MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2015

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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 June 30, 2015, 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.

Matthew Downey, Senior Geologist 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 reports entitled "Feasibility Study, McFaulds Lake Property, Eagle's Nest Project, James Bay Lowlands, Ontario, Canada (effective date of September 4, 2012) (the "Feasibility Study"), and "Technical Report on the Updated Mineral Resource Estimate for the Blackbird Chrome Deposits, McFaulds Lake Project, James Bay Lowlands, Ontario, Canada" dated May 4, 2012 (effective date of December 31, 2011) (the "Blackbird Resource Update"). For further information on the Black Thor, Black Label, and Big Daddy deposits, please refer to Noront's technical report entitled "National Instrument 43-101 Technical Report, Black Thor, Black Label and Big Daddy Chromite Deposits, McFaulds Lake Area, Ontario, Canada, Porcupine Mining Division, NTS43D16, Mineral Resource Estimation Technical Report", dated July 27th, 2015. Each of the foregoing has been prepared in accordance with the requirements of NI 43-101 and available on SEDAR and the Company's website.

This information is current as of August 25th, 2015.

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 date of this MD&A 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 2015, 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 coordinate 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 2, 2015, 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, 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 also has a development stage chromite project known as "Blackbird"; two nickel-copper-platinum group metal discoveries known as "Eagle Two" and "AT-12"; an iron-vanadium-titanium discovery known as "Thunderbird"; and a shear-hosted gold occurrence called "Triple J".

As a result of the transaction with Cliffs Natural Resources Inc. which closed on April 28, 2015, the Company acquired approximately 103 claims in the Ring of Fire including a 100% interest in the Black Thor chromite deposit; a 100% interest in the Black Label chromite deposit, a 70% interest in the Big Daddy chromite deposit, 85% interest in the McFauld's Lake copper-zinc resource and other diamond exploration properties.

Noront now holds interest, mineral, and exploration rights to approximately 103,286 hectares of ground in Ontario, Quebec, and New Brunswick.

In Ontario, Noront holds interest, mineral, and exploration rights to 397 claims and 1 mining lease, totaling approximately 89,940 hectares of ground. Of that, 358 claims and 1 mining lease, totaling approximately 84,260 hectares of ground, are located in the "Ring of Fire". Noront is the largest land holder in the Ring of Fire and has 100% mineral exploration rights to 273 claims of approximately 61,008 hectares, 85% mineral exploration rights to 71 claims of approximately 15,936 hectares, 70% mineral exploration rights to 5 claims of approximately 1,216 hectares, 50% mineral exploration rights to 7 claims of approximately 1,792 hectares, and 45% mineral exploration rights to 2 claims of approximately 208 hectares. Noront also holds 100% mining rights to one mining lease covering 4,100 hectares, and of that, Noront has surface rights to 3,510 hectares.

In addition to properties in the Ring of Fire, Noront holds a 30% interest in 6 claims of approximately 688 hectares on the MacFadyen property near the Victor Diamond Mine. Noront also holds 100% mineral rights to 3 claims of approximately 256 hectares in the Bull Lake area near Elliot Lake (west of Sudbury) and 30 claims of approximately 4,736 hectares on the Sungold property near Quetico Provincial Park.

In New Brunswick, Noront holds interest, mineral, and exploration rights to 594 claim units covering approximately 13,234 hectares. Of this total, Noront holds a 49% interest in the Burnt Hill tin-tungsten-molybdenum property (390 claim units totaling 8,653 hectares) located in the southern-central part of the province and a 40% interest in the Golden Ridge gold property (204 claim units totaling 4,581 hectares) located adjacent to the Maine, U.S.A. border in the south-western part of the province.

In Quebec, Noront holds 100% interest, mineral, and exploration rights to 2 claims covering approximately 112 hectares on the Dalhousie property, located near Matagami, Quebec.

QUARTER REVIEW

Cliffs Transaction

On April 28, 2015 the Company closed the previously announced transaction to acquire the shares of Cliffs Chromite Ontario Inc. (CCOI) and Cliffs Chromite Far North Inc. (CCFNI) (the "Transaction"), both indirect wholly owned subsidiaries of Cliffs Natural Resources Inc. for a purchase price of US$27.5 million (CAD $33.1 million) (the "Transaction"). To finance the Transaction, the Company entered into an amended and restated loan agreement with Franco-Nevada Corporation ("Franco-Nevada") through which Franco-Nevada loaned US$25 million to the Company for a five-year period at a 7% interest rate with interest to be accrued and paid at the end of the loan term. In return, Franco-Nevada received a 3% gross smelter royalty over the Black Thor chromite deposit, a 2% gross smelter royalty over all of the Company's other chromite minerals excluding its interest in the Big Daddy Chromite deposit and a

2% net smelter royalty over all other minerals on the Company's Ring of Fire claims excluding its Eagle's Nest nickel, copper, platinum group elements deposit and its interest in the McFauld's Lake VMS deposit. The loan is secured against the CCOI and CCFNI assets acquired in connection with the Transaction. In addition, the Company received US$3.5 million in cash consideration from Franco-Nevada for granting of the royalty over the existing Noront properties.

The Transaction included the acquisition of approximately 103 claims that were owned by CCOI and CCFNI, including a 100% interest in the Black Thor chromite deposit; a 100% interest in the Black Label chromite deposit; and, a 70% interest in the Big Daddy chromite deposit. It also gives Noront 85% ownership of the McFauld's Lake copper-zinc resource. As a result of the Transaction, Noront also acquired a 13.8% equity ownership (111,733,215 shares) of KWG Resources Inc.

The Company was able to take advantage of a unique opportunity to acquire high quality chromite assets and a land package which the Company believes has excellent potential for further discoveries at an attractive price and in a manner which did not dilute existing shareholders. As a result of the transaction, the Company now owns or has a majority ownership position in every material discovery in the Ring of Fire.

The Company's chromite assets are high grade and of a size that may represent a multi-generational mining opportunity. The Company plans to evaluate the technical data it acquired through the transaction for the purposes of putting together a strategic chromite plan. The Company will invite input from government and First Nation communities in the discussions concerning development scenarios. The Company will continue to progress the Eagle's Nest project to production in parallel to this planning process.

The Transaction also strategically improved the Company's position in advancing the development of the Ring of Fire Region. The Company believes having a common vision for development will unlock value for all stakeholders. One of the overall goals of the Company is to become experts in the Ring of Fire both technically and socially, and being the most significant claim holder in the area will allow the Company to strategically take the leadership role in this area.

The Ring of Fire is an emerging mining camp and the Company believes there is excellent exploration potential to make additional discoveries in the region. As such the Company has spent considerable time re-evaluating exploration data and plans to carry out a focused exploration program in the near term. As a result of the transaction and including its previously held claims, the Company now holds 30 kilometres of the most favourable contact for nickel sulphide mineralization in the Ring of Fire. The Company also believes there is potential for further volcanic massive sulphide mineralization over a horizon which currently includes the McFauld's copper-zinc resource and potential for further discoveries of precious metals.

Permitting and Sustainability Initiatives

During the quarter, the Company received a Notice of Approval from the Ontario Ministry of Environment and Climate Change on the Terms of Reference for its Eagle's Nest nickel-copper-platinum-palladium project. The Terms of Reference allows the Company to move forward on the environmental assessment (EA) process for what is expected to be the first mine in the Ring of Fire. The Company believes that this is a significant step because it allows the advancement of the provincial EA process for Eagle's Nest and provides direction on how the province would like the Company to work with local communities. This is the first Terms of Reference issued by the provincial government for a mining project in the Ring of Fire.

Noront has been collecting baseline environmental data on its Eagle's Nest mine, evaluating impacts and developing mitigation strategies for three years. A draft EIS/EA Report was completed and circulated for comment in December 2013. Going forward, the additional work defined by the Terms of Reference amendments will be integrated into the Company's existing documentation to satisfy both the federal and provincial environmental assessment requirements.

Upon completion of the environmental assessments, Noront will proceed with the acquisition of all regulatory permits and approvals to begin access road and mine site construction activities.

The Company continues to believe in the prospectivity of the Ring of Fire, especially areas which have not been aggressively explored. On May 22, 2015, the Company received a Regional Exploration Permit from the provincial government and will consider further exploration opportunities as available financing allows.

Financing

On June 30, 2015, the Company entered into a definitive agreement with Resource Capital Fund V L.P. (RCF) for a US $2.0 million bridge loan facility (the “Facility”) and has drawn down the aggregate principal amount available under the Facility (the “Drawdown”). The Facility has a six month term and interest on the Facility will be paid quarterly, in arrears, in common shares of Noront (“Common Shares”) based on the volume-weighted average trading price of such Common Shares the 20 days prior to the date of each interest period determination (subject to applicable minimum pricing requirements of the TSX Venture Exchange), or at RCF’s option, in cash. On July 10, 2015, the establishment fee of 2% of the principal amount of the Facility was paid to RCF by issuance of 101,852 Common Shares. As part of the Facility agreement, RCF has undertaken to roll the amount outstanding into the Company’s next equity offering provided the Company enters into an equity financing of at least $10 million which shall include the amount then outstanding on the Facility.

Corporate

During the quarter, Stephen Flewelling, P. Eng., joined Noront’s executive team as Senior Vice President, Mining & Projects. Steve is a senior mining executive with more than 30 years of experience in exploration, feasibility planning, project development, construction and operations. He has worked domestically and abroad in a variety of roles and across multiple commodities. Most recently, Mr. Flewelling was Senior Vice-President of Projects and Exploration at Glencore / Xstrata Nickel. Over his career, Mr. Flewelling has held various senior positions at Glencore/Xstrata and its predecessor companies including Vice-President, Projects and Engineering; Manager of Mines; and Director of Technical Services.

EAGLE’S NEST

The Eagle’s Nest deposit is a nickel, copper, platinum group element deposit containing proven and probable reserves of 11.1 million tonnes grading 1.68% nickel, 0.87% copper, 0.89 grams per tonne platinum and 3.09 grams per tonne palladium. In addition the deposit has inferred resources of 9.0 million tonnes grading 1.10% nickel, 1.14% copper, 1.16 grams per tonne platinum and 3.49 grams per tonne palladium.

The Company’s Feasibility Study prepared in accordance with the requirements of NI 43-101, with an effective date of September 4, 2012, was completed by Independent Consultants[1] under the supervision of Micon International.

The discounted cash flow (“DCF”) from the Feasibility Study based on the assumed metal prices[2] indicates an after tax Net Present Value (“NPV”) at an 8% discount rate of $543 million, an after tax Internal Rate of Return (“IRR”) exceeding 28%, a payback period of less than 3 years, an estimated initial capital investment of $609 million and an estimated life of mine sustaining capital cost of $160 million.

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[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.

[2] The Feasibility Study economic analysis is based on the following metal prices derived on a three year trailing average basis as of August 31, 2012 and exchange rates:

Nickel	US$9.43 per pound
Copper	US$3.60 per pound
Platinum	US$1,601 per ounce
Palladium	US$599 per ounce
USD-CAD	1.01

At current metal prices[3] and exchange rates, the Eagle's Nest Project (the "Project") has an after tax IRR of approximately 14.9% and a DCF (at an 8% discount factor) would result in an after tax NPV of approximately $165 million. Given the economics at current metal prices, the Company continues to work diligently to advance its Eagle's Nest Project to production.

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.

The full results of the Feasibility Study are available on the Company's website and on SEDAR ("Technical Report NI 43-101") dated October 19, 2012.

On December 20, 2013, the Company completed a coordinated Federal/Provincial Environmental Impact Statement ("EIS") / Provincial Environmental Assessment ("EA") for its Eagle's Nest Project. A draft copy was circulated for comment to the Canadian Environmental Assessment Agency ("CEAA") and the Ontario Ministry of the Environment ("MOE"). A copy is also available on the Company's website for comment by interested parties. The Company is working with the provincial government, federal government and regional stakeholders through the EA process to allow for final EA approval in 2016. The Company will also be applying for the necessary permits to allow for development and mining operations.

In anticipation of receiving approval on the EIS/EA and entering into an infrastructure agreement, management is planning to update the Feasibility Study, released in October 2012, and to carry out certain optimization studies in the second half of 2015.

[3] Current metal prices and exchange rates as at June 30, 2015:

Nickel	US$5.51 per pound
Copper	US$2.62 per pound
Platinum	US$1,081 per ounce
Palladium	US$701 per ounce
USD-CAD	1.203

After taking into consideration the transaction in which the Company acquired the chromite assets of Cliffs Natural Resources Inc., the Company has the following chromite resources[4]:

Deposit	Classification	Tonnes (Millions)	Cr2O3 %
Blackbird	Measured Resources	9.3	37.44
	Indicated Resources	11.2	34.36
	Meas. + Ind. Resources	20.5	35.76
	Inferred Resources	23.5	33.14
Black Thor	Measured Resources	107.6	32.2
	Indicated Resources	30.2	28.9
	Meas. + Ind. Resources	137.7	31.5
	Inferred Resources	26.8	29.3
Black Label	Measured Resources	---	---
	Indicated Resources	5.4	25.3
	Meas. + Ind. Resources	5.4	25.3
	Inferred Resources	0.9	22.8
Big Daddy	Measured Resources	23.3	32.1
	Indicated Resources	5.8	30.1
	Meas. + Ind. Resources	29.1	31.7
	Inferred Resources	3.4	28.1

A cut-off grade of 20% Cr2O3 was used in the above tables.

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 Blackbird deposit is 2 km from the Company's Eagle's Nest project is conducive to bulk underground mining and can potentially share infrastructure with Eagle's Nest. The Blackbird Resource is a classic stratiform deposit with original chromite layers broken up into segments 300 to 400 metres in length. Chromite layers are sub-vertical and extend from surface to beyond 300 metres. There are four massive segments, grading approximately 35% Cr_2O_3 and ranging from 5 to 35 metres in average true thickness.

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 width (with maximum widths at Black Thor reaching up to 130 metres).

As a result of the above transaction, the Company also has a significant amount of technical data which supported Cliff's project work. The Company will be reviewing the technical data acquired and will be putting together a plan to progress any potential chromite opportunities. The Company believes these resources are sufficient to support a mine plan in excess of 50 years.

[4] 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.Geo., of the Sibley Basin Group.

McFauld's Lake VMS Deposits

The two McFauld's deposits are volcanic massive sulphide type occurrences and are the centerpiece of an 80 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 Resources Inc. and UC Resources Limited, former Joint Venture partners with KWG Resources Inc., with the following resources[5]:

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

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

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.

[5] 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.

SELECTED FINANCIAL INFORMATION

The following financial data are derived from the Company's financial statements for the three and six months ended June 30, 2015 and the three and six months ended June 30, 2014 and have been prepared in accordance with IFRS:

(expressed in $ thousands except per share amounts)	Three months ended June 30,		Six months ended June 30,	
(Unaudited)	2015	2014	2015	2014
Development and exploration expenditures	1,073	1,367	2,553	2,609
Office and general	568	1,083	2,279	2,146
Amortization	121	111	243	219
Share-based compensation	248	275	492	600
Interest income	2	40	10	74
Interest expense	742	297	1,122	695
Gain on sale of marketable security	142	-	142	-
Gain on sale of royalty	4,149	-	4,149	-
Accretion expense	436	129	578	204
Net income (loss)	3,919	(4,337)	8,258	(11,037)
Net earnings (loss) per share – basic	0.02	(0.02)	(0.03)	(0.05)
Net earnings (loss) per share – diluted [1]	0.00	(0.02)	(0.03)	(0.05)
Cash flow used in operations	(2,009)	(2,662)	(4,168)	(4,940)
Cash and cash equivalents	4,029	9,921	4,029	9,921
Working Capital [2]	(20,113)	9,511	(20,113)	9,511

(1) In periods where there is a net loss, weighted average common shares outstanding, used in the calculation of dilutive net loss per share, are not reflective of the outstanding stock options at that time as their exercise would be anti-dilutive in the net loss per share calculation. In periods with net income, stock options are included in the earnings per share calculation to the extent that their exercise would be dilutive.

(2) Working capital includes all current assets and current liabilities, excluding non-cash repayment options

Three and Six Months Ended June 30, 2015 Compared to Three and Six Months Ended June 30, 2014

Development and Exploration Expenditures

(expressed in $ thousands)	Three months ended June 30,		Six months ended June 30,	
(Unaudited)	2015	2014	2015	2014
Owner's Costs	$ 370	$ 383	$ 883	$ 662
Camp Operations	487	469	1,074	828
Permitting	148	925	314	1,529
Engineering	54	157	169	157
Site & Road Geotechnical	5	-	104	-
Other	9	(567)	9	(567)
Total	$ 1,073	$ 1,367	$ 2,553	$ 2,609

Owner's Costs

Owner's costs consist of the Company's project management personnel and direct consultants. Owner's costs for the current quarter are consistent with the prior year comparable period. During the six months ended June 30, 2015, owner's cost includes more direct consultants than the prior year comparable period.

Camp Operations

Camp operations for the current quarter are consistent with the prior year comparable period. During the six months ended June 30, 2015, costs for camp operations were primarily higher than the comparable period due to an increase in camp activity during EA fieldwork and the completion of the DC Resistivity survey.

Permitting

Permitting expenses consist of costs related to the completion of the Company's EA and community consultation required for the Company's EA application. During the three months ended June 30, 2015, $0.04 million was spent on studies to support the EA and $0.1 million was spent on community consultation compared to $0.4 million spent on EA related studies and $0.5 million on community consultation spent in the prior year comparable quarter. During the six months ended June 30, 2015, $0.09 million was spent on studies to support the EA and $0.22 million was spent on community consultation compared to $1.0 million spent on EA related studies and $0.5 million on community consultation spent in the prior year comparable period.

Engineering

Engineering expenses primarily consist of costs related to updating the 2012 Feasibility Study and mine design alternatives and completion of the Heli-GT Magnetometer Gradient Survey to identify potential structural breaks which could impact the mine development and design.

Site and Road Geotechnical

Site and Road Geotechnical expenses consist of costs related to the DC Resistivity Survey over the Eagle's Nest area for the purpose of detecting the thickness of overburden. This method provides high resolution imaging which will reduce the number of drill holes required to map the bedrock in areas where surface infrastructure will be located.

Office and General

(expressed in $ thousands)	Three months ended June 30,		Six months ended June 30,	
(Unaudited)	2015	2014	2015	2014
General Administration	$ 836	$ 701	1,556	1,366
Professional fees	(360)	297	544	519
Communications and travel	92	85	179	261
Total	$ 568	$ 1,083	$ 2,279	$ 2,146

General Administration

For the three and six months ended June 30, 2015, the general administration expenses were higher due to increase in salaries and benefits compared to prior year.

Professional fees

During the three months ended June 30, 2015, professional fees related to the acquisition of Cliffs Chromite assets and entering into the loan agreement with Franco-Nevada were capitalized. Approximately $0.6 million of these costs were originally expensed in the first quarter of the current fiscal year and approximately $0.9 million of transaction costs were subsequently capitalized in the current quarter.

Over the 6 month period ended June 30, 2015, professional fees were consistent with the prior year comparable period.

Communications and travel

For the three months ended June 30, 2015 communications and travel costs were consistent with the prior year comparable quarter. For the six months ended June 30, 2015, communications and travel costs were lower than prior year comparable period due to significantly less travel in the first quarter of the year.

Interest Expense

Interest expense consists of quarterly interest payments for the Company's long-term loan facilities. For the RCF convertible loan, the Company satisfied the payment of interest of $0.3 million for the last quarter of 2014 by delivery of 1,253,888 common shares of the Company and $0.4 million of interest for the first quarter of 2015 by delivery of 728,588 common shares of the Company during the six months ended June 30, 2015. Interest expense was accrued for the three months ended June 30, 2015 in the amount of $0.4 million.

The Company also accrued $0.4 million for the Long Term Loan to Franco-Nevada for the period April 28, 2015 to June 30, 2015.

In the prior year comparable period, the Company satisfied the payment of interest of $0.4 million for the RCF convertible loan by delivery of 2,104,398 common shares of the Company for the first quarter of 2014 with an accrual for the three months ended June 30, 2014 for $0.3 million.

SUMMARY OF CASH FLOWS

(expressed in $ thousands)	Six months ended June 30,	
(Unaudited)	2015	2014
Cash used in operating activities	(4,168)	(4,939)
Cash used in investing activities	(19,610)	(293)
Cash provided by financing activities	22,775	56
	(1,003)	(5,176)

Operating Activities

For the six months ended June 30, 2015, the Company had a lower cash outflow from operations of $4.2 million compared to a cash outflow of $4.9 million in the prior year comparable period.

Investing Activities

For the six months ended June 30, 2015, the Company had cash outflows of $19.6 million due to the acquisition of Cliffs chromite assets offset by the proceeds from the sale of royalties. For the six months ended June 30, 2014, the Company had a $0.3 million in cash outflows from the purchase of camp equipment and computer software.

Financing Activities

For the six months ended June 30, 2015 cash was provided primarily from the loan facilities with Franco-Nevada and RCF. For the six months ended June 30, 2014, cash was provided from the exercise of stock options offset by payments toward the Company's finance lease.

SUMMARY OF QUARTERLY RESULTS

(expressed in $ thousands except per share amounts) (Unaudited)	2015 Apr-Jun	2015 Jan-Mar	2014 Oct-Dec	2014 Jul-Sep	2014 Apr-Jun	2014 Jan-Mar	2013 Nov-Dec	2013 Aug-Oct
Expenses	3,187	4,080	3,080	3,999	3,262	3,212	3,309	3,242
Gain on sale of marketable securities	142	-	-	-	-	-	-	1,040
Gain on sale of mineral property	-	-	-	-	-	-	-	7,144
Gain on sale of royalty	4,149	-	-	-	-	-	-	-
Remeasurement of repayment options	3,727	(6,732)	637	3,989	(1,513)	(3,082)	(130)	19
Foreign exchange loss	(909)	(1,373)	(447)	(573)	396	(440)	(216)	(158)
Net (income) loss	3,919	(12,177)	(2,696)	(561)	(4,337)	(6,700)	(3,630)	4,842
Net earnings (loss) per share – basic	0.02	(0.05)	(0.01)	-	(0.02)	(0.03)	(0.02)	0.02
Net earnings (loss) per share – diluted [1]	0.00	(0.05)	(0.01)	-	(0.02)	(0.03)	(0.02)	0.02
Cash and cash equivalents	4,029	2,648	4,803	7,360	9,921	12,799	15,085	15,740
Working Capital[2]	(20,113)	(17,368)	(12,644)	6,462	9,511	11,920	14,188	16,794
Assets	32,777	7,098	8,816	11,065	14,245	16,899	19,150	21,448
Long-term Liabilities	22,262	1,501	1,467	18,420	21,509	20,399	16,650	16,217

(1) In periods where there is a net loss, weighted average common shares outstanding, used in the calculation of dilutive net loss per share, are not reflective of the outstanding stock options at that time as their exercise would be anti-dilutive in the net loss per share calculation. In periods with net income, stock options are included in the earnings per share calculation to the extent that their exercise would be dilutive.

(2) Working capital includes all current assets and current liabilities, excluding non-cash repayment options

The quarterly variation in expenses is mainly attributable to timing of technical studies, exploration drill programs, and stock option expense which is recognized at the time of grant in accordance with vesting provisions. Since December 31, 2014 working capital has been negative due to the presentation of the convertible loan facility with RCF as current because of its stated maturity of December 31, 2015.

LIQUIDITY AND CAPITAL RESOURCES

At June 30, 2015, the Company had not yet achieved profitable operations, had an accumulated deficit of $224.0 million since inception (December 31, 2014 – $215.8 million), expects to incur further losses in the development of its business, and has a negative net working capital of $20.1 million (December 31, 2014 – $12.6 million) as a result of the classification of the RCF loan facilities of US$17 million. The loan facility is convertible into equity with a conversion price of $0.45 per share at the option of RCF any time prior to December 31, 2015. Net working capital includes all current assets and current liabilities, excluding non-cash repayment options of $3.9 million (December 31, 2014 - $0.9 million). Management is currently evaluating its financing options with respect to the loan facility which is due December 31, 2015. These material uncertainties may 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 develop the Company's projects in the Ring of Fire and to meet its ongoing corporate overhead expenditures and discharge its liabilities as they come due.

The Company's cash position (cash and cash equivalents) at June 30, 2015 was $4.0 million compared to $4.8 million as at December 31, 2014.

Noront's financial instruments consist of cash, marketable securities, taxes and other receivables, accounts payable, accrued liabilities, debt and repayment options. Noront estimates that the fair value of these financial instruments approximate the carrying values.

The Company will need to raise sufficient capital to further develop its properties and projects prior to the larger capital financing required to start construction of the Eagle's Nest Mine. The timing and ability to do so will depend on, among others, the status 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. See also the discussion under the heading "Risks and Uncertainties" in this MD&A. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company

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**	**1 -3 years**	**4 - 5 years**	**After 5 years**
Operating Leases	1,314	223	906	25	160
Provision for Environmental Expenditure	1,452	-	-	-	1,452
Other Commitments	25	25	-	-	-
Debt Agreements with Related Party	20,649	20,649	-	-	-
Long Term Debt	20,809	-	-	-	20,809
Total Contractual Obligations	44,249	20,897	906	25	22,421

Operating lease obligations represent future minimum annual rentals under non-cancellable operating leases for Noront's mining lease, office space, vehicles and equipment. Other Commitments represents minimum payments under certain service agreements.

Contingencies

The Company currently has agreements with several constructors that include provisions where the constructors provide up-front time with the understanding that if the Eagles Nest Project proceeds into the construction stage, they will be granted a contract for the agreed scope of services. In some cases, the constructor may be reimbursed for the time incurred, or an amount agreed up front, if the Project does not go ahead. As at June 30, 2015, 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 audited annual 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 audited annual financial statements; and

(ii) the audited annual financial statements together with the other financial information included in the annual 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 audited annual financial statements.

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, 2014. As of August 25, 2015, the Company has identified the following changes to the critical accounting estimates affecting the financial statements for the six month period ending June 30, 2015:

Loan Facility and Royalty Interests

The Company granted royalty interests on the mineral claims it acquired through the acquisition of certain subsidiary companies of Cliff's Natural Resources (the "Royalty Interests"). These Royalty Interests are over potential future projects which have not yet been defined. As a result, the Company has determined the fair value of the Royalty Interests by estimating the fair value of the consideration received. The Company received what management considers to be a below market loan as consideration for the royalty interests. Management estimated the fair value of the Royalty Interests by calculating the difference between the present value of the future payment stream using managements estimate of a market interest rate of approximately 15% and the face value of the loan being USD$25 million and the stated interest rate of the loan (7%). The loan was also initially recorded at its fair value as determined by the above fair value calculation.

Asset Acquisition

The assessment of whether an acquisition meets the definition of a business, or whether assets are acquired is an area of key judgment. If deemed to be a business combination, applying the acquisition method to business combinations requires each identifiable asset and liability to be measured at its acquisition-date fair value. Any excess of the fair value of consideration over the fair value of the net identifiable assets acquired is recognized as goodwill. The acquisition of a business generally has three elements:

Inputs – an economic resource that creates outputs when one or more processes are applied to it;

Process – a system, standard, protocol, convention or rule that when applied to an input or inputs, creates outputs;

Output – the result of inputs and processes applied to those inputs.

The acquisition of chromite assets during the quarter is accounted for in these interim financial statements as an asset acquisition since the process and output elements of a business combination were not present at the acquisition date.

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, 2014 and the Company's Annual Information Form, available electronically on SEDAR at www.sedar.com. As of August 25, 2015, the Company has not identified any material changes to the risk factors affecting its business and its approach to managing those risks.

OUTSTANDING SHARE INFORMATION

As at August 25, 2015	
Authorized	Unlimited
Issued and outstanding shares	241,737,618
Options outstanding	18,486,667
Performance Share Units outstanding	2,000,000
Restricted Share Units outstanding	335,000
Convertible Debt	40,845,404
Fully diluted	303,404,689

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**.