SUPERIOR GOLD INC.

Management's Discussion and Analysis

For the three and twelve months ended December 31, 2021

March 7, 2022

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

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MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE COMPANY

Notes

This Management's Discussion and Analysis ("MD&A") dated March 7, 2022, should be read in conjunction with Superior Gold's audited consolidated financial statements and related notes for the twelve months ended December 31, 2021 and 2020 ("financial statements") which are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The following is intended to supplement and complement the financial statements and notes thereto of the Corporation. All dollar figures stated herein are expressed in thousands of United States dollars, except for per share or per ounce amounts or unless otherwise specified. The Company's public filings can be viewed on the SEDAR website (www.sedar.com) and on the Company's website (www.superior-gold.com).

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

Description of the Business

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

Fourth Quarter Highlights

- Production of 20,983 ounces, a 32% increase over the comparative quarter of 2020
- Sold 21,143 ounces of gold at total cash costs[1] of $1,290 per ounce sold, a reduction of $276 per ounce sold or 18% in comparison to the fourth quarter of 2020
- All-in sustaining costs[1] fell by $269 per ounce sold or 16% to $1,416 per ounce sold, below the realized gold price[1] of $1,786 per ounce, after higher sustaining exploration and capital expenditures[1]
- Cash flow from operations, after working capital changes, of $8,548, an increase of $15,170 from the fourth quarter of 2020, exiting the quarter with a strong financial position of $23.8 million in cash and cash equivalents and a working capital[1] position of $10,412
- The Company is now an unhedged producer following the delivery of the remaining ounces under call options related to the repaid Auramet Gold loan
- Net income for the period was $0.03 per share and Adjusted net income[1] was $0.03 per share
- Appointment of Vice President, Investor Relations

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

Full Year Highlights

- Exceeded top end of 2021 production guidance with 77,321 ounces produced, a 23% increase over the prior year and came in below the bottom end of 2021 all-in sustaining cost[1] guidance
- Sold 77,061 ounces of gold at total cash costs[1] of $1,355 per ounce sold and all-in sustaining costs[1] of $1,472 per ounce sold, below the realized gold price[1] of $1,784 per ounce, generating revenue of $137,660
- Both total cash costs[1] and all-in sustaining costs[1] fell by 6% or $81 per ounce sold and $92 per ounce sold, respectively despite the strengthening of the Australian dollar in the first half of 2021
- Cash flow from operations, after working capital changes, excluding the Gold loan repayment of $4,413 to Auramet was $25,960
- Net income for the year of $0.08 per share and Adjusted net income[1] of $0.07 per share
- Fully repaid the Gold loan with Auramet and settled all remaining gold call options to end the year as an unhedged gold producer
- Began mining of the Plutonic East and Perch open pits and announced an early entry into the main pit pushback project for 2022
- Continued exploration success along the Western Mining Front and the Indian Access Mining Front

Impact of COVID-19

On March 11, 2020, the World Health Organization declared a global pandemic related to COVID-19. The COVID-19 pandemic is still impacting business worldwide and current measures to combat the spread are vastly different depending on the location of an entity's operations. The unpredictable nature of the length of the COVID-19 pandemic and the severity of measures that may be taken is subject to significant variability and accordingly, estimates as to the impact on the Company's financial results in future periods is uncertain. The judgments, inputs and assumptions used as at December 31, 2021 and for the three and twelve months ended December 31, 2021, whether related to COVID-19 or otherwise, have been considered and, where appropriate, reflected in the condensed consolidated interim financial statements. The future impact of COVID-19 actions as at December 31, 2021 are unknown.

To date COVID-19 has not had a significant negative impact on the Company's operations. To address the risk of the pandemic to the Plutonic Gold Operations, the Company instituted a number of measures to reduce the potential risk to employees and communities, which includes steps to mitigate the effects of potential supply chain disruptions.

With respect to supply chain considerations, the Company has not experienced any significant disruptions with regards to its supply chain as a result of COVID-19 and continues to operate in a pre-COVID-19 manner albeit with an increase in inventories of critical consumables. The Company continues to work with its suppliers to ensure the ongoing availability of critical supplies. As a precautionary measure, the Company has established an inventory of key supplies at site. The government of Western Australia recently instituted a requirement that fly-in / fly-out operations ensure that all personnel working on site be vaccinated.

The Company's revenue stream has not been materially negatively impacted by COVID-19 to date and therefore has not been subject to emergency government measures to support the Company or its workers. The Company continues to monitor actions taken by governments in Australia and Western

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

Australia to develop, optimize and execute plans to access any benefits that may become applicable or to react to any further restrictions imposed.

To date, the Company's ability to meet its borrowing and leasing obligations have not been impacted by COVID-19 and the Company is not subject to concessions nor has it received permission to defer payments, at this time. Credit markets remain open and as a gold producer, management believes it has access to additional credit should it become necessary, at costs that are not prohibitive.

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

Key Business Developments

Plutonic Gold Operations

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

The Plutonic Gold Mine includes a producing underground gold operation and producing open pit operations in close proximity to the central mill.

The Hermes Gold Mine ("Hermes") is located approximately 65 kilometres south-west of the Plutonic Gold Mine. It includes the wholly-owned Hermes open pits and a 70-80% interest in the BBJV, which covers the Hermes South open pit project located approximately 20 kilometres south-west of the Hermes open pits.

The Company continues to advance other open pit opportunities near the mill, including the main pit pushback project where the Company announced positive results from an independent preliminary economic assessment filed on December 30, 2020 and is also developing the best long-term open pit operational scenario for the Hermes Gold Mine.

Quarterly performance summary

The Plutonic Gold Operations produced and sold 20,983 and 21,143 ounces of gold, respectively, for the fourth quarter of 2021. Total cash costs[1] of $1,290/ounce sold and all-in sustaining costs[1] of $1,416/ounce sold were below the realized gold price[1] of $1,786/ounce for the three-month period ending December 31, 2021. In comparison, 15,838 and 15,855 ounces of gold were produced and sold, respectively for the fourth quarter of 2020. Total cash costs[1] of $1,566/ounce sold and all-in sustaining costs[1] of $1,685/ounce sold were below the realized gold price[1] of $1,726/ounce for the three-month period ending December 31, 2020.

Total cash costs[1] and all-in sustaining cash costs[1] decreased by 18% or $276 per ounce sold and 16% or $269 per ounce sold, respectively, over the prior period primarily as a result of increased underground tonnages and higher grade open pit material mined that lead to an increased milled grade and subsequently higher number of ounces of gold sold. The decrease in all-in sustaining cash costs[1] was partially offset by higher sustaining exploration and capital expenditures[1] in comparison

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

to the fourth quarter of 2020. The Company generated net cash from operations after working capital changes of $8,548 for the three months ending December 31, 2021.

Year to date performance summary

The Plutonic Gold Operations produced and sold 77,321 and 77,061 ounces of gold, respectively, for the twelve months ended December 31, 2021. Total cash costs[1] of $1,355/ounce sold and all-in sustaining costs[1] of $1,472/ounce were below the realized gold price[1] of $1,784/ounce for the twelve-month period ending December 31, 2021. In comparison, 63,065 and 63,732 ounces of gold were produced and sold, respectively, for the twelve months ended December 31, 2020. Total cash costs[1] of $1,436/ounce sold and all-in sustaining costs[1] of $1,564/ounce were below the realized gold price[1] of $1,665/ounce for the twelve-month period ending December 31, 2020.

Total cash costs[1] and all-in sustaining cash costs[1] decreased by 6% or $81 per ounce sold and $92 per ounce sold, respectively, over the prior period primarily due to the higher number of ounces of gold sold, partially offset by strengthening of the Australian dollar relative to the U.S. dollar in comparison to the twelve months ended December 31, 2020. The inclusion of mining from the Plutonic East and Perch open pits allowed for a significant reduction in the processing of the low grade legacy stockpile in 2021 relative to 2020 which contributed to the increase in ounces sold. The Company generated net cash from operations after non-cash working capital changes of $25,960 for the twelve months ended December 31, 2021, excluding the Gold loan repayment of $4,413.

Exploration Activities

In the first quarter of 2021 the Company embarked on an accelerated exploration program that continued through the fourth quarter to focus on organic growth and opening new mining fronts. During the three months ended December, 2021, the Company operated three underground diamond drilling rigs with 20,291 metres of drilling completed in 259 holes. Of the total, 12,898 metres were drilled for grade control and stope design in 198 holes. The remaining 7,393 metres were drilled for reserve and resource expansion in 61 holes. A total of 83 holes for 5,303 metres of RC drilling was completed in surface exploration. A soil sampling program was completed on the Mt Pleasant tenement and the anomalous results received using a different analysis technique are being reviewed and interpreted for potential follow up work.

The Company is currently focused on underground reserve and resource expansion by completing in-fill drilling and exploration drilling of new underground mining fronts, specifically the Western Mining Front and the Baltic Gap. As announced on June 23, 2021, the Baltic Gap mining front has now been interpreted to have a strike length of 350 meters and up to 200 meters down dip while remaining open along strike and at depth (refer to News Release dated March 29, 2021). These new drill intersections and drilling results announced on August 17, 2021 and the Western Mining Front results on November29, 2021 will be reflected in the updated Mineral Reserve and Mineral Resource estimates scheduled to be released near the end of the first quarter of 2022. Further exploration is planned for this area as new drill platforms are planned as part of the mining layout to access these areas.

The Company has prioritized exploration in 2022 and has an increased budget for exploration of between 8.0 to 10.0 million. Continued exploration of the western mining front will continue as well as Indian access and there will be additional exploration at potential new open-pit targets.

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

A second set of results reported on December 13, 2021, extended high-grade mineralization within the Indian Access zone which is close to the current portal at the Plutonic Mine. A total of 23 underground exploration drill holes, were drilled through to October 2021, for a total of 3,935 metres of diamond drilling. Drilling was focused on extending and infilling known mineralization in the Indian Access area, located between the existing Caribbean and Indian mining areas at Plutonic. The Indian Access mining area is under-explored and remains open along strike and down dip as it is yet to be fully drill tested. The Indian Access mining area increased in priority following a reinterpretation of mineralization controls particularly given its proximity to existing infrastructure and surface. This area of interest represents a footprint of approximately 400 metres by 200 metres between existing development and a potential new mining front that is separate from the previously announced Western Mining Front

Total expenditures for the fourth quarter were $1,768, of which $1,087 was expensed and $681 was capitalized to mining interests. Total expenditures for the comparative 2020 quarter were $900, of which $576 was expensed and $324 was capitalized to mining interests.

Year to date expenditures increased by 29% or $1,227 to $5,448, of which $3,140 was expensed and $2,308 was capitalized to mining interests. The comparative year to date expenditures for 2020 were $4,221, of which $2,644 was expensed and $1,577 was capitalized to mining interests.

Outlook

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

- Targeting mine exploration programs to open new fronts and reduce reliance on remnant mining whilst increasing ore delivery from underground
- Improving mining practices to lower costs and increase production
- Increasing operational efficiencies especially in the process plant
- Optimizing of the global resource model
- Advancing open pit opportunities close to the mill

The Company has provided its 2022 production guidance in the table below. It is anticipated that the first quarter of 2022 will be the weakest due to a planned 14-day maintenance shutdown of the SAG mill, but progressively improve as the Company increases production tonnages from the underground and accesses higher grade open pit material from Main Pit Deeps.

2022 Guidance	**Guidance (January 17, 2022)**
Production (oz of Gold)	80,000 - 90,000
Cash Costs ($/oz)[1]	$1,300 - $1,450
All In Sustaining Costs ($/oz)[1]	$1,450 - $1,600

Note: Guidance is based on an estimated Australian to U.S. dollar exchange rate of 0.75.

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

Summary of Operational Results

	Three months ended December 31		Twelve months ended December 31		
	2021	2020	2021	2020	2019
Stope material mined (000's t)	181	139	649	601	538
Stope grade mined (g/t)	3.14	3.12	3.20	2.91	3.10
Development ore mined (000's t)	187	57	187	243	270
Development grade mined (g/t)	1.39	1.75	1.39	1.93	1.77
Open pit ore mined (000's t)	120	-	412	-	696
Open pit grade mined (g/t)	0.62	-	0.71	-	1.03
Open pit waste mined (000's t)	239	-	580	-	1,595
Strip Ratio (t:t)	2.00	-	4.55	-	2.3
Underground ore milled (000's t)	222	198	832	824	790
Underground grade milled (g/t)	2.93	2.69	2.84	2.62	2.68
Open pit ore milled (000's t)	137	-	397	-	828
Open pit grade milled (g/t)	0.66	-	0.73	-	1.01
Other ore milled (000's t)	31	168	280	681	64
Other ore grade milled (g/t)	0.40	0.34	0.42	0.31	0.57
Total ore milled (000's t)	389	366	1,509	1,505	1,681
Grade milled (g/t)	1.9	1.6	1.8	1.6	1.8
Gold recovery (%)	87	84	87	83	86
Gold produced (oz)	20,983	15,838	77,321	63,065	83,035
Gold sold (oz)	21,143	15,855	77,061	63,732	83,241
Total cash costs ($/oz) (1)	1,290	1,566	1,355	1,436	1,284
All-in sustaining costs ($/oz) (1)	1,416	1,685	1,472	1,564	1,387
Realized gold price ($/oz) (1)	1,786	1,726	1,784	1,665	1,387

Quarterly operational results

The Plutonic Gold Operations produced 20,983 ounces of gold in the three-month period ending December 31, 2021 as compared to 15,838 ounces of gold in three-month period ending December 31, 2020. The increase is largely a result of the 30% increase in stope material mined, the contribution of higher grade open pit material of 0.66 g/t from the Plutonic East and Perch pits that in large part replaced the processing of lower grade legacy stockpiles of 0.34 g/t, and marginally higher underground grade relative to the comparative quarter.

Total material milled during the three months ended December 31, 2021 increased by 6% to 389 thousand tonnes compared to the same period in 2020, as throughput rates were increased as there was an increase in the availability of underground and open pit tonnes mined. Head grade increased from 1.6 g/t to 1.9 g/t primarily as a result of an increase in contribution from underground and the higher grade open pit material that replaced a majority of the mill feed from the low grade legacy stockpiles in the three months ended December 31, 2020. Recovery rates improved as a result of the higher grades processed and the re-commissioning of the gravity circuit in the first quarter of 2021, rising from 84% to 87% in the three months ended December 31, 2021 compared to the prior quarterly period.

As a result, gold sold increased by 5,288 ounces or 33% to 21,143 during the three months ended December 31, 2021 versus the comparative period in 2020.

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

Total cash costs[1] were $1,290/ounce sold for the three months ended December 31, 2021, a decrease from $1,566/ounce sold for the three months ended December 31, 2020 due to more ounces sold, offset by higher mining costs for the Plutonic East and Perch open pits, as outlined in the Cost of Sales section of this MD&A. All-in sustaining costs[1] decreased from $1,685/ounce sold to $1,416/ounce sold predominantly due to lower total cash costs per ounce, partially offset by higher sustaining exploration and capital expenditures. Total cash costs[1] and all-in sustaining cash costs[1] decreased by 18% or $276 per ounce sold and 16% or $269 per ounce sold, respectively, over the prior period.

Year to date operational results

For the twelve months ended December 31, 2021 the Plutonic Gold Operations produced 77,321 ounces of gold compared to 63,065 ounces of gold in the twelve-month period ending December 31, 2020. The increase is primarily the result of a greater contribution of higher grade stope material and open pit material from the Plutonic East and Perch pits that reduced the proportion of lower grade legacy stockpiles being milled. Total material milled increased marginally by 4 thousand tonnes to 1.51 million tonnes while milled grade increased from 1.6 g/t to 1.8 g/t in the twelve months ended December 31, 2021, as mill feed from the low grade legacy stockpile was replaced by higher grade Stope and Open pit material. Recovery rates for the twelve months ended December 31, 2021 increased from 83% to 87% as a result of higher grades being milled, improved process stability and control, replacing to a large extent the lower recovery legacy stockpile and the re-commissioning of the gravity circuit in the first quarter of 2021.

Gold sold increased by 13,329 ounces to 77,061 during the twelve months ended December 31, 2021 versus the comparative period in 2020. The 21% increase was primarily due to the greater proportion of higher grade material, noted above, being processed during the period.

Total cash costs[1] were $1,355/ounce sold for the twelve months ended December 31, 2021, which decreased from $1,436/ounce sold from the twelve months ended December 31, 2020 due to the higher number of ounces of gold sold, partially offset by the strengthening Australian dollar which increased Cost of sales, as outlined in the Cost of Sales section of this MD&A. All-in sustaining costs[1] decreased from $1,564/ounce sold to $1,472/ounce sold due to lower total cash costs per ounce, partially offset by higher general and administrative costs. Total cash costs[1] and all-in sustaining cash costs[1] decreased by 6% or $81 per ounce sold and $92 per ounce sold, respectively, over the prior period.

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

Summary of Annual Financial Statistics

	2021	2020	2019
Revenue	$ 137,660	$ 106,147	$ 115,583
Cost of sales	114,189	100,600	122,663
Exploration expense	3,140	2,645	2,664
General and administrative	5,776	4,453	3,848
Operating Income (loss)	14,555	(1,551)	(13,592)
Income (loss) before taxes	13,703	(4,646)	(14,717)
Net income (loss)	9,937	(4,773)	(12,019)
Earnings (loss) per share			
–basic and diluted	0.08	(0.05)	(0.12)
Adjusted net income (loss) [1]	9,142	(3,610)	(11,563)
Adjusted net income (loss) per share – basic [1]	0.07	(0.04)	(0.12)
Cash flow from (used in) operations	21,547	(6,529)	15,887
Cash and cash equivalents	23,789	17,294	22,232
Non-current assets	74,792	78,800	62,882
Total assets	110,890	109,166	96,920
Current liabilities	25,686	31,755	37,135
Non-current liabilities	39,660	40,279	32,318

Summary of Quarterly Financial Results

	Three month period ended December 31, 2021	Three month period ended September 30, 2021	Three month period ended June 30, 2021	Three month period ended March 31, 2021
Revenue	$ 37,835	$ 34,187	$ 34,418	$ 31,220
Cost of sales	29,438	28,300	29,531	26,920
Exploration expense	1,087	834	597	622
General and administrative	1,326	1,425	1,561	1,464
Operating Income	5,984	3,628	2,729	2,214
Income before taxes	6,066	2,381	1,696	3,560
Net income	4,121	1,091	1,198	3,527
Earnings per share –basic and diluted	0.03	0.01	0.01	0.03
Adjusted net income [1]	3,877	1,760	1,726	1,779
Adjusted net income per share – basic [1]	0.03	0.01	0.01	0.01
Cash flow from operations	8,548	6,294	2,746	3,959
	As at December 31, 2021	As at September 30, 2021	As at June 30, 2021	As at March 31, 2021
Cash and cash equivalents	23,789	20,537	17,412	17,908
Non-current assets	74,792	72,260	75,956	77,958
Total assets	110,890	103,462	104,603	107,217
Current liabilities	25,686	23,740	23,863	26,811
Non-current liabilities	39,660	38,620	39,564	40,106

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

	Three month period ended December 31, 2020	Three month period ended September 30, 2020	Three month period ended June 30, 2020	Three month period ended March 31, 2020
Revenue	$ 27,422	$ 27,223	$ 25,026	$ 26,476
Cost of sales	27,144	25,600	24,155	23,701
Exploration expense	577	811	613	644
General and administrative	1,546	1,209	681	1,017
Operating Income (loss)	(1,845)	(397)	(423)	1,114
Income (loss) before taxes	1,511	(2,019)	(334)	(3,804)
Net income (loss)	1,478	(2,051)	(364)	(3,836)
Earnings (loss) per share –basic and diluted	0.01	(0.02)	(0.00)	(0.04)
Adjusted net loss [1]	(749)	(1,255)	(630)	(115)
Adjusted net loss per share – basic [1]	(0.01)	(0.01)	(0.01)	(0.00)
Cash flow from (used in) operations	(6,622)	377	579	(863)
	As at December 31, 2020	**As at September 30, 2020**	**As at June 30, 2020**	**As at March 31, 2020**
Cash and cash equivalents	17,294	14,077	15,615	16,279
Non-current assets	78,800	67,609	62,035	58,074
Total assets	109,166	91,110	86,747	82,982
Current liabilities	31,755	33,995	33,075	30,240
Non-current liabilities	40,279	35,307	30,573	31,495

Results of Operations

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

The price of gold has risen over the comparable period in 2020, which has increased the Realized Gold Price[1] in the three and twelve months ended December 31, 2021.

There have been no materially negative impacts on the Company's operations as a result of COVID-19 for the period ended December 31, 2021.

Operating Income (loss)

Operating income for the three months ended December 31, 2021 was $5,984, an increase of $7,829 compared to the operating loss of $1,845 for the three months ended December 31, 2020 due to higher Revenue and lower General and administrative costs of $220, partially offset by higher Cost of sales of $2,294 as outlined in the Cost of sales section of this MD&A.

Operating income for the twelve months ended December 31, 2021 was $14,555 an increase of $16,106 compared to a loss of $1,551 for the twelve months ended December 31, 2020 due to a $31,513 increase in Revenue from higher gold sales, offset in part by higher Cost of sales of $13,589 and higher General and administrative costs of $1,323 as outlined in the General and administrative section of this MD&A.

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

Revenues

During the three months ended December 31, 2021 Metal sales totaled $37,835 from the sale of 21,143 ounces of gold, an increase of $10,413 from $27,422 from the sale of 15,855 ounces of gold for the three months ended December 31, 2020. Gold revenues were higher as a result of 5,288 more ounces being sold and a marginal increase in the realized gold price[1] to $1,786/ounce from $1,726/ounce.

During the twelve months ended December 31, 2021 Metal sales totaled $137,660 from the sale of 77,061 ounces of gold, an increase of $31,513 from $106,147 from the sale of 63,732 ounces of gold for the twelve months ended December 31, 2020. Gold revenues were higher as a result of 13,329 more ounces being sold due to increases in grade processed from initiatives taken at the end of 2020 to target higher average underground stope grades as well as the contribution of higher grade material from the Plutonic East and Perch open pits which shifted mill feed away from lower grade legacy stockpile ore.

Cost of Sales

	Three months ended December 31		Twelve months ended December 31		
	2021	**2020**	**2021**	**2020**	**2019**
Mining	$ 16,483	$ 15,940	$ 63,925	$ 60,337	$ 74,556
Processing	5,295	6,060	22,698	22,258	22,431
Depreciation and amortization	1,971	2,291	9,509	8,691	12,767
Site services	3,575	1,852	14,067	6,056	4,735
Gold royalty	882	743	3,408	2,698	2,969
Change in inventories	1,232	258	582	560	5,205
	$ 29,438	**$ 27,144**	**$ 114,189**	**$ 100,600**	**$ 122,663**

Cost of Sales were $29,438 for the three months ended December 31, 2021, an increase of $2,294 from $27,144 for the three months ended December 31, 2020. Cost of sales includes mine production costs, processing costs, site services, royalties, and depreciation and amortization. Cost of sales were $2,294 higher in the current period versus the same period in 2020 due to the higher Mining costs from the addition of $1,735 of surface mining costs from the mining of Plutonic East and Perch pits, which began in the second quarter of 2021, partially offset by a reallocation of $1,158 of camp and flight costs from the Mining category into the Site services category to allow for more effective site reporting. The change in Site services costs of $1,723 reflected the reallocation of camp and flight costs, mostly $1,158 from the Mining category and $418 from the Processing category. The increase in gold royalties was a result of more ounces sold in the quarter and a marginally higher gold price. Cost of sales increased due to the variance in the Change in inventory category. The Change in inventory of $1,232 in the three months ended December 31, 2021 reflected decreases in stockpile inventory from the Plutonic East and Perch open pits and gold in circuit inventory due to higher throughput. The Change in inventory of $258 in the three months ended December 31, 2020 reflected an increase in consumables and stockpile inventory.

Cost of sales were $114,189 for the twelve months ended December 31, 2021, an increase of $13,589 from $100,600 for the twelve months ended December 31, 2020. Cost of sales were higher in the current period versus the same period in 2020 predominantly due to the stronger Australian dollar, the impact of which resulted in a $9,337 increase. The rise in Mining costs stemmed from a $5,369 increase associated with the stronger Australian dollar on Mining costs, the addition of $4,318 of surface mining costs from the commencement of mining at the Plutonic East and Perch open pits and personnel bonuses due to improved performance in 2021 over 2020, partially offset by a reallocation of $6,388 of camp costs

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

from the Mining category into the Site services category to allow for more effective site reporting, as well as cost reductions. The change in Site services costs of $8,011 primarily reflected the reallocation of $6,388 of costs from the Mining category and $843 from the Processing category. The increase in gold royalties was a result of the stronger Australian dollar and more ounces sold in the twelve months ended December 31, 2021. The variance in the Change in inventory category had a negligible impact on the variance in Cost of sales, year over year.

General and administrative

General and administrative expenses in the three months ended December 31, 2021 were $220 lower in comparison to the three months ended December 31, 2020, primarily a result of lower payroll costs.

For the twelve months ended December 31, 2021, general and administrative expenses increased by $1,323 in comparison to the twelve months ended December 31, 2020 as a result of a $613 recovery of the 2019 senior management bonus accrual in 2020 as no bonus was paid in respect of the 2019 fiscal year. In addition, higher insurance premiums of $287, reflecting general market pressures on insurance costs. Consulting costs for business development initiatives of $334 also contributed to the increase in general and administrative costs. The 2020 comparative amount included a one-time credit for the final assessment of Australian stamp duty of $133.

Other Expenses (Income)

Other Income for the three months ended December 31, 2021 totaled $82 and included a $241 Change in valuation of Derivative financial instruments, partially offset by net finance cost of $162. Net finance cost was comprised predominantly of lease and short-term loan finance charges of $176. Other Income for the three months ended December 31, 2020 totaled approximately $3,356 and included: i) the Change in valuation of Derivative financial instruments of $2,448; ii) gain on sale of pastoral leases of $857 (refer to note 23 of the consolidated financial statements) and iii) net finance income of $51.

Other Expenses for the twelve months ended December 31, 2021 totaled approximately $852 and included: i) restructuring charges associated with Toronto office personnel of $1,927, ii) a Gold Loan accretion charge of $486, iii) $762 for lease and short-term finance charges, offset by iii) the Change in valuation of Derivative financial instruments of $2,144 and iv) a foreign exchange gain of $112. Other Expenses for the twelve months ended December 31, 2020 totaled approximately $3,095 and included: i) the Change in valuation of Derivative financial instruments of $849; ii) a restructuring charge of $1,173 associated with the Company’s former Chief Executive Officer; iii) a Gold loan accretion charge of $1,689; and iv) $535 for lease and short-term finance charges, partially offset by the gain on sale of pastoral leases of $857 (refer to note 23 of the consolidated financial statements).

In the twelve months ended December 31, 2021 the Change in the valuation of Derivative financial instruments was $2,144, a result of the revaluation of the Call Options issued as part of the Gold loan agreement with Auramet in the fourth quarter of 2019. The charge reflects the delivery and changes in the fair value of the Call options, primarily the result of the lower Australian dollar denominated gold price during the period ended December 31, 2021.

Net income (loss) for the period ended December 31, 2021

The total Net income of $4,121 for the three months ended December 31, 2021, an increase of 179% from the three months ended December 31, 2020, resulted primarily from Operating income of $5,984, the Change in valuation of derivative financial instruments of ($241), offset by tax expense of $1,945 and Net finance cost of $162. The total Net income of $1,478 for the three months ended December 31, 2020 resulted primarily from the Change in valuation of derivative financial instruments of ($2,448) and Gain on sale of assets of $857 offset by Operating losses of $1,845.

The total net income of $9,937 for the twelve months ended December 31, 2021 resulted primarily from Operating income of $14,555 and the Change in valuation of Derivative financial instruments of ($2,144), partially offset by the Restructuring charges of $1,927, the Gold loan accretion charge of $486, tax expense of $3,766 and finance charges on leases and short-term loans of $762. The total Net loss of $4,773 for the twelve months ended December 31, 2020 resulted primarily from the Operating loss of $1,551, Change in valuation of Derivative financial instruments of $849, Restructuring expenses of $1,173 and a Gold loan accretion charge of $1,689, partially offset by the Gain on sale of assets of $857.

Adjusted net income (loss)

Adjusted net income[1] for the fourth quarter of 2021 increased by $4,626 to $3,877 or $0.03 per share compared to adjusted net loss of $749 or $0.01 per share in the three months ended December 31, 2020, primarily due to the higher Operating Income in the current period (refer to the table in the section labeled “Adjusted Net Income and Adjusted basic net income per share” of this MD&A).

Adjusted net income for the twelve months ended December 31, 2021 amounted to $9,142 or $0.07 per share compared to adjusted net loss of $3,610 or $0.04 per share in the twelve months ended December 31, 2020, primarily reflecting lower Operating Income and higher net finance cost in 2020, offset by the impact of Derivative financial instruments.

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

Financial Position as at December 31, 2021

As at December 31, 2021, the Company’s current assets totaled $36,098 and current liabilities amounted to $25,686, for a net working capital[1] surplus of $10,412. The majority of current assets are cash and cash equivalents of $23,789 and inventories of $8,380. The increase from a working capital[1] deficit of $1,389 as at December 31, 2020, was predominantly the result of Operating income during the twelve months ended December 31, 2021, repayments of the Gold loan and the decrease in the Derivative financial instruments reflecting the settlement of the Call option liability.

Non-current assets decreased by $4,008 from December 31, 2020. Decreases were predominantly the result of depreciation expense of $9,569 and foreign exchange impacts of $4,505. These amounts were offset by a number of items including a right-of-use asset addition of $1,076 for mobile equipment at the mine site. Non-current asset additions were $3,322. This amount was spent on the development of the underground operations and the advancement of open pit opportunities located near the mill. Additionally, $5,701 of capital expenditures were incurred during the twelve months ended December 31, 2021, $1,990 of which was for betterments to existing equipment in the mill, $2,267 for mobile equipment and $1,444 was for a tailings wall lift.

Current liabilities fell by $6,068 to $25,686 predominantly due to the reduction in the current portion of Deferred revenue of $3,919 stemming from the full repayment of the Gold loan during the twelve months ended December 31, 2021 and a decrease in the current portion of Derivative financial instruments upon the full delivery of Call Options associated with the Gold loan, partially offset by an increase in the Short-term loan balance reflecting higher insurance premiums being financed.

Non-current liabilities decreased by $619, as a result of the impact of foreign exchange movement on the non-current portions of provisions and lease obligations as well as repayments of lease liabilities, offset by the higher deferred tax liability stemming from the tax expense in the twelve months ended December 31, 2021.

Share capital consisted of capital stock, net of issue costs, of $62,493, an increase of $485 from the issuance of common shares from the vesting of restricted share units and the exercise of stock options.

Cash from Operating Activities

During the three months ended December 31, 2021 cash from operating activities before working capital changes was $8,273, a $10,213 increase over cash used in operating activities before working capital changes of $1,940 for the three months ended December 31, 2020. The increase in cash generated from operating activities was predominantly a result of stronger operating earnings in the three months ended December 31, 2021 in comparison to the three months ended December 31, 2020, as outlined above together with the absence of Gold loan repayments which was fully paid in June 2021.

During the twelve months ended December 31, 2021 cash generated from operating activities before working capital changes was $18,557, while cash used in operating activities before working capital changes was $1,181 for the twelve months ended December 31, 2020. This increase resulted from stronger operating earnings, excluding depreciation expense, during the twelve months ended December 31, 2021, partially offset by the final repayments under the Gold loan of $4,413 and higher employee provision payments reflecting higher annual-service-leave payments. The impact of non-cash working capital changes for the twelve months ended December 31, 2021 was an increase in cash of $2,990 due to the collection of receivable and other asset balances and slightly higher accounts payable balances.

Cash used in Investing Activities

Cash used in investing activities in the three months ended December 31, 2021 was primarily comprised of expenditures on mine interests, property, plant and equipment of $3,657 in support of mill improvements, mobile equipment, a tailings wall lift, underground mine development and open pit development, an increase of 55% compared to the $2,358 spent in the three months ended December 31, 2020.

Cash used in investing activities in the twelve months ended December 31, 2021 was primarily comprised of expenditures on mine interests, property, plant and equipment of $8,525 primarily in support of underground mine development, open pit development and mill improvements, an increase of $1,877 or 28% compared to the twelve months ended December 31, 2020, mainly attributable to the development of the Plutonic East and Perch open pits.

Cash used in Financing Activities

Cash used in financing activities in the three months ended December 31, 2021 of $1,754 was attributed to repayments of the Company's short-term loans, lease obligations, and interest thereon. For the three months ended December 31, 2020 cash from financing activities in the three months ended December 31, 2020 of $9,656 was mainly attributable to the issuance of shares from a Bought Deal which generated net proceeds of $11,901. This was partially offset by repayments of the Company's lease obligations, short-term loan and interest thereon of $2,245.

Cash used in financing activities in the twelve months ended December 31, 2021 of $6,043 was comprised of the repayment of the Company's lease obligation, short-term loan and interest thereon of $6,064, partially offset by the exercise of stock options of $21. For the twelve months ended December 31, 2020 cash from financing activities comprised a share offering through a bought deal which generated net proceeds of $11,901, the repayment of the Company's lease obligation, short-term loan and interest thereon of $6,168. Increased short-term loan repayments in 2021 reflected higher insurance premiums being financed, while decreased lease payments are a result of the power supply lease, which commenced in the third quarter of 2020, and has a longer term relative to the Company's other leases, resulting in higher initial interest payments and lower principal repayments, as noted above.

Dividends

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

Liquidity and Capital Resources

The price of gold has increased the Realized Gold Price[1] over the comparable period in the three and twelve months ended December 31, 2021 and estimates for the price of gold remain positive for the next twelve months. Other than the change in the liability associated with the Company's outstanding Call options, which was settled in gold from production as at December 31, 2021, there have been no materially negative impacts on the Company's current operations.

The Company currently sells gold to two counterparties; the Perth Mint and Auramet. There have been no materially negative impacts on the Company's ability to sell gold or deliver gold into the Call options (refer to note 11 of the consolidated financial statements) or the Gold loan with Auramet.

During the three and twelve months ended December 31, 2021, the Company used cash inflows from the Plutonic Gold Operations to fund its expenditures on mineral interests and property, plant and equipment, as well as pay down its lease obligation balances and debt obligations. On November 12, 2019, the Company entered into a Gold loan with Auramet under which the Company received gross proceeds of AUD$15 million before associated costs. As at December 31, 2021, the Company has: fulfilled its obligation to deliver 7,920 ounces of gold under the Gold loan; fulfilled its obligation to deliver into gold call options with Auramet; no amounts outstanding under the zero cost collar price protection program, as all of the puts and calls under the zero cost collar price protection program matured on or before December 31, 2020. The Company agreed to sell a minimum of 80% of its gold production at market prices from the Plutonic Gold Operations to Auramet for a period that is not less than 6 months following

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

repayment of the 7,920-gold ounce obligation (refer to notes 10 and 11 of the consolidated financial statements). This obligation is no longer in effect as at December 31, 2021.

The Company forecasts that it will have sufficient cash inflows to satisfy the Company's obligations as they come due over the next twelve months. As at December 31, 2021, the Company had cash and cash equivalents of $23,789 and a working capital[1] surplus of $10,412. Management believes the cash on hand and subsequent cash flow from operations of the Plutonic Gold Operations are sufficient to fulfill its immediate operating and capital requirements. The Company may require additional capital or financing to complete or accelerate programs associated with any future development and exploration initiatives that are not contemplated in its current life of mine plan. Superior Gold's ability to raise equity or other forms of financing in the future under terms acceptable to the Company will be dependent on operating performance and on global markets, in particular, the price of gold and/or currency exchange rates.

Off Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Commitments & Contingencies

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

		December 31, 2021		December 31, 2020
Property, plant and equipment (i)	$	1,923	$	1,483
Guarantee (ii)		-		2,503
	$	**1,923**	**$**	**3,986**

(i) Capital commitments

In the twelve months ended December 31, 2021, the Company entered into commitments for mobile and milling equipment. These commitments totalled $1,923 at December 31, 2021 (December 31, 2020 - $1,483).

(ii) Contingencies

The Company signed an agreement with its existing supplier to upgrade its power supply. As a result of completing the power supply upgrade, the Company was required to provide a guarantee to the supplier. On June 24, 2021 a guarantee in the amount of $2,358 was issued under the Letter of guarantee facility (refer to note 14 (c) of the consolidated financial statements).

(iii) Contingent Consideration

As part of the acquisition of the Plutonic Gold Operations, the Company agreed to pay Northern Star Resources Inc. milestone payments ("Milestone Payments") of AUD$2.5 million for every 250,000 ounces of NI 43-101 compliant measured and indicated resources identified at the Plutonic Gold Operations in excess of the 1,717,000 ounces of Joint Ore Reserves Committee 2012 compliant measured, indicated and inferred resources. The aggregate of the Milestone Payments are capped at AUD$10 million.

The fair value of the Milestone Payments was determined to have $nil value as at December 31, 2021 (December 31, 2020 - $nil) as Management determined that it was uncertain that the threshold outlined in the Acquisition Agreement of 1,717,000 ounces of Joint Ore Reserves Committee 2012 compliant measured, indicated and inferred resources will be reached.

Related Party Transactions

The aggregate value of transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence were as follows:

		2021		2020
Management compensation	$	3,227	$	2,243
Directors' fees		159		116
Share-based payments		734		344
	$	**4,120**	**$**	**2,703**

Critical Accounting Policies and the Use of Estimates

The discussion and analysis of the Company's financial condition and results of operations are based upon its financial statements which have been prepared in accordance with IFRS. The preparation of financial statements requires the Company to make estimates and judgments that affect the reported amounts of assets and liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities at the date of the financial statements. Actual results may differ from these estimates under different assumptions or conditions.

The impact of financial instruments and areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are discussed in more detail in the Company's audited annual financial statements for the year ended December 31, 2021 which are available on the Company's website www.superior-gold.com and SEDAR at www.sedar.com.

Financial Instruments

The Company's significant accounting policies regarding its financial instruments are set out in the company's audited consolidated financial statements for the year ended December 31, 2021, except as noted below in the section labelled 'Adoption of New or Amended Accounting Policies'. The Company is of the opinion that it is not exposed to significant interest, currency or credit risks arising from outstanding financial instruments.

Adoption of New or Amended Accounting Policies

There have been no new accounting standards or amendments to accounting standards, effective January 1, 2021 which the Company has adopted.

Recent Accounting Pronouncements

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

Outstanding Share Data

The following table summarizes the capitalization of the Company as at March 7, 2022, the date of this MD&A:

	Exercise price	Expiry date	Quantity
Number of common shares issued			
Common shares	Not applicable	Not applicable	122,935,058
Number of common shares issuable			
Stock options	$0.79	March 23, 2022	2,800,000
Stock options	$0.79	July 5, 2022	150,000
Stock options	$0.79	September 5, 2022	200,000
Stock options	$0.41	March 29, 2024	300,000
Stock options	$0.75	August 15, 2024	50,000
Stock options	$0.37	March 30, 2025	200,000
Stock options	$0.59	May 13, 2025	150,000
Stock options	$0.86	August 4, 2025	1,000,000
Stock options	$0.56	April 14, 2026	200,000
Stock options	$0.49	August 13, 2026	1,250,000
DSUs [1]	Not applicable	Not applicable	424,656
PSUs	Not applicable	May 14, 2022	151,500
PSUs	Not applicable	May 20, 2023	75,000
PSUs	Not applicable	April 14, 2024	262,500
RSUs	Not applicable	August 15, 2022	50,000
			130,198,714

[1] This figure excludes cash-settled DSUs issued under the Phantom Unit Plan.

Non-IFRS Performance Measures

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

Working capital

Working capital is calculated as Total current assets less Total current liabilities per the statement of financial position. The following table provides a reconciliation of Working capital as per the consolidated financial statements:

(in thousands of dollars)	Twelve months ended December 31 2021	2020	2019
Total current assets	$36,098	$30,366	$34,038
Total current liabilities	(25,686)	(31,755)	(37,135)
Working capital	$10,412	($1,389)	($3,097)

Total cash costs and All-in sustaining costs

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

(in thousands of dollars, except oz or per oz amounts)	Three months ended December 31		Twelve months ended December 31		
	2021	**2020**	**2021**	**2020**	**2019**
Gold sold (oz)	21,143	15,855	77,061	63,732	83,241
Cost of Sales	29,438	27,144	114,189	100,600	122,663
Adjustments for:					
Depreciation and amortization	(1,988)	(2,302)	(9,569)	(8,751)	(12,829)
Share-based payments included in Cost of Sales	(10)	(13)	4	(57)	(34)
Inventory movements	(106)	56	(78)	(137)	(2,850)
Silver credits and other	(65)	(53)	(152)	(134)	(109)
Cash costs	27,269	24,832	104,394	91,521	106,841
Total cash costs (per gold oz)	1,290	1,566	1,355	1,436	1,284
Adjustments for items affecting all-in sustaining cash costs:					
Sustaining exploration and capital expenditures[1]	1,647	891	4,585	4,520	4,428
Share-based payments included in Cost of Sales	10	13	(4)	57	34
Corporate, general and administration[2,3]	999	979	4,463	3,478	3,848
Rehabilitation accretion	3	8	12	102	334
All-in sustaining cost	29,928	26,723	113,450	99,678	115,485
All-in sustaining cost (per gold oz)	1,416	1,685	1,472	1,564	1,387

1. Sustaining exploration and capital expenditures have been segregated to reflect exploration expenditures on the Statement of Income and Comprehensive Income and capital expenditures on the Statement of Cash flows. Only Exploration expenditures within an operating mine are considered sustaining. Capital expenditures, including capitalized exploration costs, underground mine development, replacement of mine equipment and other capital expenditures on operating mines is considered sustaining.
2. Corporate, general and administration costs include share-based compensation, as per the Consolidated Statement of Comprehensive Income.
3. Corporate, general and administration costs exclude depreciation and certain business development costs that do not relate to existing mine operations.

Realized gold price

Realized gold price is calculated as metal sales per the Statement of Comprehensive income (loss), less silver sales. The following table provides a reconciliation of Realized gold price per ounce sold to revenues as per the condensed consolidated interim financial statements:

(in thousands of dollars, except oz or per oz amounts)	**Three months ended December 31**		**Twelve months ended December 31**		
	2021	**2020**	**2021**	**2020**	**2019**
Metal sales	$37,835	$27,422	$137,660	$106,147	$115,583
Silver sales	(65)	(53)	(152)	(134)	(109)
Revenues from gold sales	37,770	27,369	137,508	106,013	115,474
Gold sold (oz)	21,143	15,855	77,061	63,732	83,241
Realized gold price ($/oz)	$1,786	$1,726	$1,784	$1,665	$1,387

Adjusted net income (loss) and Adjusted basic net income (loss) per share

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

Adjusted net income/loss is defined as net income/loss adjusted to exclude specific items that are not reflective of the underlying operations of the Company, including: loss on settlement of the royalty payable, restructuring expenses, gain on sale of assets, charges pertaining to derivative financial instruments and the impact on income taxes. Adjusted basic net income/loss per share is calculated using the weighted average number of shares outstanding under the basic method of income/loss per share as determined under IFRS.

(in thousands of dollars, except per share amounts)	**Three months ended December 31**		**Twelve months ended December 31**		
	2021	**2020**	**2021**	**2020**	**2019**
Net income (loss) for the period	$4,121	$1,478	$9,937	($4,773)	($12,019)
Adjusted for:					
Restructuring expenses	-	1,173	1,927	1,173	478
Loss on settlement of royalty payable to Northern Star	-	-	-	132	137
Gain on sale of assets	(3)	(857)	(67)	(857)	-
Derivative financial instruments	(241)	(2,448)	(2,144)	849	111
Change in valuation of the warrant liability(1)	-	-	-	-	(85)
Effect on income taxes of the above items	-	(95)	(511)	(134)	(185)
Adjusted net income (loss)	$3,877	($749)	$9,142	($3,610)	($11,563)
Weighted average number of common shares outstanding - basic	122,735,058	114,010,598	122,172,874	101,359,532	96,864,062
Adjusted basic net income (loss) per share	0.03	(0.01)	0.07	(0.04)	(0.12)

1 Balance included in the statement of comprehensive earnings..

Disclosure Controls and Procedures

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

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

i. controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
ii. a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's accounting policies.

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

Risks and uncertainties

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

Forward-looking information

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

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

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

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

Technical Information

Scientific and technical information in this MD&A has been reviewed and approved by Ettienne Du Plessis, who is a “qualified person” as defined by National Instrument 43-101 (NI 43-101). Mr. Du Plessis is an employee of the Company and serves as Chief Geologist.

Additional Information

Additional information regarding the Company, including the Company’s Annual Information Form, can be found at www.sedar.com and www.superior-gold.com.