revenues from gold sales	27,205	26,554	78,644	87,532
Gold sold (oz)	15,492	17,900	47,878	64,342
Realized gold price ($/oz)	$1,756	$1,483	$1,643	$1,360

Adjusted net income and Adjusted basic net income per share

Adjusted net income/loss and adjusted basic net income/loss per share are used by management and investors to measure the underlying operating performance of the Company. Presenting these measures from period to period helps management and investors evaluate earnings trends more readily in comparison with results from prior periods.

1. Sustaining exploration and capital expenditures have been segregated to reflect exploration expenditures on the Statement of Income and Comprehensive Income, effective June 30, 2018.
2. Corporate, general and administration costs include share-based compensation, as per the Consolidated Statement of Comprehensive Income.
3. Corporate, general and administration costs exclude depreciation and certain business development costs.

Adjusted net income/loss is defined as net income/loss adjusted to exclude specific items that are not reflective of the underlying operations of the Company, including: loss on settlement of the royalty payable to Northern Star, bargain purchase gain on the acquisition of the Plutonic Gold Operations, the change in valuation of the warrant liability, business acquisition costs, charges pertaining to derivative financial instruments and the impact on income taxes. Adjusted basic net income/loss per share is calculated using the weighted average number of shares outstanding under the basic method of income/loss per share as determined under IFRS.

(in thousands of dollars, except per share amounts)	**Three months ended September 30**		**Nine months ended September 30**	
	2020	**2019**	**2020**	**2019**
Net income (loss) for the period	($2,051)	($4,150)	($6,251)	($8,644)
Adjusted for:				
Restructuring expenses	1,173	392	1,173	392
Loss on settlement of royalty payable to Northern Star	-	1	132	69
Derivatives financial instruments	(66)	-	3,297	-
Change in valuation of the warrant liability(1)	-	-	-	(85)
Effect on income taxes of the above items	(311)	(118)	(350)	(138)
Adjusted net income (loss)	($1,255)	($3,875)	($1,999)	($8,406)
Weighted average number of common shares outstanding - basic	97,134,473	96,982,473	97,111,728	96,824,158
Adjusted basic net income (loss) per share	(0.01)	(0.04)	(0.02)	(0.09)

Disclosure Controls and Procedures

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence that (i) the consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the consolidated financial statements; and (ii) the consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

i. controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

1. Balance included in the statement of comprehensive earnings.

ii. a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's accounting policies.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Risks and uncertainties

The Company is subject to a number of risks and uncertainties which are not discussed in this MD&A. If any of such risks occur, or if others occur, the Company's business, operating results and financial condition could be seriously harmed and investors may lose a significant proportion of any investment in the Company. To properly understand such risks, readers are directed to the Company's annual information form ("AIF") October 16, 2020 under the heading "Risk Factors". The AIF is available on SEDAR (www.sedar.com).

Forward-looking information

This MD&A contains forward-looking information or incorporates by reference "forward-looking statements" with respect to the Corporation. Except for statements of historical fact relating to Superior, information contained herein constitutes forward-looking statements, including statements with respect to mineral reserve and mineral resource estimates; targeting additional mineral resources and expansion of deposits; the Corporation's dependency on the Plutonic Gold Operations for operating revenue and cash flows in the near term; the Corporation's ability to extend the life of the Plutonic Gold Operations; the mineral reserve and mineral resource estimates in the Corporation's Technical Report (as defined below); information related to the Corporation's previously announced Review Process (as defined below), the potential outcome of such Review Process and the intended maximization of shareholder value that the Corporation believes may result from such Review Process; the Corporation's expectations, strategies and plans for the Plutonic Gold Mine, including the Corporation's planned exploration, development and production activities at the Plutonic Gold Operations; the results of future exploration and drilling at the Plutonic Gold Operations; satisfying the requirements for the Corporation to maintain its interest in the BBJV (as defined below); successfully adding or upgrading resources and successfully developing new deposits; future financial or operating performance and condition of the Corporation and its business, operations and properties; the Corporation's ability to adequately account for potential mine closure and remediation costs; the Corporation's adoption of and expectations regarding new accounting standards and interpretations; and any other statement that may predict, forecast, indicate or imply future plans, intentions, levels of activity, results, performance or achievements.

Forward-looking statements are characterized by words such as "plan", "expect", "budget", "target", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may", "will", "could" or "should" occur. Forward-looking information is not a guarantee of future performance and is based upon a number of estimates and assumptions of management, in light of management's experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances, as of the date of this MD&A, including, without limitation, assumptions about: favourable equity and debt capital markets; the ability to raise any necessary additional capital on reasonable terms to advance the development of the Plutonic Gold Operations and pursue planned exploration; future prices of gold; the timing and results of exploration and drilling programs; the accuracy of mineral reserve and mineral resource estimates; the geology and geophysical data of the Plutonic Gold Operations being as described in the Technical Report; production costs; the accuracy of budgeted exploration and development costs and expenditures; the price of other commodities such as fuel; future currency exchange rates and interest rates; operating conditions being favourable, including whereby the Corporation is able to operate in a safe, efficient and effective manner; political and regulatory stability; the receipt of governmental and third party approvals and permits on favourable terms; the timely resolution of native title and aboriginal heritage issues on favourable terms; obtaining required renewals for existing approvals and permits and obtaining all other required approvals and permits on favourable terms; sustained labour stability; stability in capital goods markets; the availability of equipment; the absence of natural disasters, adverse weather conditions, accidents, unanticipated transport costs or delays in the development of projects and other factors; the absence of an outbreak or escalation of infectious diseases or other similar health threats, including the novel coronavirus ("COVID-19") outbreak, that could result in the suspension or shutdown of the Plutonic Gold Operations; and the availability of water, gas, electricity or other power supply, chemicals and other critical supplies. While the Corporation considers these assumptions to be reasonable, the assumptions are inherently subject to significant business, social, economic, political, regulatory, competitive and other risks, uncertainties, contingencies and other factors that could cause actual actions, events, conditions, results, performance or achievements to be materially different from those projected in the forward-looking information. Many assumptions are based on factors and events that are not within the control of the Corporation and there is no assurance they will prove to be correct.

Furthermore, such forward-looking information involves a variety of known and unknown risks, uncertainties and other factors (as referenced elsewhere in this MD&A) which may cause the actual plans, intentions, activities, results, performance or achievements of the Corporation to be materially different from any future plans, intentions, activities, results, performance or achievements expressed or implied by such forward-looking information. The Corporation cautions that the foregoing lists of important assumptions and risks, uncertainties and other factors are not exhaustive. Other events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in, or implied by, the forward-looking information contained herein. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. In addition, statements relating to “mineral reserves” or “mineral resources” are deemed to be forward-looking information as they involve the implied assessment, based on certain estimates and assumptions that the mineral reserves and mineral resources described can be profitably mined in the future.

All forward-looking information contained in this MD&A is given as of the date hereof and is based upon the opinions and estimates of management and information available to management of the Corporation as at the date hereof. The Corporation undertakes no obligation to update or revise the forward-looking information contained in this MD&A, whether as a result of new information, future events or otherwise, except as required by applicable laws.

Technical Information

Scientific and technical information in this MD&A has been reviewed and approved by Keith Boyle, P.Eng., who is a member of the Professional Engineers of Ontario and a "qualified person" as defined by National Instrument 43-101 (NI 43-101). Mr. Boyle is an employee of the Company and serves as Chief Operating Officer.

Additional Information

Additional information regarding the Company can be found at www.sedar.com and www.superior-gold.com.