CORMARK SECURITIES INC.

MORNING NOTE

WEDNESDAY, MAY 14, 2025

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Recommendation: **Buy (S)**
Target Price: **C$1.50**

| | | | |
|---|---|---|---|
| Current Price | C$0.52 | Shares Outstanding (MM) | |
| 52 Wk High | C$0.74 | Basic | 165.2 |
| 52 Wk Low | C$0.42 | Diluted | 177.6 |
| Cash (MM) | C$5.0 | Mgmt and Dir | 39.6 |
| Debt (MM) | C$0.0 | Mkt Cap. (MM) | C$85.9 |
| NAV | C$1.50 | EV (MM) | C$80.9 |
| P/NAV | 0.35x | Total Resource | 3.5MMoz |
| Total Return | 188% | EV/Resource | $16 |

# Northern Superior Resources Inc.

(SUP - TSXV)

## Going Deep At Philibert

Unless otherwise denoted, all figures shown in US$

**Event:** Drill results from Philibert

**Impact:** Positive

**Commentary:**

Northern Superior announced additional results from its 20,000 m expansion drilling campaign at the Philibert property 9 km from IAMGOLD's Nelligan project (note HERE) in the Chibougamau district. These results highlight a new high-grade discovery and strong step-out mineralization beneath the current resource pit, indicating significant expansion potential at the Philibert project.

The holes are step-outs from the current resource pit, and all the targets remain open along strike and at depth. These holes, along with previously reported PB-25-475, PB-25-476, and PB-25-477 (note HERE and HERE), define a new core area intersecting the Grey Fox and Fennec Fox FW zones along a 400 m strike and between 150-200 m vertically.

Highlights include:

- PB-25-484: 18.0 m grading 2.48 g/t; including 4.9 m grading 7.02 g/t – discovery hole
- PB-25-480: 50.3 m grading 0.70 g/t; including 13.3 m grading 1.47 g/t – below the current resource pit at the Fennec Fox FW zone
- PB-25-478: 32.6 m grading 0.48 g/t; including 7.5 m grading 1.42 g/t – below the current resource pit at the Grey Fox FW zone
- PB-25-479: 29.6 m grading 0.31 g/t; including 0.5 m grading 8.35 g/t – step-out from modelled plunge of mineralization between the Fennec Fox and Grey Fox FW zones

Northern Superior will continue to build on its ongoing success at the southeastern extent of the pit and reinforce the strong potential to grow the resource well beyond the current 2.0 MMoz.

**Investment Conclusion:**

Northern Superior's dominant land position in the Chibougamau camp contains 3.54 MMoz across multiple properties. Trading at an EV of C$80.9 MM and just $16/oz in situ, we believe the market is undervaluing this camp. The significant resource growth at Nelligan highlights the area's potential, and Northern Superior is well positioned amid the growing focus on the region. Our NAV of C$1.50 is based on an in-situ value of $40/oz, ascribed to the 3.54 MMoz of current resources at Philibert, Chevrier, and Croteau, adding up to a total value of C$216 MM. That in-situ value compares to the $55/oz average of our explorer/developer comps under coverage and the $41/oz IAMGOLD paid to acquire Vanstar last year.

**Company Description:**

Northern Superior is a gold exploration company focused on the Chibougamau Gold Camp in Québec, Canada. The company has consolidated the largest land package in the region, with total land holdings >60,000 ha. The main properties include Philibert, Lac Surprise, Chevrier, and Croteau. Northern Superior is also the largest shareholder of ONGold Resources (ONAU-TSXV), which is advancing the district scale TPK project in northern Ontario.

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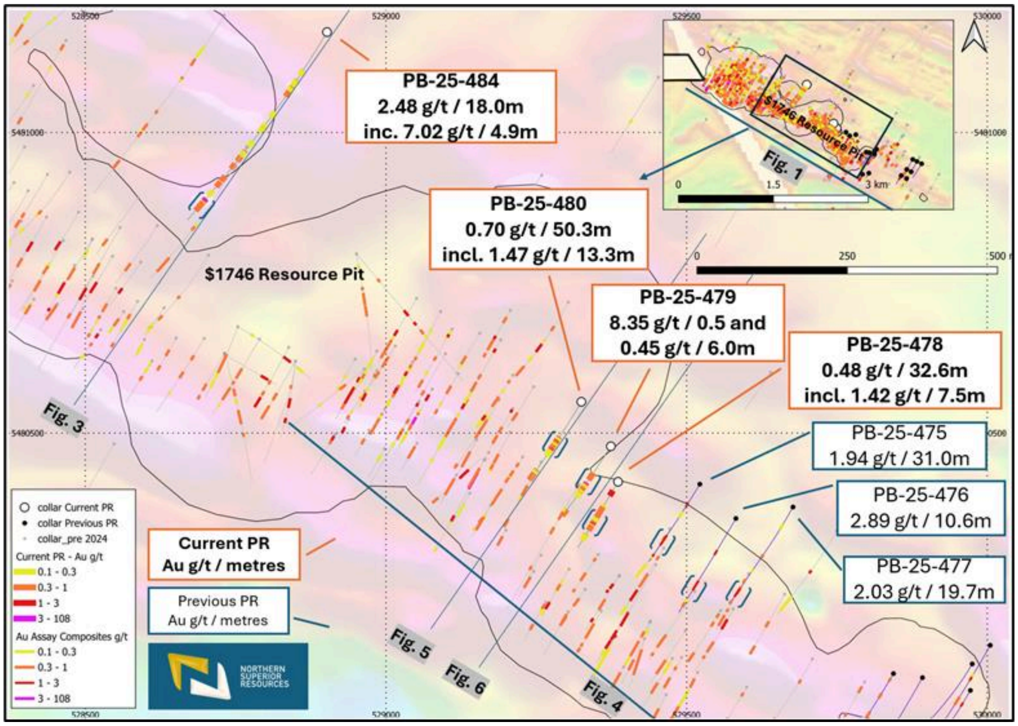
**Figure 1: Plan Map of Philibert Drilling Highlights**




Source: Northern Superior Resources Inc.

**Figure 2: Section View Highlighting Hole PB-25-484 and New Zone (Looking NW)**

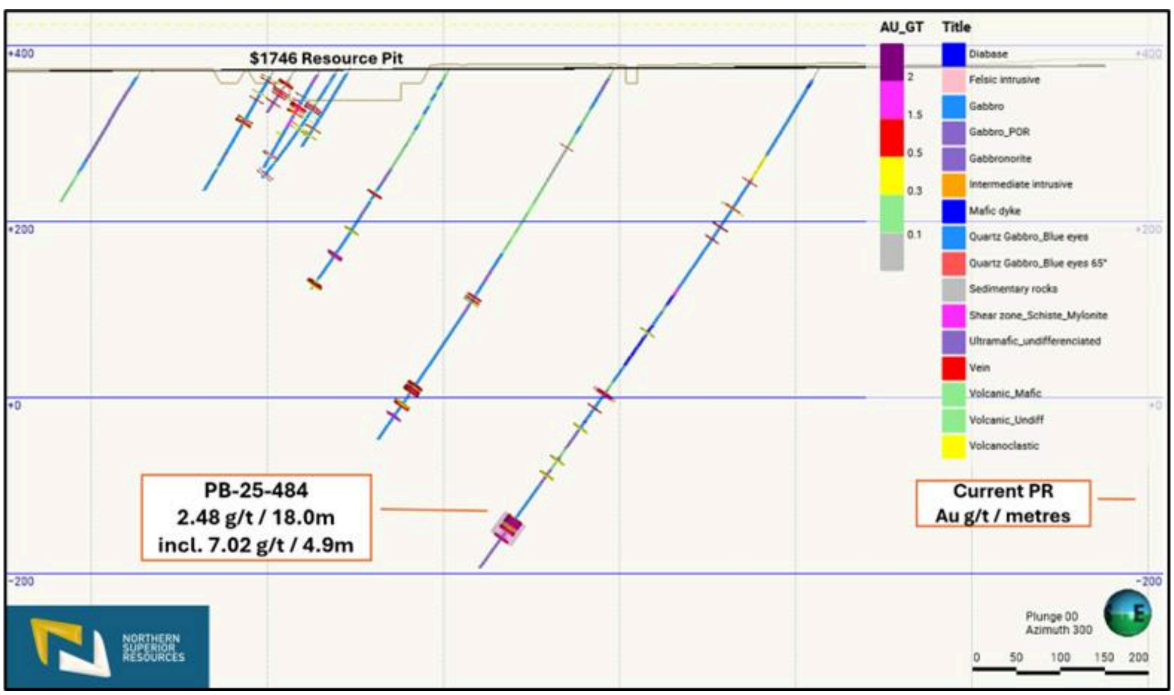



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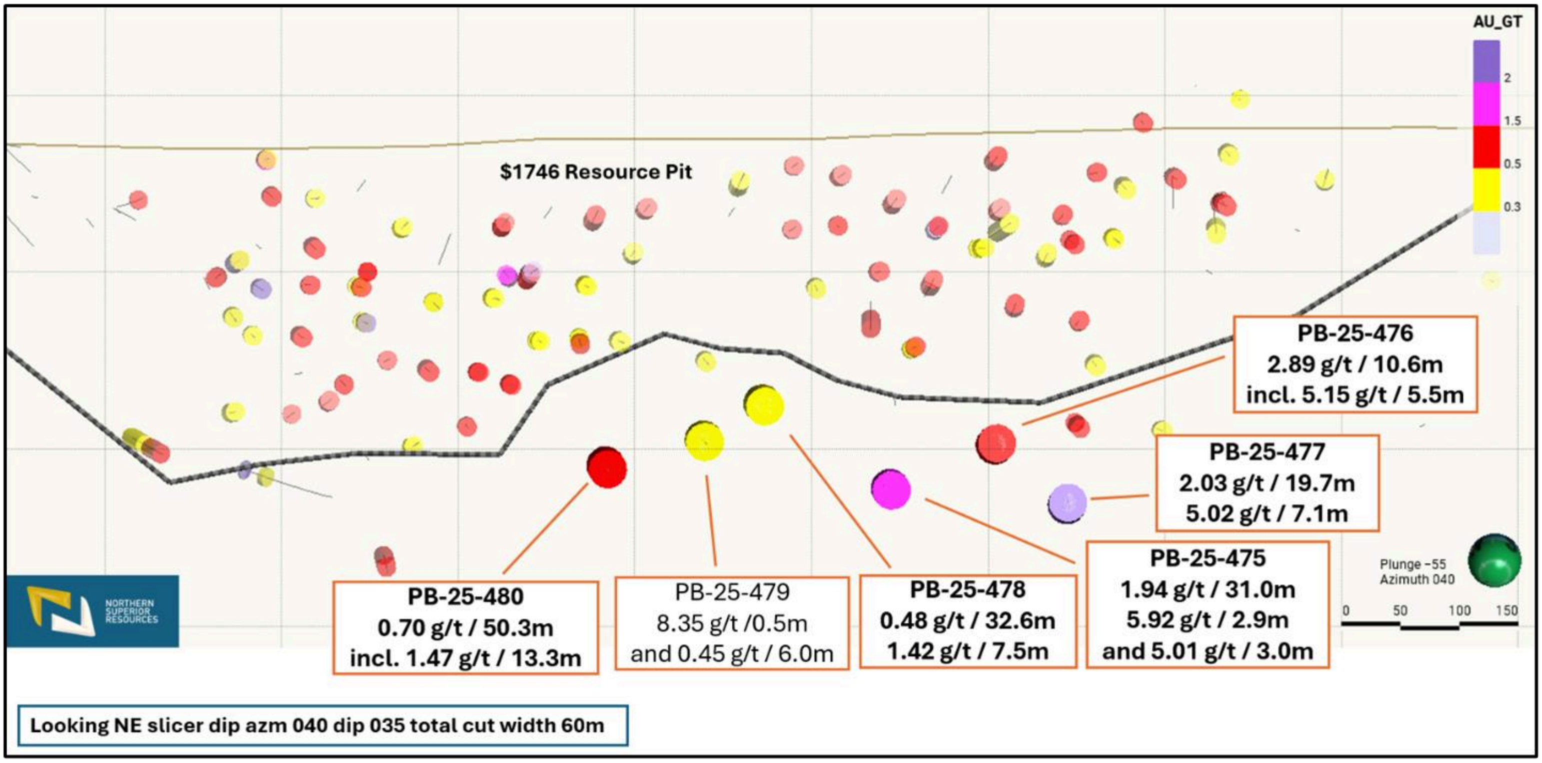
**Figure 3: Section View Showing Highlights from Fennec Fox and Grey Fox FW Zones (Looking NE)**




Source: Northern Superior Resources Inc.

**Figure 4: Section View Highlighting Hole PB-25-484 (Looking NW)**

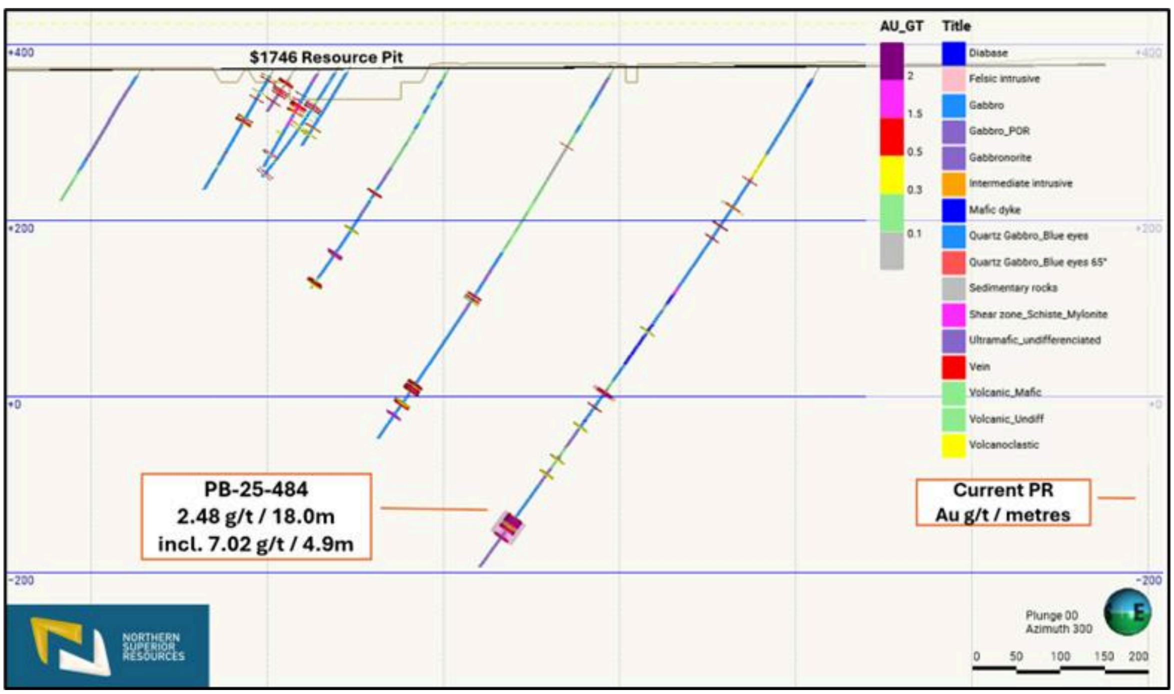



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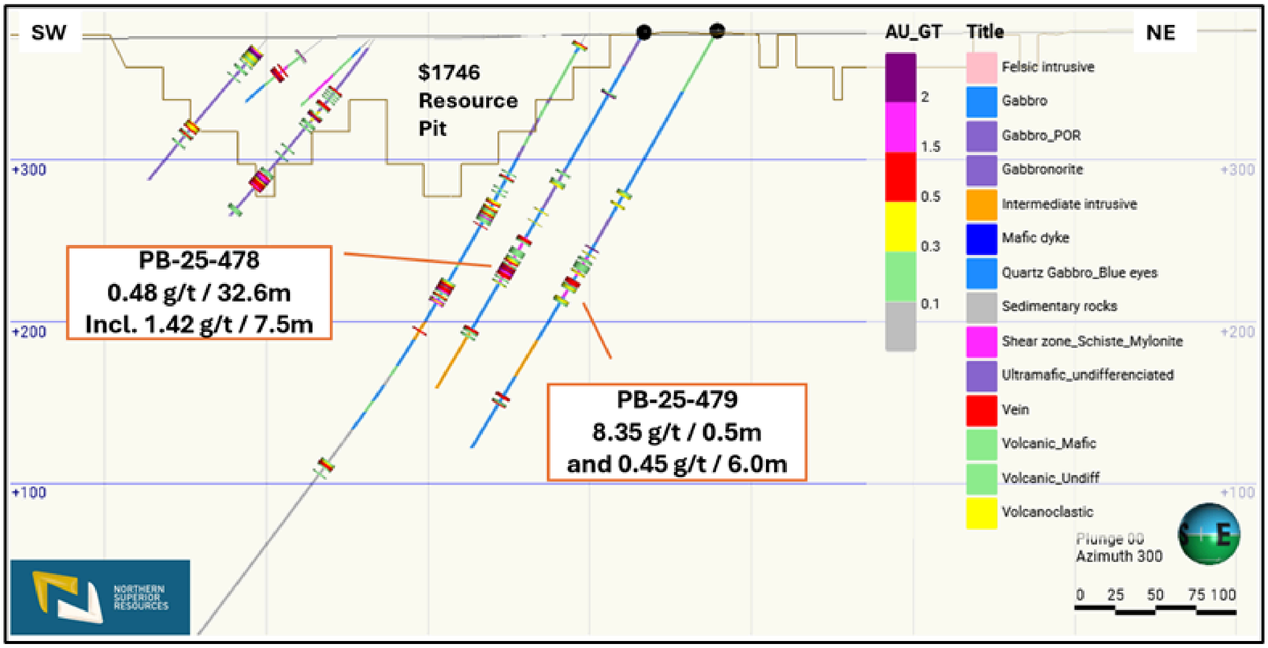
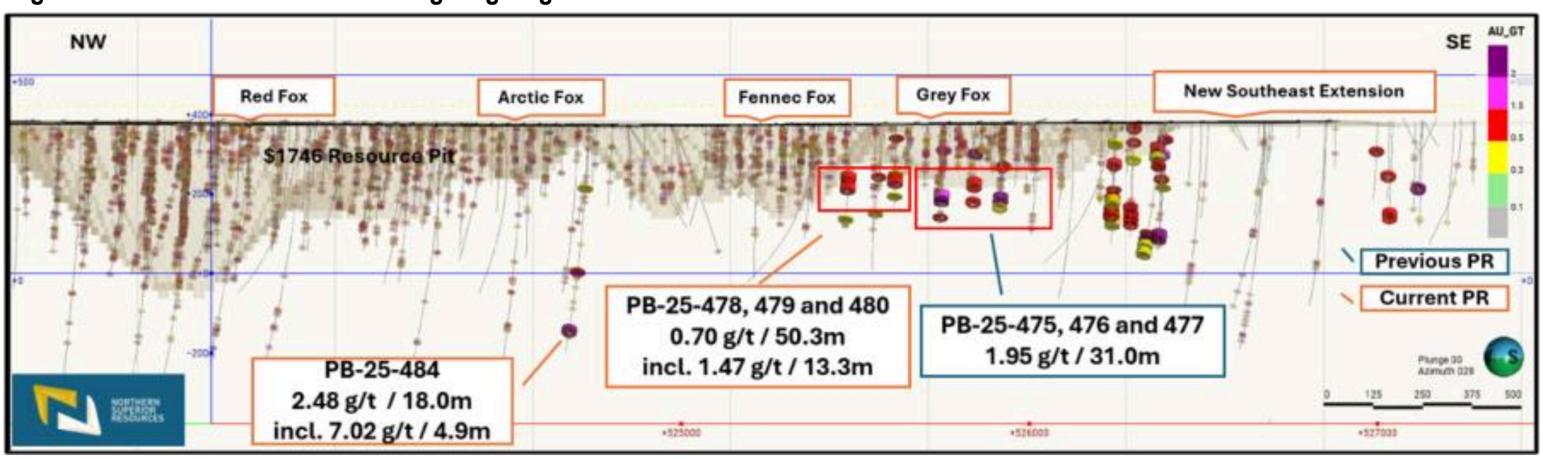
**Figure 5: Section View Highlighting PB-25-478 and PB-25-479 (Looking NW)**




Source: Northern Superior Resources Inc.

**Figure 6: Section View Showing Highlights Below Resource Pit**

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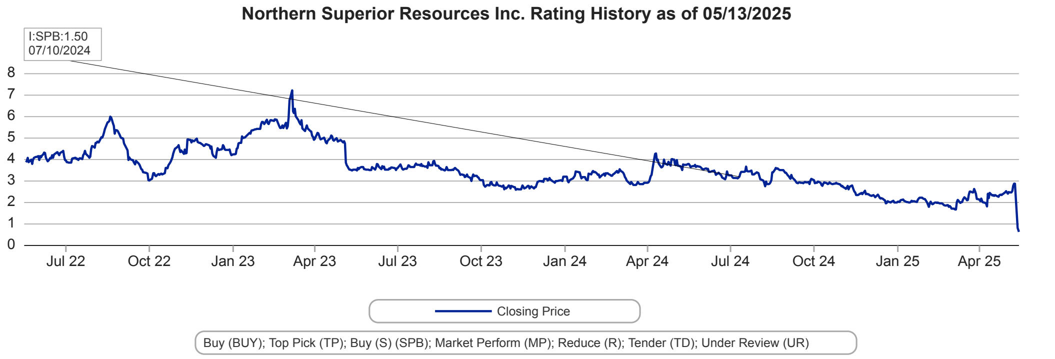
## Price Chart and Disclosure Statement

Updated May 14, 2025
*Information updated monthly on or about the 5th of each month




* Cormark has this percentage of its universe assigned as the following:

| | |
|---|---|
| *Buy or Top Pick* | 82% |
| *Market Perform* | 12% |
| *Reduce or Tender* | 3% |
| *Not Rated* | 2% |

During the last 12 months, CSI provided financial advice to and/or, either on its own or as a syndicate member, participated in a public offering, or private placement of securities of Northern Superior Resources Inc..
During the last 12 months, the analyst of Northern Superior Resources Inc. received compensation from a pool that included investment banking revenues from the subject company earned by CSI.
During the last 12 months, CSI received compensation for having provided investment banking services to Northern Superior Resources Inc..

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Cormark will provide, upon request, a statement of its financial condition and a list of the names of its Directors and senior officers.

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**Recommendation Terminology**

Cormark's recommendation terminology is as follows:
**Top Pick** our best investment ideas, the greatest potential value appreciation
**Buy** expected to outperform its peer group
**Market Perform** expected to perform with its peer group
**Reduce** expected to underperform its peer group
**Tender** clients are advised to tender their shares to a takeover bid
**Not Rated** currently restricted from publishing, or our recommendation is under review
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Additionally, our target prices are set based on a 12-month investment horizon.



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