MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE PERIOD ENDED JULY 31, 2019

Stated in Canadian Funds

DATE: SEPTEMBER 30, 2019

NORDIC GOLD INC.

FOR THE PERIOD ENDED JULY 31,

Canadian Funds

REPORT TO SHAREHOLDERS AND MANAGEMENT DISCUSSION AND ANALYSIS

TO OUR SHAREHOLDERS

This Management's Discussion and Analysis ("MD&A") of the operating results and financial condition of Nordic Gold Inc., formerly Nordic Gold Corp. and prior thereto, Firesteel Resources Inc. ("Nordic" or the "Company") is for the three month period ended July 31, 2019. This MD&A was prepared to conform with National Instrument ("NI") 51-102F1 and was approved by the Board of Directors prior to its release. This MD&A should be read in conjunction with the Company's Audited Annual Consolidated Financial Statements for the year ended January 31, 2019. The Audited Annual Consolidated Financial Statements for the fiscal year ended January 31, 2019 have been prepared in accordance with International Financial Reporting Standards.

The Company's reporting currency is the Canadian dollar and all dollar amounts are in Canadian dollars, unless otherwise indicated.

Discussion of the Company, its operations and associated risks is further described in the Company's filings, available for viewing at www.sedar.com. A copy of this MD&A will be provided to any applicant upon request.

The Board of Directors of the Company has approved the disclosure contained in this MD&A on September 30, 2019.

FORWARD LOOKING STATEMENTS

Certain statements contained in the following MD&A and elsewhere constitute forward-looking statements. Such forward-looking statements involve many known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks set forth in the Company's filings and herein. Additional information regarding the Company, including copies of the Company's continuous disclosure materials is available through the SEDAR website at www.sedar.com.

The table below sets forth the significant forward-looking information included in this MD&A:

Forward-Looking Information	Key Assumptions	Most Relevant Risk Factors
Continued exploration of mineral properties	The exploration and drilling will reveal mineral resources increasing the value of the property	There is no certainty that the exploration projects will result in an increase in the existing resource
The ability to raise capital in the future to continue on-going operations	The Company will be able to raise capital as required	The Company has disclosed that this will be difficult and failure to raise these funds will materially impact the Company's ability to continue as a going concern

General

Nordic is a junior mining company owning a 100% interest in the Laiva Gold Mine (“Laiva Mine”) in Finland. The Laiva Mine is currently the Company’s primary area of activity. Nordic is also engaged in the acquisition and exploration of prospective precious and base metal properties in Canada and stable jurisdictions around the world. The Company's objective is to enhance shareholder value by identifying and securing undervalued exploration and mining opportunities and developing them to more advanced stages.

The Company was incorporated under the laws of the Province of Alberta on 14 February 1992. The Company’s shares trade on the TSX Venture Exchange (“TSX-V”) under the symbol “NOR” and is incorporated and domiciled in Canada. The Company’s administrative office is located at Suite 1001 – 409 Granville Street, Vancouver, BC, V6C 1T2.

The Company acquired the remaining 40% of Nordic Mines Marknad AB on February 8th, 2018 and as a result, now owns 100% of the Laiva Mine. The Company restarted the Laiva Mine and completed its first gold pour at the Laiva Mine on November 30, 2018. Unfortunately, the previous site management team did not have the requisite experience to operate the asset or the necessary geology and mine plan. In April 2019, the Company lost the support of its lender resulting in cash flow constraints, thereby forcing management of the Company to put the Laiva Mine on ‘care and maintenance’.

PFL Raahe Holdings LP (‘Pandion’) is the Company’s lender and provided capital for the acquisition and restart of the project. Pandion have provided ongoing care and maintenance support to the Company since April, 2019 and supported the appointment of the new management in July, 2019. New management is now working closely with Pandion to move the mine back into production.

Laiva Mine - Finland

The Laiva Mine is located 5 km from the town of Raahe and 76.5km from the Oulo International Airport in Finland. The mineralisation was first identified in 2005 and subsequently Nordic Mines AB (publ), the former owner of the Laiva Mine, shares were listed on the Stockholm Stock Exchange. The Laiva Mine is easily accessible with sealed roads within 5km of the project and all-weather roads to the project gate. The site is powered by a direct connection to the national grid. The Mine is operation ready with all infrastructure and permits in place.

The Laiva Mine hosts one of the largest gold resources in the region with both significant resources in place and further exploration targets on site. The Laiva Mine is unique as it has had significant development capital spent, resources in the ground and is located in one of the best mining jurisdictions in the world.

The project currently consists of two pits, the South and North pits, respectively. The mineralisation is open at depth with a drill hole intersection ~300 metres below the South pit. The Laiva Mine is a conventional open pit mine with several mineralised loads that are typically 3 metres wide. Mineralisation is open on strike and dip and three new areas for subsequent pits have been identified but not infill drilled. The process plant is best in class with the design and build led by Metso Minerals at an approximate cost of CAD 320 million (€220 million).

The process facility is designed for 2 Million tonnes per annum and includes two 3.5MW mills, flash floatation, one of the largest Nelsen concentrators ever built, a high grade circuit with carbon in leach ("CIL"), a low grade circuit with a larger CIL plan, a full gold room and a laboratory.

In addition, there is 'blue sky' potential from 3 highly prospective 100% owned, fully permitted, nearby exploration properties (4,295 ha).

For the quarter ended July 31, 2019, subsequent months activities,

On July 2, 2019, the former Board of Nordic resigned and were replaced with a new board consisting of Brian Wesson, Clyde Wesson and Yvette Harrison.

Pursuant to a services agreement ("Services Agreement") dated July 2, 2019 between Nordic, Lionsbridge Capital Pty Ltd. ("Lionsbridge") and Westech International Pty Ltd. ("Westech"), Lionsbridge has agreed to provide the Company with corporate management services. Westech will, subject to independent approvals, provide the Company with technical services to return the Laiva Gold Mine back to production. Effective July 2, 2019 Brian Wesson was also appointed as President and CEO of Nordic, Clyde Wesson was appointed as Vice President, Daryl Midgley was appointed as CFO and Jeffrey Lightfoot was appointed as Corporate Secretary. Concurrently with such appointments, the former senior officers of Nordic resigned, namely Michael Hepworth (as President and CEO), Basil Botha (as Executive Chairman) and Greg Duras (as Chief Financial Officer).

The TSX-V conditionally approved, by way of letter dated June 17, 2019, notice of acceptance of the Services Agreement and change of management contemplated therein subject to the Company obtaining disinterested approval of its shareholders to same. The Company subsequently called and held an annual and special meeting (the "Meeting") of its shareholders on August 28, 2019 at which meeting both the Services Agreement and change of management were ratified and approved.

The salient terms of the Services Agreement (as filed with the TSX-V and included as an exhibit to the Company's management information circular prepared and mailed to all shareholders (as well as filed on SEDAR) in connection with the Meeting) are as follows:

1. The term is initially for thirty-six (36) months unless extended or earlier terminated;
2. Lionsbridge will provide the Company with management services including, but not limited to, the overall management of Nordic and its business and entering into all contracts and commitments. Lionsbridge will determine the necessary personnel to carry out all such management services;
3. Lionsbridge shall be entitled to a fixed fee of US$75,000 per month for providing its management services provided that such management fee shall be accrued and not paid until the total available funds to the Company is at least US$1 million. On the date total available funds reach US$1 million (the "Release Date"), all amounts will be paid to Lionsbridge. In addition, all accrued past management salaries of $269,333 owing to Michael Hepworth, Basil Botha, Greg Duras and others shall be paid in full.
4. If Lionsbridge is successful in negotiating with ("Pandion") the terms of the existing pre-paid forward gold purchase agreement, as amended ("PPF Agreement"), then on execution of amended terms for the PPF

Agreement or upon the sale of Pandion's interest in the debt underlying the PPF Agreement, which transition results in a minimum of US$2 million in savings to Nordic, Lionsbridge shall, subject to TSX-V approval, be entitled to receive a restructuring fee equivalent to US$1 million to be paid in common shares of the Company priced at the Company's trading price of its shares as of such date of execution of such amendment or sale.

5. If Lionsbridge is successful in arranging a funding package, whether comprised of debt or equity, which provides Nordic with proceeds up to $4 million (a "Funding Package") Lionsbridge shall, subject to TSX-V approval, be entitled to receive a finder's fee in fully paid common shares ("Finder's Shares") of Nordic equivalent to 12.5% of the gross proceeds of the Funding Package. The number of Finder's Shares will be reduced by the aggregate deemed value of any securities ("Additional Securities") issued to any other parties for the Funding Package.

For a full description of the Services Agreement, readers are urged to refer to the Company's filings on www.sedar.com.

New management of the Company appointed under the Services Agreement is, among other things, focused on resolving the Company's debt burden; settling amounts owed to creditors; raising capital; resolving/fixing technical challenges at the Laiva Mine – all with a view to returning the Laiva Mine to production.

HIGHLIGHTS, SIGNIFICANT EVENTS AND TRANSACTIONS

- July, 2019 – The Board and Management of Nordic were replaced;
- July, 2019 – New management engaged with a major creditor (Tallqvist Infra OY ("Tallqvist")) at the Laiva Mine in Finland to reverse a bankruptcy petition commended by Tallqvist.
- July, 2019 - Pandion agreed to increase care and maintenance funding to Nordic to ensure creditors were dealt with in an orderly fashion;
- August, 2019 – Internal staffing restructuring was completed including the retrenchment of the former Mine Manager in Finland;
- August, 2019 – Internal technical reviews were completed;
- August, 2019 – Annual & Special Meeting of Nordic's shareholders was held ratifying the terms of the Services Agreement and confirming new management appointees;
- September, 2019 - Pandion and new management paid off the majority of creditors, make critical repairs and secure the Laiva Mine asset to be moved back to production in 2020.
- September, 2019 – the Company advanced discussions with Pandion regarding a restructure of its loan.

FINANCIAL DATA FOR LAST EIGHT QUARTERS

The following table sets out selected unaudited quarterly financial information of the Company and is derived from the unaudited condensed interim consolidated financial statements prepared by management. The Company's interim consolidated financial statements are prepared in accordance with International Financial Reporting Standards and are expressed in Canadian dollars.

Three Months Ended	Jul 19	Apr 19	Jan 19	Oct 18	July 18	Apr 18	Jan 18	Oct 17
Total Revenues	-	-	-	-	-	-	-	-
Income (Loss) from continuing operations (000's)	(8,605)	(3,818)	(7,241)	(11,934)	(5,413)	(4,066)	(1,033)	(386)
Income (loss) for the period (000's)	(8,605)	(3,818)	(7,241)	(11,934)	(5,413)	(4,066)	2,568	(386)
Loss per share (basic and diluted)	(0.04)	(0.02)	(0.03)	(0.08)	(0.04)	(0.03)	(0.02)	(0.00)
Total assets (000's)	66,080	65,587	64,412	51,860	43,486	43,053	43,222	4,200
Working capital (deficit) (000.s)	(73,853)	(13,080)	(10,349)	2,376	13,414	16,651	18,432	(583)

Total assets of the Company materially increased for the Company from the period ending October 2017 to the period ending October 2018 primarily as a result of the completion of the 100% acquisition of the Laiva Mine on February 8, 2018 and the re-start activities at the Laiva Mine including mine development and plant maintenance activities. The increase in the assets is netted against achieved gold sales since the Laiva Mine had not achieved commercial production criteria.

The loss for the year ending January 31, 2019 is primarily attributable to the loss on the year-nd valuation of the gold forward sale derivative liability. The change in this valuation is primarily related to the renegotiation of the original terms of the liability whereby section 23 of the PPF Agreement was removed in its entirety and replaced by a 2.5% net smelter return, issuing 19.99% of the outstanding shares of the Company to Pandion, and agreeing to pay USD 1.5 million on April 15, 2019. The change in valuation is also attributable to changing gold prices and exchange rates. Subsequent to year end, the Company has not met certain obligations with Pandion including the USD 1.5 million mentioned above and therefore the Company is in breach of the agreement.

In the quarter ended July 31, 2019, the Company's operations have been on care and maintenance and new management has been focussed on understanding the operational challenges of the Laiva Mine, dealing with creditors and other stakeholders and negotiating with Pandion, the Company's secured lender, to restructure the Company's loan.

RESULTS OF OPERATIONS

The net loss for the period ended July 31, 2019 was $8,605,000 which compares to a net loss of $9,525,000 for the comparative period of 2018. The loss for period primarily relates to the loss generated by the year end valuation of the gold forward sale derivative.

OUTSTANDING SHARES

1) Issued and Outstanding Shares

As at July 31, 2019, the Company had 195,680,740 common shares issued and outstanding. As at the date of this report, the Company had 195,680,740 common shares issued and outstanding.

Under the Company's stock option plan, the Company may grant stock options to its directors, officers, consultants and employees. Options granted under this plan may expire up to ten years from the date of grant.

a. Summary of stock option activity

Under the Company's stock option plan, the Company may grant stock options to its directors, officers, consultants, and employees. Options granted under this plan may expire up to ten years from the date of grant.

During the three month period ended July 31, 2019, the Company made no option grants.

During the year ended 31 January 2019, 300,000 options priced at $0.10 were forfeited. In addition, 300,000 common shares were issued upon exercise of options with an exercise price of $0.10 per option. Upon exercise of the options, $24,000 in contributed surplus was allocated to share capital.

Stock option activity during the year is summarized as follows:

STOCK OPTION ACTIVITY	**31 January 2019**	**Weighted Average exercise price**	31 January 2018	Weighted Average exercise price
Balance – beginning of year	**6,250,000**	**$** 0.07	4,400,000	$ 0.07
Granted	**5,475,000**	0.13	2,500,000	0.08
Exercised	**(300,000)**	0.10	-	-
Forfeited	**(300,000)**	0.10	(650,000)	-
Balance – end of year	**11,125,000**	**$** 0.10	6,250,000	$ 0.07

Details of stock options outstanding as at 31 January 2019 are as follows:

Date of Grant	Expiry Date		Exercise Price	31 January 2019 Outstanding	31 January 2019 Exercisable	31 January 2018 Outstanding
22 August 2013	22 August 2018	$	0.10	-	-	150,000
04 September 2013	04 September 2018	$	0.10	-	-	150,000
19 July 2013	19 July 2019	$	0.10	**1,150,000**	**1,150,000**	1,150,000
2 October 2014	2 October 2019	$	0.05	**1,200,000**	**1,100,000**	1,200,000
28 December 2016	27 December 2021	$	0.05	**1,100,000**	**1,100,000**	1,100,000
20 September 2017	20 September 2022	$	0.08	**2,500,000**	**2,500,000**	2,500,000
20 December 2017	20 December 2022	$	0.10	**200,000**	**100,000**	-
3 April 2018	3 April 2023	$	0.10	**800,000**	**800,000**	-
13 June 2018	13 June 2023	$	0.14	**3,375,000**	**3,375,000**	-
27 June 2018	27 June 2023	$	0.15	**300,000**	**300,000**	-
6 July 2018	6 July 2023	$	0.14	**500,000**	**500,000**	-
				11,125,000	**11,025,000**	6,250,000

The outstanding options have a weighted-average exercise price of $0.10 (31 January 2018 - $0.07) and the weighted-average remaining life of the options is 3.24 years (31 January 2018 – 2.98) years. As at 31 January 2018, a total of 6,250,000 (31 January 2018 – 6,250,000) of these outstanding options had vested. As at 31 January 2019, none (31 January 2018 – none) of the outstanding options were in the money.

Pursuant to the Services Agreement, certain options (aggregating 7,500,000 options) to five former directors, officers and consultants will be extended to July 1, 2020 (with no changes to the existing exercise price of such options).

Share-based payments

During the year ended 31 January 2019, the Company granted 5,475,000 incentive stock options to its directors, officers, and consultants and recognized share based payments on vested options as follows:

	31 January 2019	31 January 2018
Total Options Granted	**5,475,000**	2,500,000
Average exercise price	**$ 0.13**	$ 0.08
Estimated fair value of compensation	**$ 679,000**	$ 174,000
Estimated fair value per option	**$ 0.12**	$ 0.07

The fair value of the stock-based compensation of options to be recognized in the accounts has been estimated using the Black-Scholes Model with the following weighted-average assumptions:

	31 January 2019	31 January 2018
Risk free interest rate	**1.79%**	1.80%
Expected dividend yield	**0.00%**	0.00%
Stock price	**$ 0.09-0.15**	$ 0.08
Expected stock price volatility (calculated monthly)	**133%**	133%
Expected option life in years	**5 years**	5 years
Forfeiture rate	**0%**	0%

The Black-Scholes Option Pricing Model was created for use in estimating the fair value of freely tradable, fully transferable options. Volatility was determined using historical stock prices. The Company's employee stock options have characteristics significantly different from those of traded options, and because changes in the highly subjective input assumptions can materially affect the calculated values, management believes that the accepted Black-Scholes model does not necessarily provide a reliable measure of the fair value of the Company's stock option awards.

b. Warrants

Warrant activity during the year is summarized as below:

WARRANT ACTIVITY	31 January 2019		Weighted Average Exercise Price	31 January 2018		Weighted Average Exercise Price
Balance – beginning of year	**14,099,353**	**$**	**0.15**	5,738,000	$	0.15
Issued	**9,650,000**		**0.13**	8,399,853		0.15
Expired	**(5,105,000)**		**0.15**			
Exercised	**(633,000)**		**0.15**	(38,500)		0.15
Balance – end of year	**18,011,353**	**$**	**0.14**	14,099,353	$	0.15

As at 31 January 2019, the outstanding warrants have a weighted average exercise price of $0.14 and their weighted average remaining life is 1.19 years (31 January 2018 – 1.26 years

LIQUIDITY AND CAPITAL RESOURCES

The Company had a working capital deficit of $73,853,554 as at July 31, 2019.

The Company maintained cash of $1,625,990 as of July 31, 2019 (January 31, 2019 - $1,528,767) to meet short-term business requirements.

COMMITMENTS

The Company had no commitments as at July 31, 2019 and as at the date of this report

PROPOSED TRANSACTIONS

The Company does not have any new or proposed transactions contemplated as of the date of this report.

OFF-BALANCE SHEET ARRANGEMENTS

The Company had no off-balance sheet arrangements as at July 31, 2019 and as at the date hereof.

SUBSEQUENT EVENTS

On September 20, 2019, the Company granted 2,400,000 incentive stock options to its directors, officers and consultants at an exercise price of $0.05 and for a life of 5 years from the date of grant. These options vested immediately.

CRITICAL ACCOUNTING ESTIMATES

a. Critical judgments in applying accounting policies

Exploration and evaluation expenditure

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after the expenditure is capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the amount capitalized is written off in the statement of loss during the period the new information becomes available.

Functional currency

There is judgement involved in determining functional currency of the Company. Management determined that the functional currency of Firesteel is the Canadian dollar. The individual financial records of the Company's subsidiary are kept in the currency of the primary economic environment in which each entity operates (their "functional currency"). The functional currency of Del Fuego is the Mexican Peso. The functional currency of Nordic Mines Marknad AB is the US dollars.

Achievement of Commercial Production Phase

Once a mine reaches the operating levels intended by management, depreciation of capitalized costs begins. Significant judgment is required to determine when certain assets of the Company's reach this level. Management considers several factors including, completion of a reasonable period of commissioning, consistent operating results are being achieved at a pre-determined level of design capacity.

Exploration evaluation assets

The Company makes certain estimates and assumptions regarding the recoverability of the carrying values of exploration and evaluation assets. The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. The recoverability of the assets' carrying values is dependent upon the determination of economically recoverable reserves, the ability of the Company to obtain the necessary financing and permits to complete development and future profitable production or proceeds from the disposition thereof.

The Company has taken steps to verify title to exploration and evaluation assets in which it has or is in the process of earning an interest, including review of condition of title reports, vesting deeds, mining claim location notices and filings, and property tax and other public records and is not presently aware of any title defects. The procedures the Company has undertaken and may undertake in the future to verify title provide no assurance that the underlying properties are not subject to prior agreements or transfers of which the Company is unaware.

b. Key sources of estimation uncertainty

Share-based payments

Management assesses the fair value of stock options granted using the Black-Scholes option pricing model, which was created for use in estimating the fair value of freely tradable, fully transferable options. The Company's stock options have characteristics significantly different from those of traded options, and changes in the highly subjective input assumptions can materially affect the calculated values. The fair value of stock options granted using the Black-Scholes option pricing model do not necessarily provide a reliable measure of the fair value of the Company's stock option awards.

Impairment

Judgment is involved in assessing whether there is any indication that an asset or cash generating unit may be impaired. This assessment is made based on the analysis of, amongst other factors, changes in the market or business environment, events that have transpired that have impacted the asset or cash generating unit, and information from internal reporting.

Income taxes

Provisions for income taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by tax authorities. Where the final outcome of these tax-related matters is different from the amounts that were originally recorded, such differences will affect the tax provisions in the period in which such determination is made.

Decommissioning and Rehabilitation Provision

Management's determination of the Corporation's decommissioning and rehabilitation provision is based on the reclamation and closure activities it anticipates as being required, the additional contingent mitigation measures it identifies as potentially being required and its assessment of the likelihood of such contingent measures being required, and its estimate of the probable costs and timing of such activities and measures. Significant judgements must be made when determining such reclamation and closure activities and measures required and potentially required.

Fair value of derivatives

The fair values of financial instruments that are not traded in an active market are determined using valuation techniques. Management uses its judgment to select a method of valuation and makes estimates of specific model inputs that are based on conditions existing at the end of each reporting period. Refer to Notes 13 and 15 of the Audited Annual Consolidated Financial Statements for further details on the methods and assumptions associated with the measurement of the and the embedded derivative within the convertible debentures, and the derivative within the gold streaming arrangement.

Useful life of property and equipment

The Company reviews the estimated lives of its property, plant and equipment at the end of each reporting period. There were no material changes in the lives of property and equipment for the year ended 31 July 2019.

Equity instruments

Management assesses the fair value of equity instruments using the Black-Scholes pricing model. The fair value of warrants using the Black-Scholes pricing model does not necessarily provide a reliable measure of the fair value of the Company's equity instruments. Judgement is involved in accounting assessment and classification for equity instruments.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instrument classification and measurement

Financial instruments recorded at fair value on the consolidated statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value of hierarchy has the following levels:

- Level 1 – quoted prices in active markets for identical financial instruments.
- Level 2 – quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in the markets that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets.
- Level 3 – valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

The Company’s investments have been assessed on the fair value hierarchy described above and classified as Level 1 and level 3. There is no change in levels during the year.

Fair values of financial assets and liabilities

The Company’s financial instruments include cash, equity instruments, reclamation bond, accounts payable and accrued liabilities, convertible debentures and gold forward sale derivative liability. The fair value of accounts payable and accrued liabilities maybe less than their carrying value due to the liquidity risk (see Note 1).

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash and cash equivalents and reclamation bonds. Cash and cash equivalents consists of cash held at a Canadian bank. A substantial portion of the Company’s amounts receivable is Input Tax Credit. The carrying amount of cash and cash equivalents, amounts receivable represents the maximum credit exposure.

Management monitors the exposure to credit risk on an ongoing basis and does not consider such risk significant at this time.

c. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its obligations when due, under both normal and stressed conditions, without incurring unacceptable losses. As at 31 July 2019, the Company had a cash balance of $1,625,990 (January 31, 2019 $1,528,767) to settle current liabilities of $79,588,130 (January 31, 2019 $18,104,447). See Note 1 for further details.

d. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, commodity prices, and interest rates will affect the Company’s operations, net earnings or the value of financial instruments.

Foreign currency risk

Foreign exchange risk is the risk that variations in exchange rates between foreign currencies will affect the Company's operating and financial results. The Company is exposed to significant foreign currency risk as a 5% shift in foreign exchange rates would result in an impact of approximately $42,697.

Interest rate risk

Interest rate risk is the risk that interest rate fluctuations will affect the Company's operating and financial results. Management does not believe that the Company is exposed to significant interest rate risk.

Commodity price risk

The nature of the Company's operations results in exposure to fluctuations in commodity prices. Commodity prices are impacted by global economic events that dictate the levels of supply and demand. Nordic's management continuously monitors commodity prices and may consider instruments to manage exposure to these risks when it deems appropriate.

The Company is exposed to commodity price risk with respect to the price of gold. Commodity price risk is defined as the potential impact on earnings and economic value due to price movements. The Company closely monitors prices of gold to determine the appropriate course of action to be taken by the Company. Price risk could adversely affect the Company. In particular, the Company's future profitability and viability of development depends upon the market price of gold.

DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Consistent with other companies in the mineral exploration industry, the Company has no source of operating revenue. The Company's July 31, 2019 Condensed Consolidated Interim Financial Statements provide a breakdown of the general and administrative expenses for the period under review and an analysis of the capitalized and expensed exploration and development costs incurred on its mineral properties.

INVESTOR RELATIONS ACTIVITIES

With respect to public relations, the Company's policy is to provide information from its corporate offices to investors and brokers directly.

RISK FACTORS

The Company is in the mineral exploration and development business and, as such, is exposed to a number of risks and uncertainties that are not uncommon to other companies in the same business. The industry is capital intensive and subject to fluctuations in metal prices, market sentiment, foreign exchange and interest rates. There is no certainty that properties which the Company has described as assets on its balance sheet will be realized at the amounts recorded. The only sources of future funds for further exploration programs or if such exploration programs are successful for the development of economic ore bodies and commencement of commercial production thereon, which are presently available to the Company are the sale of equity capital or the offering of the Company of an interest in its properties to be earned by another party carrying out further exploration or development. Although the Company was successful in entering into agreements with other parties for the right to earn ownership interests in the Company’s properties during the past year, there is no assurance that such sources of financing will be available on acceptance terms in the future, if at all.

DISCLOSURE CONTROLS AND PROCEDURES

The Chief Executive Officer and Chief Financial Officer (“CFO”) are responsible for designing internal controls over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company’s Audited Annual Consolidated Financial Statements for external purposes in accordance with IFRS. The design of the Company’s internal control over financial reporting was assessed as of the date of this Management Discussion and Analysis.

Based on this assessment, it was determined that certain weaknesses existed in internal controls over financial reporting. As indicative of many small companies, the lack of segregation of duties and effective risk assessment were identified as areas where weaknesses existed. The existence of these weaknesses is to be compensated for by senior management monitoring, which exists. The officers will continue to monitor very closely all financial activities of the Company and increase the level of supervision in key areas. It is important to note that this issue would also require the Company to hire additional staff in order to provide greater segregation of duties. Since the increased costs of such hiring could threaten the Company’s financial viability, management has chosen to disclose the potential risk in its filings and proceed with increased staffing only when the budgets and work load will enable the action. The Company has attempted to mitigate these weaknesses, through a combination of extensive and detailed review by the CFO of the financial reports, the integrity and reputation of senior accounting personnel, and candid discussion of those risks with the Audit Committee.

APPROVAL

The Board of Directors of the Company have approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

REPORT TO SHAREHOLDERS AND MANAGEMENT DISCUSSION AND ANALYSIS

A CAUTIONARY TALE

This document contains "forward-looking information" which may include, but is not limited to, statements with respect to the future financial or operating performance of the Corporation, its subsidiaries and its projects, the future supply, demand, inventory, production and price of minerals, the estimation of reserves and resources, the realization of reserve estimates, the timing and amount of estimated future production, costs of production, capital, operating and exploration expenditures, costs and timing of the development of new deposits, costs and timing of future exploration, requirements for additional capital, government regulation operations, environmental risks, reclamation expenses, title disputes or claims, limitations of insurance coverage and the timing and possible outcome of pending litigation and regulatory matters.

Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Corporation and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities; actual results of reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of resources; possible variations of ore grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the resource industry; political instability, insurrection or war; delays in obtaining governmental approvals or financing or in the completion of development or construction activities. Although the Corporation has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

Respectfully submitted

On Behalf of the Board of Directors

'Brian Wesson'

Brian Wesson

President and CEO

September 30, 2019

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