



MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED MARCH 31, 2017

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MANAGEMENT'S DISCUSSION AND ANALYSIS

(Expressed in Canadian Dollars)

The following is Management's Discussion and Analysis ("MD&A") of the consolidated financial condition and results of operations of Noront Resources Ltd. ("Noront" or the "Company") for the quarter ended March 31, 2017, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"), including International Accounting Standard ("IAS") 34, Interim Financial Reporting. This discussion should be read in conjunction with the condensed consolidated interim financial statements and the notes thereto for the same period as noted above (collectively, the "Financial Statements"). Additional Company information, including the Company's most recent Financial Statements, can be accessed through the System for Electronic Document Analysis and Retrieval ("SEDAR") website at www.sedar.com and the Company's website at www.norontresources.com. Information contained on the Company's website is not incorporated herein and does not form part of this MD&A.

All financial measures are expressed in Canadian dollars unless otherwise indicated.

Ryan Weston M.Sc., MBA, P.Geo., Vice-President Exploration of Noront and a Qualified Person as defined by National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101"), has reviewed and is responsible for the technical information contained in this MD&A. For further information on the McFaulds Lake Project, please refer to Noront's technical report titled "Feasibility Study, McFaulds Lake Property, Eagle's Nest Project, James Bay Lowlands, Ontario, Canada" dated October 19, 2012 (effective date September 4, 2012) (the "Feasibility Study"), prepared in accordance with the requirements of NI 43-101 and available on SEDAR and the Company's website. For further information on the Black Thor, Black Label and Big Daddy chromite deposits, please refer to Noront's technical report titled "National Instrument 43-101 Technical Report – Black Thor, Black Label and Big Daddy chromite deposits, McFaulds Lake Area, Ontario, Canada, Porcupine Mining Division, NTS 43D16 Mineral Resource Estimation (the "Acquired Properties Report"), prepared in accordance with the requirements for NI 43-101 and available on SEDAR and the Company's website.

This information is current as of May 25, 2017.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A includes certain "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information is provided as of the information currency date referred to above or, in the case of documents incorporated by reference herein, as of the date of such documents.

Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Examples of such forward-looking information include information regarding financial results and expectations for fiscal year 2017, such as, but not limited to, availability of financing, interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations (including those contained in the Feasibility Study), metal prices, demand for metals, currency exchange rates, cash operating margins, expenditures on property, plant and equipment, increases and decreases in exploration activity, changes in project parameters, joint venture operations, mineral resources and anticipated grades and recovery rates, information regarding planned infrastructure for the Ring of Fire Region required for the development of the Eagle's Nest Project (as hereinafter defined) and information regarding government support for such plan, approval of the Company's EA and EIS (as hereinafter defined) application for the Eagle's Nest Project and are, or may be, based on assumptions and/or estimates related to future economic, market and other factors and conditions. All statements, other than statements of historical facts, included in this MD&A that address activities, events or developments that the Company expects or anticipates will or may occur in the future, including such things as future business strategy, competitive strengths, goals, expansion and growth of the Company's businesses, operations, plans and other such matters are forward-looking information.

Forward-looking information is based on reasonable assumptions that have been made by the Company as at the date of such information and is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to: the impact of general business and economic conditions; risks related to government

and environmental regulation, actual results of current exploration activities, conclusions of economic evaluations (including those contained in the Feasibility Study) and changes in project parameters as plans continue to be refined; problems inherent to the marketability of base and precious metals; industry conditions, including fluctuations in the price of base and precious metals, fluctuations in interest rates; government entities interpreting existing tax legislation or enacting new tax legislation in a way which adversely affects the Company; stock market volatility; competition; risk factors disclosed under the heading “Risks and Uncertainties”; risk factors disclosed under the heading “Risk Factors” in the Company’s most recent Annual Information Form (“AIF”) dated April 10, 2017, available electronically on SEDAR; and such other factors described or referred to elsewhere herein, including unanticipated and/or unusual events. Many of such factors are beyond Noront’s ability to control or predict.

Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. 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 reliant on forward-looking information.

All of the forward-looking information given in this MD&A is qualified by these cautionary statements and readers of this MD&A are cautioned not to put undue reliance on forward-looking information due to its inherent uncertainty. Noront disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise, except as required by law. This forward-looking information should not be relied upon as representing the Company’s views as of any date subsequent to the date of this MD&A.

NOTE TO U.S INVESTORS REGARDING MINERAL RESOURCE ESTIMATES

All mineral resource estimates contained in this MD&A have been prepared in accordance with NI 43-101 and the Canadian Institute of Mining, Metallurgy and Petroleum Classification System in compliance with Canadian securities laws, which differ from the requirements of United States securities laws. Without limiting the foregoing, this report uses the terms “measured mineral resources”, “indicated mineral resources” and “inferred mineral resources”. Any U.S. Investors are advised that, while such terms are recognized and required by Canadian securities laws, the U.S. Securities and Exchange Commission (“SEC”) does not recognize them. Under U.S. standards, mineralization may not be classified as a “mineral reserve” unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the mineral reserve determination is made. Any U.S. investors are cautioned not to assume that all or any part of measured or indicated mineral resources will ever be converted into mineral reserves. Mineral resources which are not mineral reserves do not have demonstrated economic viability. Further, inferred mineral resources have a great amount of uncertainty as to their existence and as to whether they can be mined legally or economically. It cannot be assumed that all or any part of the inferred mineral resources will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of an economic analysis, except in rare cases. Any U.S. investors are cautioned not to assume that all or any part of the inferred mineral resources exists, or that they can be mined legally or economically. Information concerning descriptions of mineralization and mineral resources contained in this MD&A has been prepared in accordance with Canadian requirements and may not be comparable to information made public by U.S. companies subject to the reporting and disclosure requirements of the SEC.

COMPANY OVERVIEW

Noront is engaged in the development, exploration and acquisition of properties prospective in base and precious metals, including: nickel, copper, zinc, platinum group elements (“PGE’s”), chromite, iron, titanium, vanadium, gold and silver. The Company is currently focused on the development of its 100% owned Eagle’s Nest deposit, a high grade nickel, copper, platinum and palladium deposit located in the James Bay Lowlands of Ontario (the “Eagle’s Nest Project”), within a geological feature (intrusion) commonly referred to as the “Ring of Fire”. On September 5th, 2012, the Company released the Feasibility Study on the Eagle’s Nest project demonstrating positive economic returns.

The Company has 100% ownership of the most significant chromite resources in North America including the Black Thor chromite deposit and the Blackbird chromite deposit as well as a 100% interest in the Black Label chromite deposit and an 70% interest in the Big Daddy chromite deposit. In addition the Company has an 85% interest in the McFauld’s Lake copper-zinc deposit, a 75% interest in the Butler Lake copper-zinc occurrences and the Sanderson property prospective for nickel, copper, platinum and palladium as well as 100% interest in two nickel-copper-platinum group metal discoveries known as “Eagle Two” and “Blue Jay”; an iron-vanadium-titanium discovery known as “Thunderbird”; a shear-hosted gold occurrence called “Triple J” and other diamond exploration properties.

Noront now holds interest, mineral, and exploration rights to approximately 117,824 hectares of ground in Ontario and 8,730 hectares in New Brunswick.

In New Brunswick, Noront holds a 49% interest in the Burnt Hill tin-tungsten-molybdenum property and a 100% interest in the Golden Ridge gold property.

QUARTER REVIEW

Objectives

The Company’s primary objectives for fiscal 2017 are:

- Sign project advancement agreements with local First Nations in the Ring of Fire Project Area while maximizing training and employment opportunities for their community members;
- Establish a joint vision on infrastructure with the core communities and obtain a specific commitment from government(s) on the permitting, financing and building of the all season access road to the Ring of Fire;
- Advance the Company’s chromite strategy with a focus on selection of a ferrochrome smelter site to upgrade Ring of Fire chromite ore;
- Conduct an ongoing systematic exploration program in the Ring of Fire, funded internally or through partnerships, focused initially on the nickel, copper and platinum group metal potential followed by volcanic massive sulphide and gold exploration;
- Pursue and acquire production / development stage properties and businesses that leverage the skill set of management and are complementary to the Company’s current asset base.

SIGNIFICANT EVENTS

Ring of Fire Regional Development

Subsequent to the quarter end, the Company signed an Exploration and Project Advancement Agreement (the “Agreement”) with the Marten Falls First Nation (MFFN). The Agreement compensates MFFN for work that has been completed on their traditional land and outlines a one year process that will be used to negotiate a Pre-Development Agreement for the Eagles Nest nickel-copper-platinum-palladium mine located in northern Ontario. As part of the Agreement MFFN will become a shareholder of the Company.

The Company has also had meetings with the Provincial Government during the quarter to discuss a government endorsement of a shared transportation corridor to the Ring of Fire. The Company continues to push the province to endorse a specific access road for all stakeholders to consider.

The Company's efforts to encourage the provincial government in conjunction with pressure from Northern constituents have shown some success recently. The Premier of Ontario, Kathleen Wynne recently reiterated the provinces' commitment to the Ring of Fire including the billion dollar infrastructure pledge and indicated the province is working toward having Ring of Fire infrastructure underway prior to the 2018 provincial election.

Chromite Projects

The Company has had discussions with the Northern Communities of Sault St. Marie, Sudbury, Thunder Bay and Timmins regarding proposals for the Company's Ferrochrome processing facility. Management will be travelling to potential brownfield sites and meeting with city representatives in the second quarter of the year.

Exploration

The Company finalized its exploration plans for the remainder of 2017 during the quarter. The Company is planning field programs on its McFaulds Lake copper-zinc VMS property which will include step-out drilling on the McFaulds No. 3 deposit as well as ground geophysical surveying along trend and in the footwall to the McFaulds No. 1 deposit. Drilling at McFaulds No. 3 will test the down-plunge continuity of high-grade copper mineralization where past drilling defined a mineralized zone 10-15m in true thickness with copper values averaging 4% (See Ring of Fire Regional Exploration below).

Corporate

Subsequent to quarter end, on April 7, 2017 The Honourable Greg Rickford, former Canadian Minister of Natural Resources, Jean Paul (JP) Gladu, President and CEO of the Canadian Council for Aboriginal Business (CCAB), and Bo Liu, Senior Manager, Global Resource Development, Baosteel Resources International joined the Company's Board of Directors.

Mr. Rickford was the Member of Parliament for Kenora, Ontario for seven years and during his tenure served as Minister of Natural Resources, Minister of State for Science and Technology, Minister of State of Federal Economic Development Northern Ontario Region (FedNor) and Parliamentary Secretary to the Minister of Aboriginal Affairs. A practicing lawyer and advisor, Mr. Rickford specializes in natural resources, indigenous and health matters and has lived and worked in indigenous communities in Northwestern Ontario and across Canada.

Mr. Gladu is Anishinaabe from Thunder Bay and a member of Bingwi Neyaashi Anishinaabek First Nation. He has more than two decades of experience in the natural resources sector working with Aboriginal communities and organizations, environmental groups, industry and government. In his current capacity as President of CCAB, Mr. Gladu focuses on building bridges between Aboriginal and non-Aboriginal peoples, business and communities, and travels across the country and internationally sharing the challenges and successes of Canadian Aboriginal businesses.

Mr. Liu has held several senior positions since 2001 when he joined Baosteel, a world leader in steel and stainless steel products and one of Noront's major shareholders. He is a graduate of Tongji University in Shanghai and holds a Masters Degree in Business Management. Mr. Lui replaces Mr. Yuanqing Xu who previously represented Baosteel on the Noront Board of Directors.

During the quarter, the Company's Board of Directors granted 5,003,417 stock options to directors, officers and management, with an exercise price of \$0.25 per Common Share. The Board has also granted 665,000 Restricted Stock Units ("RSU") to officers of the Company. The RSUs are convertible into common shares one year from the date of grant.

During the quarter, the Company settled interest of \$403,230 for the fourth quarter of 2016 to Resource Capital Funds V L.P. ("RCF") by delivery of 1,636,383 common shares of the Company (the "Interest Shares"). The Interest Shares were issued on January 13, 2017 subject to a four month hold period which expired on May 14, 2017.

Subsequent to the quarter end, the Company settled interest of \$400,230 for the first quarter of 2017 to RCF by delivery of 1,682,346 common shares of the Company. The Interest Shares were issued on April 10, 2017 subject to a four month hold period which expires on August 11, 2017.

EAGLE'S NEST

The Company completed a Feasibility Study in accordance with the requirements of NI 43-101, with an effective date of September 4, 2012, by Independent Consultants¹ under the supervision of Micon International. In accordance with NI 43-101 the Company classifies the Eagle's Nest Deposit as a reserve and resource. The feasibility study entitled "NI 43-101 Technical Report – Feasibility Study – McFaulds Lake Property, Eagle's Nest Project, James Bay Lowlands, Ontario, Canada" is available on www.sedar.com.

The Feasibility Study is based on annual production of approximately 150,000 tonnes of high grade nickel-copper concentrate containing approximately 34 million pounds (15 thousand tonnes) of nickel, 19 million pounds (8.5 thousand tonnes) of copper, 23 thousand ounces of platinum and 89 thousand ounces of palladium with estimated operating costs (including road access fees) of \$97 per tonne. The mineral reserves support a mine life of 11 years mining one million tonnes of ore per annum. Given the high-grade nature of the Eagle's Nest deposit and significant by-products of copper, platinum and palladium, the Company anticipates that Eagle's Nest, once in production, will be one of the lowest cost nickel sulphide mines in the world.

The Company plans to update its Feasibility Study and complete project permitting once the shared transportation corridor to the Ring of Fire is formally committed to by the Provincial Government of Ontario and necessary financing is arranged. Management has identified certain opportunities to reduce the capital cost related to the mine and mill project including putting the process plant on surface as opposed to underground and simplifications to the mine design.

Eagle's Nest has the following royalty obligations:

- a 1% Net Smelter Royalty (NSR) which may be purchased by the Company at any time upon payment of the sum of \$500,000 and/or at the Company's option, issuance of an equivalent number of common shares of the Company; and
- a 1% NSR, half of which may be repurchased by the Company for US\$3.125 million until June 14, 2018.

¹ The feasibility study was completed by Micon International and included technical input from: Tetra Tech WEI, Cementation Canada Ltd., Knight Piesold Ltd., Penguin ASI, SGS Canada Inc., Outotec, Ausenco, Nuna Logistics, and Golder Associates.

CHROMITE PROJECTS

The Company has the following chromite resources²:

Deposit	Classification	Tonnes (Millions)	Cr2O3 %
Blackbird	Measured Resources	9.30	37.44
	Indicated Resources	11.20	34.36
	Meas. + Ind. Resources	20.50	35.76
	Inferred Resources	23.50	33.14
Black Thor	Measured Resources	107.60	32.20
	Indicated Resources	30.20	28.90
	Meas. + Ind. Resources	137.70	31.50
	Inferred Resources	26.80	29.30
Black Label	Measured Resources	---	---
	Indicated Resources	5.40	25.30
	Meas. + Ind. Resources	5.40	25.30
	Inferred Resources	0.90	22.80
Big Daddy	Measured Resources	23.30	32.10
	Indicated Resources	5.80	30.10
	Meas. + Ind. Resources	29.10	31.70
	Inferred Resources	3.40	28.10

A cut-off grade of 20% Cr2O3 was used in the above tables except for the Blackbird Resource which was estimated using a 30% cut-off grade

The Company has a 70% interest in the Big Daddy Chromite deposit with the other 30% held by Canada Chrome Mining Corporation, a wholly owned subsidiary of KWG Resources Inc. The Big Daddy resource estimate above is shown on a 100% basis.

The Blackbird deposit is less than 1 km from the Company's Eagle's Nest project and is conducive to bulk underground mining. The Company anticipates that the Blackbird deposit will be developed once Eagle's Nest is in production and will share the same surface infrastructure. The Company is planning for the mine to produce approximately 550 – 750 thousand tonnes of ore annually which would produce approximately 200 – 280 thousand tonnes of Ferrochrome which represents approximately 40% - 50% of the North American Market. It is anticipated that a Ferrochrome smelter will be constructed at a yet to be determined brown-fields site in Ontario.

The Black Thor, Black Label and Big Daddy Chromite deposits are 5 to 8 km away from Eagle's Nest. These deposits come to surface and are conducive for bulk mining with chromite lenses averaging between 40 and 80 metres in true width (with maximum widths at Black Thor reaching up to 130 metres).

A larger scale chromite development supported by the Black Thor and Big Daddy Deposits will follow the Blackbird Development with a timeline that is dependent upon the seaborne ferrochrome market. The larger scale project has the potential to produce up to 1.5 million tonnes of concentrate and 600,000 tonnes of ferrochrome annually.

The Black Thor Chromite deposit has a 3% Gross Smelter Royalty (GSR) and the Blackbird and Black Label Chromite deposits have a 2% GSR. There is no royalty on the Company's interest in the Big Daddy Chromite deposit.

McFAULD'S LAKE VMS DEPOSITS

The two McFauld's deposits are volcanogenic massive sulphide (VMS) type occurrences and are the centerpiece of an 71 claim property held 85% by the Company and 15% held by KWG Resources. In August 2008, a NI-43-101 report was filed by Spider

² Resource estimates for Blackbird from "National Instrument 43-101 Technical Report Feasibility Study McFaulds Lake Property, Eagle's Nest Project, James Bay Lowlands, Ontario, Canada" dated September 4, 2012, (page 96) completed by Micon International. Resource estimates for Black Thor, Black Label and Big Daddy from "National Instrument 43-101 Technical Report, Black Thor, Black Label and Big Daddy Chromite Deposits, McFaulds Lake Area, Ontario, Canada, Porcupine Mining Division, NTS 43D16, Mineral Resource Estimation Technical Report" dated July 27th, 2015, prepared by Alan Aubut, P.Geol., of the Sibley Basin Group.

Resources Inc. and UC Resources Limited, former Joint Venture partners with KWG Resources Inc., with the following resources³:

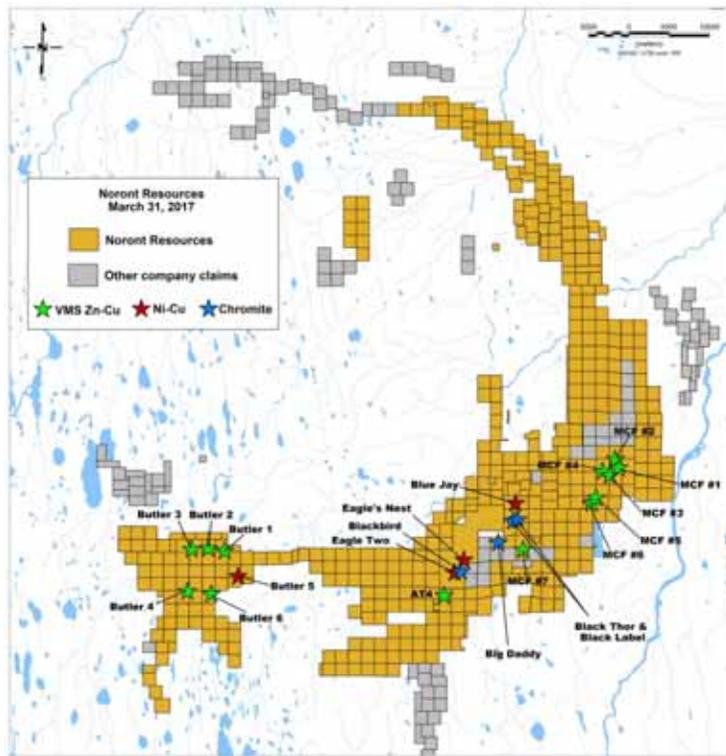
Deposit	Classification	Tonnes	Grade (% Cu)	Grade (% Zn)
McFaulds 3	Indicated Resource	802,000	3.75	1.1
McFaulds 1	Inferred Resource	279,000	2.13	0.58

Mineral resources were estimated using a cut-off grade of 1.5% Cu

The Company believes there is significant opportunity for discovery of additional VMS mineralization along this favorable 10 km horizon.

RING OF FIRE REGIONAL EXPLORATION

The Company has significant exploration properties in the Ring of Fire prospective for nickel-copper-platinum and palladium, copper-zinc and gold (see Figure 1 “Noront Claim Map”).



2017 Exploration Plan

VMS Cu-Zn Program

Noront’s extensive VMS portfolio includes the McFaulds No.1 and No.3 deposits and an additional 11 occurrences across 50km of strike length between the McFaulds and Butler VMS camps. Both properties have seen little exploration since 2011 and contain several targets which remain to be tested.

McFaulds Lake

Noront plans to significantly advance its McFaulds lake copper-zinc VMS property this summer. Based on results of the winter re-logging program, and the recently acquired high-resolution Heli-GT survey over this property, priority areas for follow-up work have

³ Resource estimates from “Updated Technical Report on the McFaulds Lake Project, Porcupine Mining Division, James Bay Lowland, Ontario, Canada” dated August 30th, 2008, prepared by Deep Search Exploration Technologies Inc.

been defined. Plans include step-out drilling of the McFaulds No. 3 deposit as well as ground geophysical surveying along trend and in the footwall to the McFaulds No.1 deposit where no surface time-domain electro-magnetic (TDEM) surveys have previously been deployed.

Drilling at McFaulds No.3, with a current 43-101 compliant Indicated resource of 0.8Mt at 3.75% Cu and 1.1% Zn, will test the down-plunge continuity of high-grade copper mineralization where past drilling defined a mineralized zone 10-15m in true thickness with copper values averaging 4% (Figure 1). The target zone is at or below 250m depth, which is beyond the detection limits of most airborne EM systems.

Ground TDEM surveys will test along strike of the McFaulds No.1 deposit which remains open down plunge and where untested coincident gravity-magnetic-airborne EM anomalies from past surveys exist (Figure 2). In addition, the recent Heli-GT survey identified a strong discrete magnetic anomaly 2 km east of McFaulds No. 1 which is underlain by a broad magnetic low interpreted to represent possible footwall alteration (Figure 2). Taken together, this area is interpreted to represent a new VMS hydrothermal center.

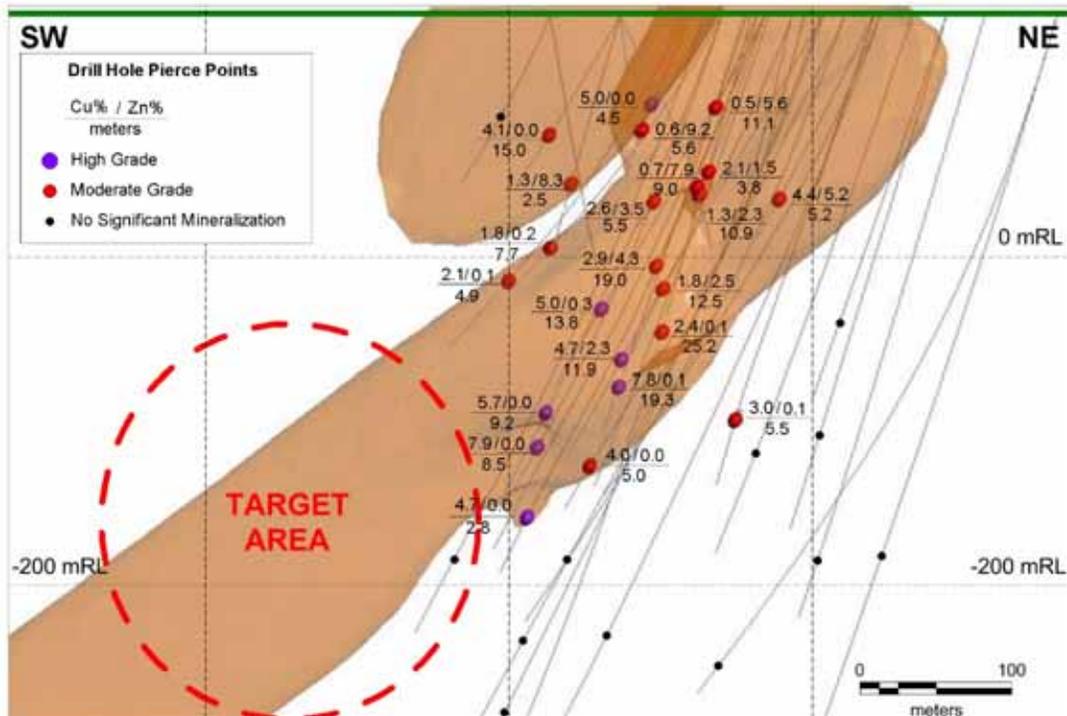


Figure 1: McFaulds No. 3 long Section (looking northwest)

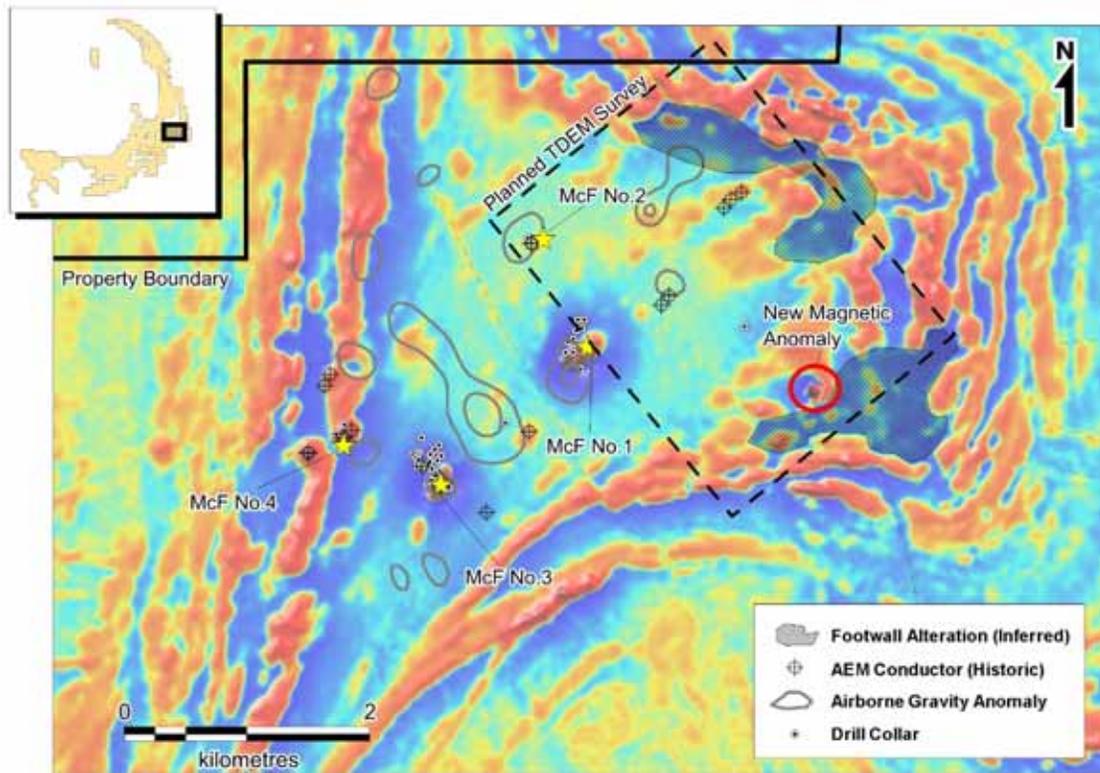


Figure 2: McFaulds Heli-GT magnetics (1VD) with target areas

Butler Property

Compilation and review of the geology on the recently acquired Butler property will continue in 2017 with recommendations for further work expected later this year.

Magmatic Ni-Cu-PGE Program

Noront's Ni-Cu-PGE program for the remainder of the year will focus on new targets generated over the course of the last 6 months. At the Sanderson property, recently acquired from MacDonald Mines, exploration will focus on a large magnetic anomaly interpreted to be an ultramafic intrusion of similar scale to the intrusive complex hosting the Black Thor Chromite deposit. In Area 7 northwest of Eagle's Nest, exploration will continue to expand on our growing knowledge of a newly defined magmatic corridor believed to be similar in strike length to the main ultramafic sill complex hosting the Ni-Cu-PGE and chromite deposits of the ROF. Both areas represent exciting new target regions of significant scale for the Company.

Pinay Target (Sanderson Property)

Results from the Heli-GT survey recently completed over the Sanderson footwall target have outlined an elongate magnetic anomaly 4.5km in length and up to 800m wide (Figure 3), called the 'Pinay' target (Ojicree for 'Partridge', from the shape of the magnetic anomaly). The Pinay target is interpreted to represent one of the largest undrilled ultramafic bodies in the ROF and has the potential to host Ni-Cu-PGE mineralization. Initial work at Pinay this summer will entail geochemical sampling across the main body and two sinuous extremities representing possible feeders to the target. A follow-up winter-based rotary-air-blast (RAB) drilling program will aim to confirm the ultramafic source and test any anomalies detected in the ground geochemical survey.

Area 7 Magmatic Corridor

RAB drilling this past winter in Area 7 confirmed the presence of several discrete mafic-ultramafic bodies within a linear structure over 19km in length (Figure 4) believed to represent a paleo magmatic corridor which fed overlying ultramafic sills which host the known Ni-Cu-PGE and chromite deposits. Further work this summer will entail reconnaissance mapping and sampling in areas where the OGS has mapped mafic-ultramafic outcrops in the northern reaches of the Area 7 Magmatic corridor.

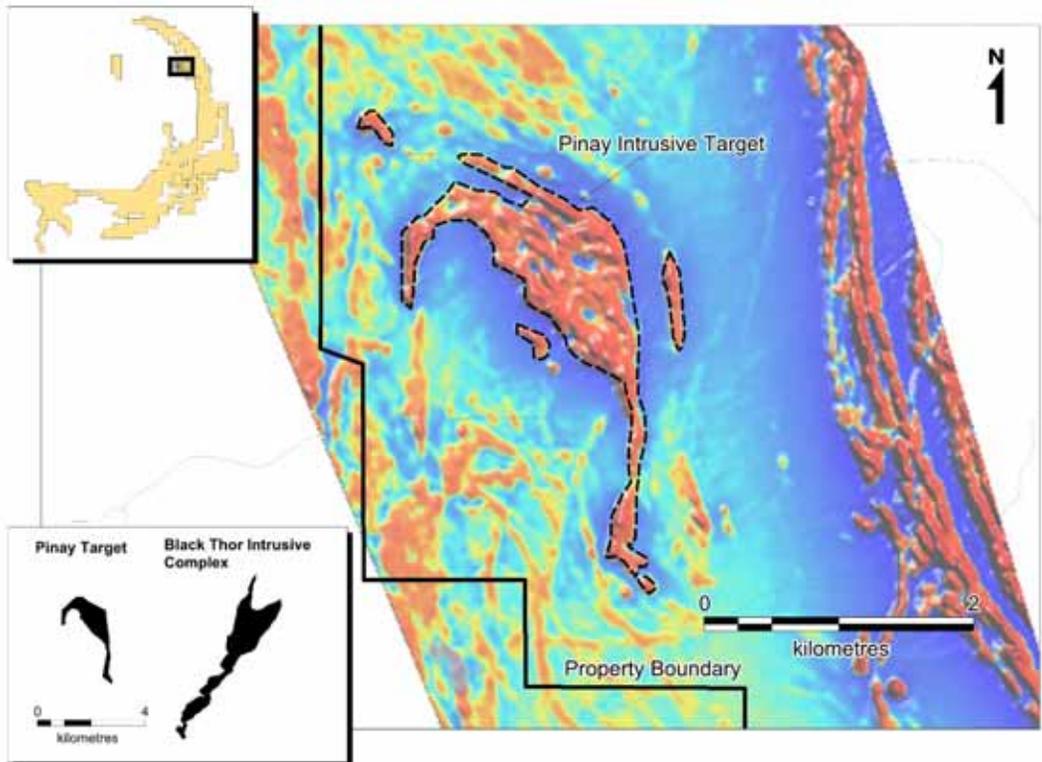


Figure 3: Sanderson Heli-GT magnetics (1VD) with outline of Pinay Target

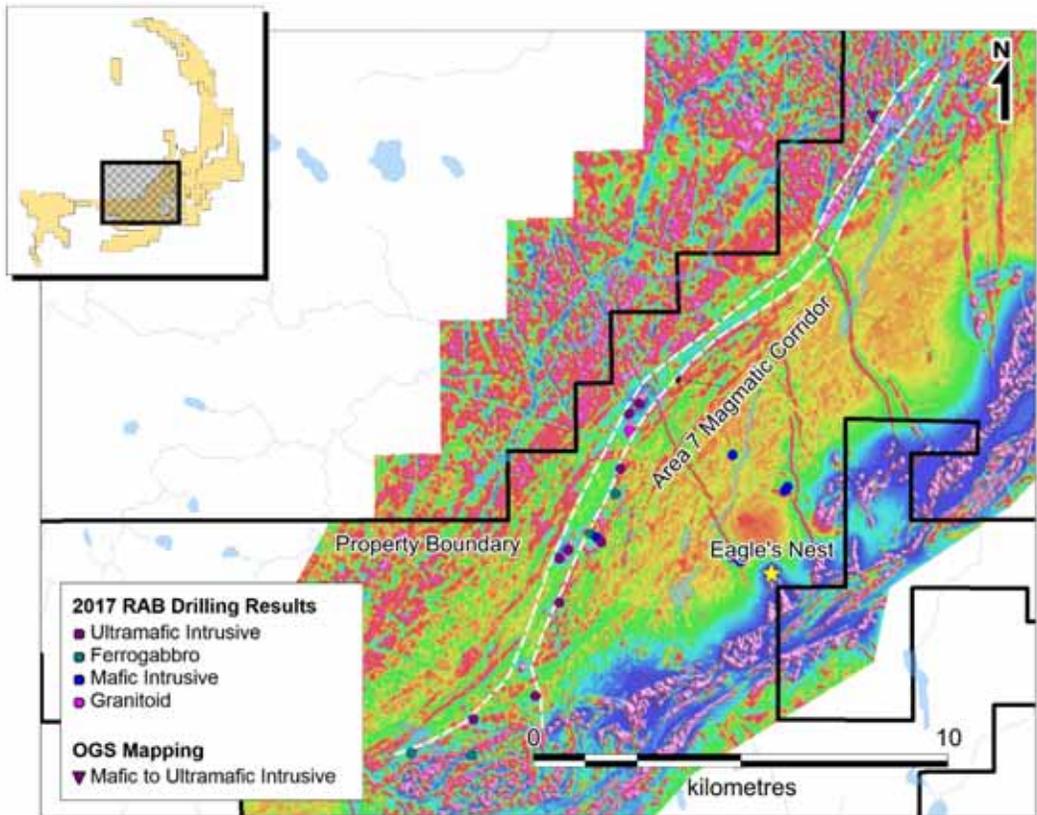


Figure 4: Outline of Area 7 Magmatic Corridor and 2017 RAB drilling results

Gold Targeting Program

Noront will be advancing its gold efforts this summer through a large-scale compilation program and structural interpretation of highest priority areas for gold exploration in the Ring of Fire. Expected outcomes include an improved understanding of regional host structures and identification of gold hot-spots warranting further investigation. The Ring of Fire possesses many key ingredients for significant Archean lode-gold mineralization, including the presence of multiple crustal-scale faults and an abundance of reactive iron-rich host rocks. Noront's Triple-J gold zone is an example of this, situated at the intersection of a major dextral shear zone and reactive ultramafic host rocks (Figure 5).

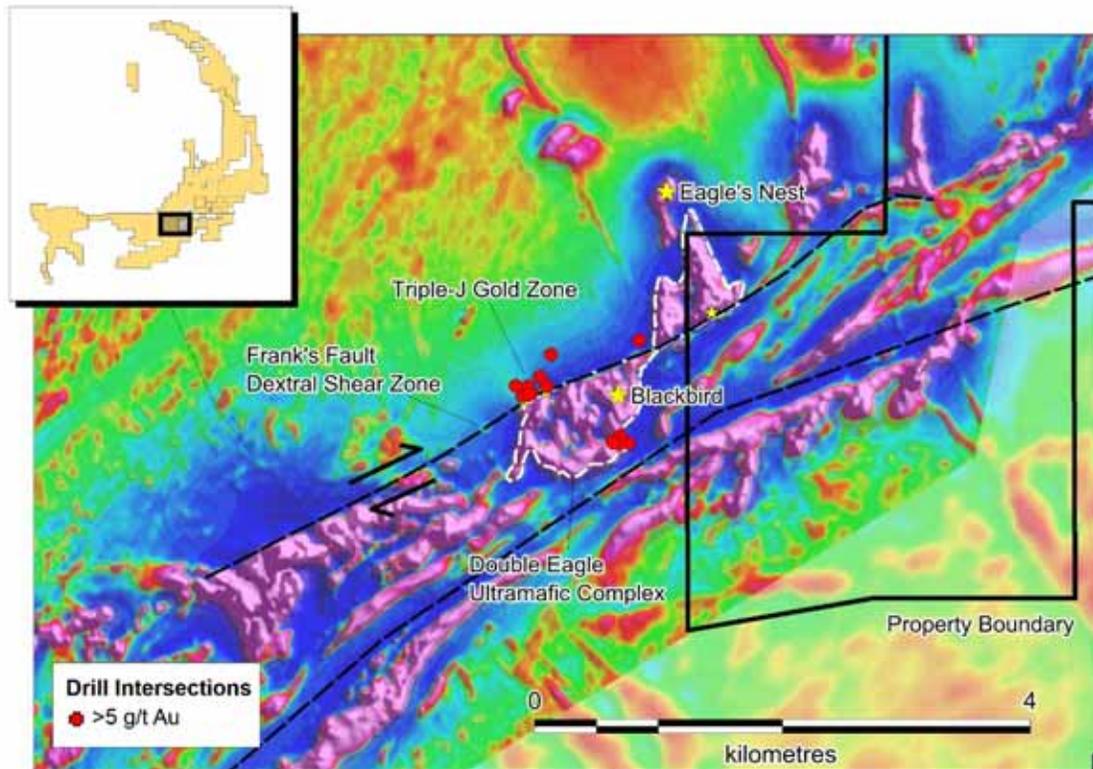


Figure 5: Location of the Triple-J gold zone at the intersection of a major dextral shear and ultramafic rocks of the Double Eagle complex

Other

There is a 2% GSR on any chromite production and a 2% NSR on all other mineral production from the Company's Ring of Fire Regional Exploration properties, excluding the Company's Eagle's Nest deposit, its McFauld's Lake VMS deposit and the newly acquired Butler and Sanderson Properties.

There is a 2% NSR over six claims which comprise part of the Butler Property.

OTHER PROPERTIES

Other Ring of Fire Properties

Eagle Two

Eagle Two is a second nickel, copper sulphide occurrence located 2 kilometres southwest of Eagle's Nest. The mineralization occurs in a series of pyrrhotite – magnetite – chalcopyrite – pentlandite-bearing massive sulphide veins. No resource estimate or technical report has been released on this property;

Blue Jay (AT12)

Blue Jay is a third nickel, copper sulphide occurrence located 9.5 kilometres northeast of Eagle's Nest and is a potential feeder zone to Black Thor. This deposit contains pervasive, low grade nickel and copper occurring as finely disseminated pyrrhotite, chalcopyrite and pentlandite constrained within an ultramafic dike measuring on average 1,400 metres in length by 200 metres in width by 600 metres in breadth and plunging to the south-southwest at 65 to 70 degrees. No resource estimate or technical report has been released on this property;

Triple J Gold Zone

The Triple J Gold Zone is a zone of gold mineralization related to the sheared contact between the talc-altered peridotite hosting the Blackbird and Eagle Two discoveries and the hanging wall granodiorite. Triple J ranges in thickness from several centimetres to tens of metres with a strike length currently defined at 1 kilometre and to a depth of 300 metres. The zone is interpreted as a large, low grade gold occurrence flanking the Blackbird and Eagle Two deposits. No resource estimate or technical report has been released on this property.

Thunderbird

Thunderbird is a potential large tonnage iron-vanadium-titanium deposit, currently classified as an occurrence. The zone is located 12 kilometres northeast of the Eagle's Nest deposit, and 2 kilometres east of the Blue Jay occurrence. It is demarcated by a magnetic high which trends north-south as part of a magnetic anomaly that is 7 kilometres long, and 3 kilometres wide. No resource estimate or technical report has been released on this property;

Kyle Kimberlite

Kyle Kimberlite is a kimberlitic body that was discovered in 1993 and was acquired by Noront in 2015 through the purchase of Cliffs Natural Resources assets in the Ring of Fire. It is located approximately 70 km east of Eagle's Nest and is a joint venture between Noront (50%) and Debut Diamonds (50%). It has been tested for diamonds and was found to contain promising contents of micro- and macro-diamonds of varying carats. No resource estimate or technical report has been released on this property.

Other Non-Ring of Fire Properties

MacFadyen Kimberlites

The MacFadyen Kimberlites are four kimberlitic bodies that were discovered between 1995 and 1996 and were acquired by Noront in 2015 through the purchase of Cliffs Natural Resources assets in the Ring of Fire. They are not located within the Ring of Fire itself, rather, they are located approximately 7 km north of the De Beers Victor Diamond Mine, and are a joint venture between Noront (30%) and Debut Diamonds (70%). All kimberlites have been tested for diamonds and were found to contain promising contents of micro- and macro-diamonds of varying carats. No resource estimate or technical report has been released on this property.

Burnt Hill, New Brunswick

The Burnt Hill Tungsten properties straddle the Southwest Miramachi River some 70 km NW of Fredericton, New Brunswick. The properties contain tungsten, molybdenum and tin mineralization mainly in quartz veins that cut argillic sediments on the periphery of granitoid plutons. The Company has a 49% interest in the property with Cadillac Ventures Inc. The Company has no activity planned for these properties for the current fiscal year.

Sungold, Ontario

The Sungold property lies just east of Quetico Provincial Park in northwestern Ontario, approximately 125km west of Thunder Bay, in the Shebandowan Greenstone Belt of the Archean Superior Province. This property was acquired as a result of the transaction with Cliffs Natural Resources and is a 100% owned property that currently consists of 30 claims covering an area of 4,736 hectares. It contains the massive sulphide Wye Lake occurrence and the southeast extension of the Hamlin IOCG (iron oxide-copper-gold-uranium) deposit, currently owned by Glencore. Exploration targets on this property include shear-hosted gold, volcanic-hosted copper-zinc (VMS), and IOCG. The Company has no activity planned for these properties for the current fiscal year.

Bull Lake, Ontario

The Bull Lake property lies within the East Bull Lake Intrusive Suite of northwestern Ontario, approximately 60km west of Sudbury, in the Archean Superior Province. This property was acquired as a result of the transaction with Cliffs Natural Resources and is a 100% owned property that consists of only 3 claims covering an area of 256 hectares. The project has exploration potential to host nickel-copper and PGE deposits. The Company has no activity planned for these properties for the current fiscal year.

Golden Ridge, New Brunswick

The Golden Ridge property is located in York County, western New Brunswick, Canada, approximately 30 kilometres south-southwest of Woodstock and 90 kilometres west of the provincial capital of Fredericton, along the Maine border. This property was acquired as a result of the transaction with Cliffs Natural Resources and the Company has a 40% interest in the property with Rockport Mining Corporation. The Golden Ridge gold deposit occurs on the property, on which a mineral resource estimate has been completed (in 2013). This deposit contains 520,200 ounces of gold at a grade of 0.91g/t, however, the deposit only contains Inferred resources. The cut-off grade is 0.35g/t. Recently, Rockport Mining Corporation and its parent corporation, Tri-Star Resource plc. (London, UK), stopped its Canadian exploration programs and most likely will divest its interest in this project. Noront has no activity planned for these properties for the current fiscal year.

SELECTED FINANCIAL INFORMATION

The following financial data are derived from the Company's financial statements for the three months ended March 31, 2017 and March 31, 2016 which have been prepared in accordance with IFRS:

(expressed in \$ thousands except per share amounts)	Three months ended	
	March 31,	
	2017	2016
Development and exploration expenditures	2,037	1,488
Office and general	869	558
Amortization	84	94
Share-based compensation	540	315
Interest income	13	4
Finance expense	1,050	1,077
Re-measurement of Repayment Options	948	1,800
Gain on sale of royalty	-	2,057
Accretion expense	1,220	527
Net income (loss)	(4,005)	2,651
Net earnings (loss) per share – basic	(0.01)	0.01
Net earnings (loss) per share – diluted	(0.01)	-
Cash flow used in operations	(2,795)	(1,524)
Cash and cash equivalents	8,684	8,658
Assets	36,255	36,031
Non-Current Liabilities	31,329	25,891
Working Capital ⁽¹⁾	(10,027)	(14,187)

⁽¹⁾ Working capital includes all current assets and current liabilities, excluding non-cash repayment options and flow-through share liability (See Non-IFRS Financial Performance Measures).

Three Months Ended March 31, 2017 Compared to Three Months Ended March 31, 2016

Development and Exploration Expenditures

(expressed in \$ thousands)	Three months ended	
	March 31,	
	2017	2016
Owner's Cost	\$ 83	\$ 158
Camp Operations and Exploration Expenditure	1,898	1,324
Permitting and First Nation Engagement	43	6
Engineering /Site & Road Geotechnical	13	-
Total	\$ 2,037	\$ 1,488

Owner's Costs

Owner's costs consist of the Company's project personnel and consultants. In 2017, these costs were significantly lower than the comparable period due to a reduction in personnel and reduction in the use of consultants.

Camp Operations & Exploration Expenditure

During the three months ended March 31, 2017, \$0.7 million was spent on camp operations in support of exploration activities and \$1.2 million was spent on direct exploration. This compared to \$0.6 million spent on camp operations and \$0.7 million spent on exploration in the prior year comparable period. The Company's spending on direct exploration during the three months ended March 31, 2017 was greater than during the comparative period due to the availability of financing from share issuances completed during 2016.

Permitting and First Nation Engagement

During the three months ended March 31, 2017, permitting expenses consists of costs related to environmental base line field work and First Nation community engagement. In the prior year comparable period, permitting work was significantly decreased since the Company deferred all EA permitting work until the construction timeline for the access road is agreed on by stakeholders.

Engineering / Site & Road Geotechnical

During the three months ended March 31, 2017, the Company initiated a drill study to confirm the depth to bedrock at the planned location for surface infrastructure for the Eagle's Nest Project.

Office and General

(expressed in \$ thousands)	Three months ended	
	March 31,	
	2017	2016
General Administration	\$ 681	\$ 422
Professional fees	126	66
Communications and travel	62	70
Total	\$ 869	\$ 558

General Administration

General administration expenses were lower in the prior year comparable period due to a voluntary decrease in management salaries from February to May 2016, a suspension in director's fees in the first half of the year and a reduction in donation and sponsorship expenses.

Professional fees

Professional fees include legal and audit costs related to compliance, government relations, personnel and communications consultants as well as other costs related to business development initiatives.

During the three months ended March 31, 2017, the Company engaged consultants and services related to business development initiatives and information technology. Professional fees were significantly lower in the prior year comparable period due to a reduction in the use of general legal services and other consultants.

Communications and travel

For the three months ended March 31, 2017, communications and travel costs were comparable to the prior year.

Finance Expense

Finance expense consists of quarterly interest payments on the Company's loan facilities and other transaction costs. During the three months ended March 31, 2017, the Company accrued interest of \$0.4 million for interest on the RCF convertible loan for the first quarter of 2017. Subsequent to the quarter end, the Company satisfied the payment of interest to RCF by issuing of 1,682,346 common shares of the Company.

For the three months ended March 31, 2017, the Company accrued \$0.7 million in interest for the Long Term Loan to Franco-Nevada in accordance with the loan agreement. Interest on the Franco-Nevada loan is accrued and not payable until the end of the loan term being April 15, 2020.

Flow-Through Share Premium

The flow-through share premium represents the premium on the flow-through shares paid by the investor which is recorded as income as the flow-through funds are spent. The increase in the flow-through share premium for the three months ended March 31, 2017 compared to prior year comparable period is consistent with the increase in exploration spend in the current period.

Accretion Expense

Accretion expense includes accretion of loan facilities and the provision for environmental obligations. For the three months ended March 31, 2017, accretion expense consists primarily of accretion for the amended RCF loan of \$0.6 million and Franco-Nevada loan of \$0.6 million. The prior year comparable period consists of accretion for the Franco-Nevada loan of \$0.5 million. The RCF loan prior to the loan extension in June 2016, accounted for as an extinguishment of the loan and establishment of a new loan, was fully accreted by December 31, 2015.

SUMMARY OF CASH FLOWS

(expressed in \$ thousands)	Three months ended	
	March 31,	
	2017	2016
Cash used in operating activities	\$ (2,795)	\$ (1,524)
Cash provided by investing activities	-	551
Cash provided by financing activities	-	6,559
	\$ (2,795)	\$ 5,586

Operating Activities

For the three months ended March 31, 2017, the Company had a cash outflow from operations of \$2.8 million compared to a cash outflow of \$1.5 million in the prior year comparable period. In the prior year comparable period, there was less spent in both development and exploration expenditures and corporate expenditures than the current period, and a cash inflow of \$0.5 million related to the sale of the tax benefits of flow-through shares issued.

Investing Activities

For the three months ended March 31, 2017, the Company had no investing activities. In the prior year comparable period, the Company sold a 1% Net Smelter Royalty over the Eagle's Nest deposit for US\$2.5million. The proceeds from the sale of the NSR were used to extinguish a US\$2 million bridge loan with the remainder paid in cash. The purchase and sale agreement contains a buy-back provision whereby Noront can repurchase 50% of the royalty for \$3.125 million for a period of 30 months. The net proceeds from the sale of the NSR were offset by a cash outflow of \$0.1 million for the payment of transaction costs related to the Cliff's transaction incurred in the prior year and other costs.

Financing Activities

For the three months ended March 31, 2017 the Company had no financing activities. In the prior year comparable period, proceeds of \$7.0 million, net of transaction costs, was provided by way of a prospectus offering and private placement financing. \$0.5 million of the net financing proceeds was related to the sale of tax benefits associated with the issuance of flow-through shares and was presented in operating activities. Cash was also provided from the exercise of stock options in the amount of \$0.1 million.

SUMMARY OF QUARTERLY RESULTS AND REVIEW OF THREE MONTHS ENDED MARCH 31, 2017

(expressed in \$ thousands except per share amounts)	2017	2016	2016	2016	2016	2015	2015	2015
	Jan-Mar	Oct-Dec	Jul-Sept	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sept	Apr-Jun
Expenses	5,801	4,900	4,873	3,929	4,059	4,627	4,323	3,187
Gain on sale of marketable securities	-	-	-	-	-	-	-	142
Loss on Loan Extinguishment	-	-	-	(3,339)	-	-	-	-
Gain on sale of royalty	-	-	-	-	2,057	-	-	4,149
Re-measurement of repayment options	948	1,555	3,235	362	1,800	(1,692)	3,419	3,727
Foreign exchange (gain) loss	411	(2,312)	633	230	2,727	(1,572)	(2,475)	(909)
Net income (loss)	(4,005)	(4,667)	(2,008)	(6,467)	3,162	(7,797)	(3,376)	3,919
Net earnings (loss) per share – basic	(0.01)	(0.01)	(0.01)	(0.02)	0.01	(0.03)	(0.01)	0.02
Net earnings (loss) per share – diluted	(0.01)	(0.01)	(0.01)	(0.02)	0.00	(0.03)	(0.01)	0.00
Cash and cash equivalents	8,684	11,480	11,275	5,861	3,339	3,099	2,727	4,029
Working Capital ⁽¹⁾	(10,027)	(6,631)	9,678	3,743	(14,187)	(23,426)	(22,633)	(20,113)
Assets	36,255	39,215	39,335	33,102	36,031	31,872	31,578	32,777
Long-term Liabilities	31,329	30,413	48,526	49,177	25,891	26,334	24,422	22,262

⁽¹⁾ Working capital includes all current assets and current liabilities, excluding non-cash repayment options and flow-through share liability (See Non-IFRS Financial Performance Measures).

The quarterly variation in expenses is mainly attributable to timing of technical studies, exploration drill programs, and stock option expense which is recognized in accordance with the vesting provisions. The working capital is negative due to the presentation of the convertible loan facility (the “Convertible Loan”) with RCF as a current liability. During the second and third quarters of 2016, the RCF loan was classified as a non-current liability when the terms of the Convertible Loan were extended to December 31, 2017.

LIQUIDITY AND CAPITAL RESOURCES

The Company’s cash position (cash and cash equivalents) at March 31, 2017 was \$8.7 million compared to \$11.5 million as at December 31, 2016.

At March 31, 2017, the Company had not yet achieved profitable operations, had an accumulated deficit of \$250.0 million since inception (December 31, 2016 – \$245.2 million), expects to incur further losses in the development of its business, and has a net working capital of deficit of \$10.0 million (December 31, 2016 – negative working capital of \$6.6 million). At March 31, 2017 and December 31, 2016, the Company had negative working capital as a result of the RCF loan being classified as current. On June 30, 2016 the Company entered into an amending agreement with RCF to extend the terms of its existing US\$15.0 million loan. The maturity date of the loan has been extended to December 31, 2017.

Noront’s financial instruments consist of cash and cash equivalents, investments, accounts payable, accrued liabilities, repayment options and long-term debt. Noront estimates that the fair value of its financial instruments (in the case of long term debt, excluding transaction costs) approximate its carrying values.

The Company will need to raise sufficient capital to further develop its properties and projects and to repay or refinance its long-term debt. The timing and ability to do so will depend on, among others, the state of the financial markets as well as the acceptance of investors to finance resource based junior companies, in addition to the results of the Company’s exploration programs and development activities and the acquisition of additional projects. At this time, the Company will rely on its ability to obtain equity or debt financing for the foreseeable future. Although the Company has been successful in the past in obtaining financing or restructuring its debt, there is no assurance that it will be able to obtain adequate financing or refinance its debt in the future or that such financing will be on terms advantageous to the Company. See also the discussion under the heading “Risks and Uncertainties” in this MD&A.

These material uncertainties cast significant doubt upon the Company’s ability to realize its assets and discharge its liabilities in the normal course of business and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern. The Company’s ability to continue as a going concern is dependent upon its ability to obtain the necessary financing to meet its ongoing corporate overhead expenditures, discharge its liabilities as they come due and advance the development of its projects in the Ring of Fire.

CONTRACTUAL OBLIGATIONS AND CONTINGENCIES

The contractual obligations for the ensuing five-year period can be summarized as follows:

Contractual Obligations

(expressed in \$ thousands)

Contractual Obligations	Total	Less than 1 year	2 -3 years	4 - 5 years	After 5 years
Operating Leases	554	324	58	25	147
Provision for Environmental Expenditure	2,014	-	-	-	2,014
Other Commitments	25	25	-	-	-
Debt Agreements with Related Party	19,949	19,949	-	-	-
Long Term Debt	46,786	-	-	46,786	-
Total Contractual Obligations	69,328	20,298	58	46,811	2,161

Operating lease obligations represent future minimum annual rentals under non-cancellable operating leases for Noront's mining lease, office space, vehicles and equipment.

Contingencies

The Company has an obligation as at March 31, 2017 to spend \$2.3 million on flow-through eligible exploration expenditures by December 31, 2017.

The Company currently has agreements with some contractors that include provisions where the contractors provide up-front work with the understanding that if the Eagle's Nest Project proceeds into the construction stage, they will be granted a contract for the agreed scope of services. In some cases, the contractor may be reimbursed for the time incurred, or an amount agreed up front, if the Project does not go ahead. As at March 31, 2017, the amount of this contingent liability is approximately \$250,000.

DISCLOSURE CONTROLS AND PROCEDURES

Management has established processes, which are in place to provide them with sufficient knowledge to support management representations that they have exercised reasonable diligence that:

- (i) the interim filings 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, with respect to the periods covered by the interim filings; and
- (ii) the interim financial statements together with the other financial information included in the interim filings of the Company 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 by the interim filings.

In contrast to the certificate required of non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Company utilizes the Venture Issuer Basic Certificate which 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 the 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
- (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 GAAP.

The certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer, such as the Company, 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.

CRITICAL ACCOUNTING ESTIMATES

The use of critical accounting estimates have been detailed in the Company's MD&A for the year ended December 31, 2016.

RISKS AND UNCERTAINTIES

Noront's business of exploring mineral resources involves a variety of operational, financial and regulatory risks that are typical in the natural resource industry. The risk factors have been detailed in the Company's MD&A for the year ended December 31, 2016 and the Company's most recent Annual Information Form, available electronically on SEDAR at www.sedar.com. As of May 25, 2017, the Company has not identified any material changes to the risk factors affecting its business. The Company's analyses of its risks are discussed throughout this MD&A; relevant sections of the MD&A should be referred to understand the likelihood of certain risks.

NON-IFRS FINANCIAL PERFORMANCE MEASURES

This MD&A contains references to "Working Capital" which is a non-IFRS financial performance measure. The Working Capital is calculated as the value of total current assets less the value of total current liabilities, excluding repayment options and flow-through share liability. The term Working Capital does not have any standardized meaning according to IFRS and therefore many not be comparable to similar measures presented by other companies. The Company believes that this measure of Working Capital provides information useful to its shareholders in the understanding the Company's performance and liquidity and may assist in the evaluation of the Company's business relative to that of its peers.

OUTSTANDING SHARE INFORMATION

As at May 25, 2017

Authorized	Unlimited
Issued and outstanding shares	327,711,422
Options outstanding	21,908,004
Warrants	45,706,356
Performance Share Units outstanding	3,000,000
Restricted Share Units outstanding	1,000,000
Convertible Debt	58,672,059
Fully diluted	457,997,841

ADDITIONAL INFORMATION

Additional information relating to Noront is available on the Internet at the SEDAR website www.sedar.com, and is available on the Company's website located at www.norontresources.com.