SPC Nickel Corp.
Management Discussion & Analysis
For the Three and Six Month Period Ended February 28, 2022

The following is management's discussion and analysis ("MD&A") of the financial condition and interim results of operations of SPC Nickel Corp. ("SPC" or the "Company") for the three and six months ended February 28, 2022. This discussion and analysis should be read in conjunction with the Company's February 28, 2022 interim financial statements and attached notes, as well as the financial statements, notes, and MD&A for the year ended August 31, 2021, including the section on risks. This MD&A is dated April 26, 2022.

The Company's reporting currency is the Canadian dollar and all monetary amounts in this MD&A are expressed in Canadian dollars unless otherwise stated.

INTERNAL QUALIFIED PERSON AND QUALITY CONTROL/QUALITY ASSURANCE

Grant Mourre, P.Geo., President of the Company, is a Qualified Person as defined under National Instrument 43-101 and has reviewed and approved the technical information contained in this MD&A.

OVERVIEW OF THE COMPANY

SPC is a mineral exploration company that is focused on exploring for nickel ("Ni"), copper ("Cu") and platinum group metals ("PGMs"). The Company has spent in excess of $11 million dollars on exploration to date and is currently advancing is Ni-Cu-PGM properties located in the Sudbury Mining Camp, as well as its recently acquired Muskox Ni-Cu-PGM property, located in Nunavut. The Company will continue to focus on advancing its portfolio of properties, with a vision of discovering and delineating an economic orebody.

The business of exploration and mining involves a high degree of risk and there can be no assurance that the Company's exploration programs will result in profitable mining operations. The Company's continued existence is dependent upon the discovery of economically recoverable reserves and resources, securing and maintaining title and beneficial interest in the properties, the ability to obtain the necessary financing to complete exploration, development and construction of a mine and processing facilities, obtaining certain government approvals and attaining profitable production. There can be no assurance that the Company will be able to raise sufficient funds as and when required.

The Company's financial statements are prepared on a going concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of the Company's business. The application of the going concern concept is dependent on the Company's ability to obtain financing to fund its operations.

CORPORATE ACTIVITIES

During the six months ended February 28, 2022, the Company acquired a large comprehensive database related to the exploration of the Muskox Intrusion, located in the Territory of Nunavut. The proprietary database, which is exclusive to SPC, represents over 15 years of exploration and four multi-year programs dating back to 1955. It is estimated by the Company that an equivalent of $20 million dollars in modern exploration expenditure were previously incurred in the compilation of this database. Further details regarding the Muskox database acquisition, and the associated property acquisition, are provided below.

Subsequent to the end of the second quarter of fiscal 2022, in March of 2022, the Company closed a private placement, issuing (i) 10,740,713 Special FT Units at a price of $0.15 per Special FT Unit, for proceeds of $1,611,106.95 and (ii) 11,980,000 FT Units (the "FT Units") at a price of $0.13 per FT Unit, for proceeds of $1,557,400, bringing aggregate gross proceeds raised through the private placement to $3,168,506.95.

Each Special FT Unit, as well as each FT Unit, consists of one flow through common share of the Company and one half of one share purchase warrant (each whole warrant, a "Warrant"). Each Warrant issued as part of either the Special FT Units or the FT Units entitles the holder to purchase one additional non-flow through common share for a period of 18 months from closing at a price of $0.18 per share

MINERAL PROPERTIES, ACTIVITY AND PLANS

OVERVIEW OF PROJECTS

AER-KIDD PROPERTY

SPC owns 100% of the mining rights for the Aer-Kidd Property that is located approximately 20 kilometres southwest of Sudbury, Ontario, along the Worthington Offset Dyke. The property consists of 5 mining patents (mining rights only) representing approximately 403 hectares.

The property remains subject to a pre-existing underlying agreement that provides a 3% Net Smelter Return royalty ("NSR") royalty to SPG Royalties Inc. (the "Aer-Kidd Royalty") of which one half of the Aer-Kidd Royalty, or a 1.5 % net smelter returns royalty, can be purchased for $1,250,000. The Aer-Kidd Royalty includes advanced royalty bi-annual payments of $50,000 which are deductible from future royalty payments based on production from the Aer-Kidd Property. SPC also holds an option to purchase 100% of the property surface rights from the City of Greater Sudbury at any time prior to December 31, 2024 for a cash payment of $250,000 and a further cash payment of $250,000 if a mine is brought into commercial production on the Aer-Kidd Property.

LOCKERBY EAST PROPERTY

The Lockerby East Property is located approximately 20 kilometres west of Sudbury, Ontario within the southwest corner of the Sudbury Basin, and consists of approximately 397 hectares of freehold patents. The Lockerby East Property includes 100% of the Lockerby East and South patents as well as a 100% interest in the West Graham Property.

The Company owns 100% interest in the Lockerby East property. The property consists of freehold patents located in the south range of the Sudbury Igneous Complex ("SIC"), Sudbury, Ontario including 100% of the Lockerby patents and 100% of the West Graham Property subject to a 1% NSR to the previous owner of the West Graham portion of the Property.

OWEN NICKEL PROPERTY

SPC owns 100% of the mining rights of the 313.5 hectares property located 70 kilometres west of Sudbury Ontario near Espanola. The property consists of 3 mining patents (48.5 hectares) and 265 hectares of crown mining claims. A total of 451 hectares of crown mining claims were allowed to lapse.

JANES PROPERTY

On July 5, 2020, the Company entered into an option agreement to acquire a 100% interest in the Janes Property (the "Janes Option Agreement"). To earn a 100% interest in the Janes Property, the Company must pay $335,000 in cash over five years, issue $155,000 worth of Common Shares over five years and expend work commitments totaling $227,000 over five years. To date, the Company has made cash payments and share issuances of $22,000 and $13,500, respectively, and has fulfilled the entire work commitment. Upon the Company vesting a 100% interest the Janes Property, the optionors would retain a 2% NSR of which the Company can purchase the first 1% for $1,000,000 and the remaining 1% for an additional $500,000 up to the point of commercial production. Portions of the Janes Property remain subject to a pre-existing underlying agreement that provides a 1% NSR to a previous owner, of which all of the 1.0% NSR can be purchased for $1,000,000. Under the terms of the Janes Option Agreement, the maximum allowable NSR to the Optionors on any portion of the Janes Property is 2%. On claims containing the pre-existing 1% NSR, the NSR awarded to the Optionors is reduced from 2% to 1%, of which the Company can purchase the first 0.5% for $500,000 and the remaining 0.5% for an additional $500,000 up to the point of commercial production.

As at February 28, 2022, the Janes property consists of 95 staked mining claims for a total of 2,888 hectares.

MUSKOX PROPERTY

In September, 2021, the Company staked 11 mining claims (totaling 13,327 hectares) and obtained 2 prospecting permits (totaling 30,350 hectares) (collectively, the “Muskox Property”) in respect of exploration properties located within the Muskox Intrusion in the Kitikmeot Region of Nunavut. Additionally, in a separate transaction, the Company acquired a 100% interest in a database related to the Muskox Intrusion in exchange for cash payment of $94,600 (US$75,000) and 100,000 warrants exercisable into common shares of the Company at an exercise price of $0.20 per warrant for a period of three years from the effective date.

EXPLORATION HIGHLIGHTS

MUSKOX PROPERTY

Following the acquisition of the Muskox database, the Company identified the following from an analysis of the acquired data:

- Presence of widespread high-grade nickel-copper-PGM mineralization along the 60 km strike length of the Muskox Feeder dyke.
- Two broad zones (3 to 4 km in strike length) of high-grade mineralization identified at both the Spider Lake and Marceau Lake areas.
- Grab sample values up to 5.39% Ni, 2.88% Cu and 7.61 g/t PGM reported from historic sampling at the Spider Lake area.
- Grab sample values up to 2.18% Ni, 2.13% Cu and 2.22 g/t PGM reported from historic sampling at the Marceau Lake area.
- Higher-grade zones occur in possible physical traps where the thickness and orientation of the dyke changes; similar to other world class nickel deposits such as in Sudbury and Voisey’s Bay.
- No historic drilling is reported from either the Spider Lake or Marceau Lake areas.

Further desktop study of the Muskox Database is planned, which will guide the design and execution of planned ground-based exploration activities on the Muskox property.

AER-KIDD PROPERTY

From August through to November 2019, SPC completed 4,669 metres (3,936 metres cored) in eight holes testing the mineral potential of the area down-dip of the Robinson Mine. Holes AK-19-031 to 036 were designed to test the down-dip potential of the Robinson Mine from the lowest level of the mine (350 metres) down to a vertical depth of 650 metres.

Highlights from the drilling include:

- Drill hole AK-19-032 intersected mineralization over 4.65 metres containing 1.07% Ni, 1.09% Cu and 0.98 g/t PGM (0.60 g/t Pt, 0.23 g/t Pd, 0.16 g/t Au) from 355.35-360.00 metres including a higher grade section of 2.70% Ni, 2.17% Cu and 1.17 g/t PGM (0.96 g/t Pt, 0.10 g/t Pd, 0.11 g/t Au) over 1.60 metres.
- Drill hole AK-19-034 intersected mineralization over 12.95 metres containing 0.32% Ni, 1.17% Cu and 1.14 g/t PGM (0.39 g/t Pt, 0.47 g/t Pd, 0.28 g/t Au) from 662.60-675.55 metres including a higher grade section of 0.61% Ni, 2.77% Cu and 1.99 g/t PGM (0.29 g/t Pt, 0.98 g/t Pd, 0.73 g/t Au) over 3.55 metres.
- Drill hole AK-19-035 intersected mineralization over 22.45 metres containing 0.54% Ni, 0.41% Cu and 3.83 g/t PGM (0.97 g/t Pt, 0.79 g/t Pd, 2.08 g/t Au) from 430.95-453.40 metres including a higher grade section of 3.20% Ni, 0.97% Cu and 77.68 g/t PGM (9.64 g/t Pt, 7.34 g/t Pd, 60.70 g/t Au) over 0.65 metres.

From November 2019 through to February 28, 2021, there were no substantive exploration activities completed on the Aer-Kidd Property.

In March of 2021, the Company announced the start of a 15,000 metre drill program on the Company’s Aer-Kidd Project. The program looked to further evaluate the prospective Howland, Robinson and Rosen mineralized trends for Ni-Cu-PGM bearing massive sulphide mineralization. The program was completed in February of 2022 with a total of 14,111 metres drilled in 14 holes.

A complete list of assay results from the 2021 program are presented in Table 1.

Table 1: Assays results from drill holes completed during the 2021 Aer-Kidd program.

HOLE ID	INTERVAL			BASE METALS		PRECIOUS METALS				
	From (m)	To (m)	Length (m)	Ni (%)	Cu (%)	Pt (g/t)	Pd (g/t)	Au (g/t)	Ag (g/t)	3E PGE (g/t)
AK-21-037	340.74	342.7	1.96	0.59	0.55	0.07	0.06	0.06	4.79	0.19
AK-21-039	522.37	523.00	0.63	0.38	1.34	1.00	0.20	0.12	11.85	1.32
	532.90	561.75	28.85	0.35	0.42	0.25	0.28	0.09	3.70	0.62
including	532.90	543.53	10.63	0.40	0.50	0.29	0.32	0.10	4.08	0.71
including	532.90	534.18	1.28	0.73	1.78	0.17	0.03	0.10	11.38	0.30
including	535.66	536.24	0.58	1.69	0.40	0.65	0.27	0.03	4.40	0.94
including	544.43	548.40	3.97	0.53	0.66	0.39	0.09	0.06	5.07	0.55
including	546.62	548.40	1.78	1.03	1.16	0.77	0.10	0.11	8.92	0.98
including	546.93	547.26	0.33	4.28	1.06	2.46	0.11	0.10	8.70	2.66
including	561.03	561.75	0.72	1.98	0.69	0.29	2.38	0.48	9.50	3.16
AK-21-040	428.73	429.10	0.37	1.59	0.26	2.09	4.03	0.12	5.60	6.24
	432.66	433.49	0.83	0.51	1.20	0.20	1.73	0.09	8.70	2.02
AK-21-041	426.00	427.04	1.04	0.15	1.11	2.76	1.48	0.76	11.10	5.00
	428.36	429.14	0.78	2.72	0.95	1.66	5.42	0.83	10.40	7.91
AK-21-042	876.46	877.00	0.54	1.18	0.44	0.81	0.41	0.03	2.90	1.25
AK-21-043	842.00	842.50	0.50	1.10	0.14	0.48	0.12	0.02	1.30	0.61
AK-21-046	720.34	720.70	0.36	2.44	0.10	0.15	0.32	0.03	0.80	0.49
	758.85	767.30	8.45	0.31	0.61	0.13	0.14	0.06	3.33	0.33
including	758.85	759.25	0.40	0.21	1.19	0.25	0.49	0.59	7.10	1.33
including	760.55	760.90	0.35	0.13	2.38	0.25	0.07	0.03	13.10	0.35
including	762.00	762.35	0.35	0.56	1.66	0.15	0.08	0.05	8.60	0.27
including	764.47	764.77	0.30	2.46	0.34	0.07	0.20	0.06	3.60	0.33
including	766.77	767.30	0.53	0.93	3.31	0.21	0.69	0.07	15.90	0.97

With the completion of the 2021 drill program, the Company is working towards updating the geological models with all the new drill hole data and developing targets for 2023.

JANES PROPERTY

The Janes Property is located 45 kilometres northwest of the City of Greater Sudbury (74 kilometres by road) and within hauling distance of the processing and smelting infrastructure located within Sudbury. The Janes Property was initially explored in 1969 by Kennco Exploration (Canada) Ltd., which reported both disseminated and massive Cu-Ni sulphide mineralization (PGM not reported) occurring near the base of a large Nipissing Diabase sill.

In late 2021, the Company completed a program of ground geophysics, trenching, mapping, geochemical sampling and diamond drilling to further test and evaluate a series of historic high-grade Ni-Cu-PGM showings at Janes. Two areas, called the Trench 1 and Trench 4 zones, were mechanically stripped and sampled. Highlights from that work include 0.50% Ni, 1.09% Cu, 3.09 g/t PGM4 over 22.0 metres at Trench 1 and 0.78% Ni, 0.66% Cu, 5.51 g/t PGM over 6.0 metres at Trench 4. A 650 metre, 16-hole drill program completed at the Trench 1 zone further defined the extent and continuity of the mineralized zone. Highlights included JP-21-001 that intersected 0.51% Ni, 1.04% Cu and 5.10 g/t PGM over 9.0 metres3 .

Exploration plans for 2022 at Janes include approximately 30 km of line cutting, followed by ground geophysical surveys, geological mapping, trenching and geochemical sampling program, as well as a 1,000 metre fall drill program.

The following table details exploration and evaluation expenditures incurred during the reporting period.

	AER Kidd	Owen	Lockerby East	Janes	Muskox	Project Generation	Total
Continuity of project expenditures for the six months ended February 28, 2022							
Balance August 31, 2021	**10,847,626**	**4,776**	**832,889**	**493,068**	**-**	**57,239**	**12,235,598**
Option Payments	50,000	-	-	-	-	-	50,000
Other acquisition and holding costs	5,358	194	3,747	50	60,030	170	69,550
Total acquisition costs for the period	55,358	194	3,747	50	60,030	170	119,550
Assays logging, and sampling	51,967	-	-	6,849	-	-	58,816
Travel, accommodation, and meals	605	-	-	-	-	2	607
Drilling	1,191,461	-	-	-	-	-	1,191,461
Environmental	(4,900)	-	-	-	-	-	(4,900)
Equipment Rental	72,343	-	-	3,019	1,760	-	77,121
Field supplies and consumables	2,722	-	-	594	396	54	3,766
Field office	2,250	-	-	-	-	-	2,250
Payroll and Project Management	83,345	-	17,570	43,922	23,957	14,065	182,859
Surveys and linecutting	1,362	-	-	-	96,747	-	98,109
Vehicles	3,975	-	-	1,230	-	77	5,283
Exploration and evaluation expenditures for the period	1,405,130	-	17,570	55,614	122,859	14,199	1,615,372
Balance February 28, 2022	**12,308,114**	**4,970**	**854,206**	**548,732**	**182,889**	**71,608**	**13,970,520**
February 28, 2022 balance consists of							
Acquisition costs	2,217,591	3,560	622,103	38,150	60,030	8,176	2,949,611
Exploration expenditures	10,090,523	1,410	232,103	510,582	122,859	63,432	11,020,909
	12,308,114	4,970	854,206	548,732	182,889	71,608	13,970,520

	AER Kidd	Owen	Lockerby East	Janes	Muskox	Project Generation	Total
Continuity of project expenditures for the six months ended February 28, 2021							
Balance August 31, 2020	**8,306,560**	**4,776**	**444,019**	**12,380**	**-**	**55,122**	**8,822,857**
Option Payments	50,000	-	-	-	-	-	50,000
Payments to vendors, property purchase, maintenance and holding costs	1,598	-	362,851	-	-	-	364,449
Total acquisition costs for the period	51,598	-	362,851	-	-	-	414,449
Meals, travel, and accommodation	26	-	-	9,121	-	-	9,147
Assays logging sampling	-	-	-	23,981	-	-	23,981
Environmental	5,760	-	-	-	-	-	5,760
Equipment Rental	-	-	-	550	-	-	550
Field supplies and consumables	8	-	-	83	-	-	91
Field office	9,785	-	-	-	-	-	9,785
Payroll and Project Management	15,791	-	4,013	32,274	-	-	52,079
Stripping and trenching	-	-	-	11,975	-	-	11,975
Surveys and linecutting	-	-	-	110,950	-	-	110,950
Vehicles	95	-	-	899	-	-	994
Exploration and evaluation expenditures for the period	31,466	-	4,013	189,834	-	-	225,313
Balance February 28, 2021	**8,389,624**	**4,776**	**810,883**	**202,214**	**-**	**55,122**	**9,462,619**
February 28, 2021 balance consists of							
Acquisition costs	2,109,489	3,366	606,966	11,100	-	8,006	2,738,927
Exploration expenditures	6,280,135	1,410	203,917	191,114	-	47,116	6,723,692
	8,389,624	**4,776**	**810,883**	**202,214**	**-**	**55,122**	**9,462,619**

DISCUSSION OF OPERATIONS

Expenses for the six-month period ended February 28, 2022 were $2,116,988, compared to $1,302,247 for the six month period ended February 28, 2021. The overall increase of $814,741 is mainly due to exploration expenditures being $1,615,372, representing an increase of $1,389,018 over exploration expenditures of $226,354 incurred during the six month period ending February 28, 2021. This increase was partially offset by a decrease in share-based compensation of $337,500. The increase in exploration expenditures is primarily attributable to the active drill program at AER-Kidd in the fist six months of the current fiscal year, without a comparative active drill program ongoing during the comparative prior period. A breakdown of exploration expenditures incurred by property is presented in the table on the preceding page. Office and general expenditures incurred during the first six months of the current fiscal period totalled $195,432. This represents a $78,450 increase over office and general expenditures of $116,982 incurred during the first six months of the prior fiscal year and is generally attributable to the Company's increased corporate activity as a public company during the current fiscal year to date period. The Company had lower corporate costs during the first six months of fiscal 2021, as it was a private company for a portion of that comparative period. Share based compensation decreased by $337,500 in the quarter, as the Company granted stock options in the six-month period ended February 28, 2021 without a similar issuance having occurred during the six month period ended February 28, 2022. All other operating expenses remained materially unchanged as compared to the prior year comparative period.

Expenses for the three-month period ended February 28, 2022 were $917,593, compared to $712,274 for the three month period ended February 28, 2021. This overall increase of $205,319 is mainly due to exploration expenditures totalling $603,753, representing an increase of $536,295 as compared to prior year comparative amount of $67,458. This increase was partially offset by a decrease in property acquisition and holding costs, from $411,140 during the second quarter of the previous fiscal year, to $63,805 during the most recent quarter. Office and general expenditures incurred during the most recent quarter totalled $132,670. This represents a $41,021 increase over office and general expenditures of $93,640 incurred during the second quarter of the prior fiscal year and is generally attributable to the increased level of corporate activity discussed above. All other operating expenses remained materially unchanged as compared to the prior year comparative quarter.

SUMMARY OF QUARTERLY RESULTS

A summary of selected unaudited financial information for the past eight quarters is presented below:

Three Months Ending (Unaudited)	February 28, 2022	November 30, 2021	August 31, 2021	May 31, 2021
Revenue	Nil	Nil	Nil	Nil
Operating Expenses	(2,116,988)	(1,199,395)	(1,889,920)	(1,439,465)
Loss from Operations	(2,116,988)	(1,199,395)	(1,889,920)	(1,439,465)
Loss for the period	(2,107,775)	(1,194,199)	(1,711,921)	(1,293,080)
Loss per share	(0.01)	(0.01)	(0.02)	(0.01)
Total Assets	3,102,370	4,142,492	6,084,383	7,752,068
Total Liabilities	407,388	533,934	1,299,626	1,364,191

Three Months Ending (Unaudited)	February 28, 2021	November 30, 2020	August 31, 2020	May 31, 2020
Operating Expenses	(712,274)	(589,973)	(185,239)	(47,233)
(Loss) from Operations	(712,274)	(589,905)	(185,235)	(45,311)
Net (Loss) for the period	(712,257)	(589,905)	(185,235)	(45,311)
(Loss) per share	(0.01)	(0.01)	(0.00)	(0.00)
Total Assets	8,463,970	2,657,049	1,827,782	106,285
Total Liabilities	463,656	1,166,404	144,732	293,148

The Company's total assets have increased over the past eight quarters commensurately with the successful raising of capital necessary to fund exploration expenditures and corporate expenditures. All else being equal, as the company incurs and funds expenditures, its total assets decrease. Over the past eight quarters, the Company has seen an increase in quarterly operating expenses and commensurate loss from operations and decrease in total assets, as it has increased its exploration activities and related expenditures.

LIQUIDITY AND CAPITAL RESOURCES

As at February 28, 2022, the Company had cash balances of $2,581,851 compared with $5,335,752 as at August 31, 2021. The decrease is attributable to the Company incurring and funding exploration and corporate expenditures. The Company had current assets of $2,937,714 and current liabilities of $306,598, for net working capital of 2,795,773 as at February 28, 2022.

At present, the Company's operations do not generate cash flow and its long-term financial success is dependent on management's ability to discover and develop economically viable mineral deposits and to raise money to support the discovery and development of such mineral deposits. The mineral exploration process can take many years and is subject to factors that are beyond the Company's control.

In order to finance the Company's exploration programs and to cover administrative and overhead expenses, the Company raises money through equity issuances. Many factors influence the Company's ability to raise funds, including the health of the resource industry, the climate for mineral exploration investment, the Company's track record, and the experience and caliber of its management. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration activities. Management believes it will be able to raise equity capital as required in the long term, but recognizes there will be risks involved that may be beyond their control. There is no assurance that new funding will be available at the times required or desired by the Company. See "Risk Factors" below. Currently, the Company holds exploration projects and it is anticipated that additional equity financing will be available going forward. Equity markets do fluctuate which could affect timing of future financings. The Company continues to pursue other avenues of financing, including strategic partnerships in relation to its non-material properties, which may reduce the Company's reliance on equity financing.

OUTSTANDING SHARE DATA

As at April 26, 2022, the Company had the following securities outstanding:

• Common Shares Issued	124,912,349
• Warrants	5,518,115
• Options	8,330,000

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments consist of cash, receivables, and accounts payable and accrued liabilities. The fair values these financial instruments approximate their carrying values due to their short-term nature.

Credit Risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to cash and receivables. The Company maintains its cash with high-credit quality financial institutions, thus limiting its exposure to credit risk on such financial assets.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company maintains sufficient cash balances to meet current working capital requirements. The Company is considered to be in the exploration and evaluation stage, thus, it is dependent on obtaining regular financings in order to continue its exploration and evaluation programs. Despite previous success in acquiring these financings, there is no guarantee of obtaining future financings. The Company's cash is available on demand for the Company's programs and is not invested in any asset-backed commercial paper. The Company believes it has sufficient cash resources to pay its obligations associated with its financial liabilities as at February 28, 2022.

Interest Rate Risk

The Company's exposure to interest rate risk arises from the interest rate impact on its cash. The Company's practice has been to invest cash at floating rates of interest, in cash equivalents, in order to maintain liquidity, while achieving a satisfactory return for shareholders. There is minimal risk that the Company would recognize any loss as a result of a decrease in the fair value of any guaranteed bank investment certificates included in cash, and restricted cash as they are generally held with large financial institutions.

Price Risk

The Company is not currently exposed to price risk, as it does not currently hold Investments in equity instruments.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements such as guarantee contracts, contingent interests in assets transferred to unconsolidated entities or derivative financial obligations.

RISKS AND UNCERTAINTIES

Exploration for mineral resources involves a high degree of risk. The cost of conducting programs may be substantial and the likelihood of success is difficult to assess. In addition to exploration risk, the Company is faced with a number of other risk factors. See "Risk Factors" below.

TRANSACTIONS WITH RELATED PARTIES

Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties). The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or which might reasonably be expected to be available, to similar transactions to non-key management personnel related entities on an arm's length basis.

Related parties include the Board of Directors, their close family members and enterprises that are controlled by these individuals, as well as certain persons performing similar functions.

In accordance with IAS 24, key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

The remuneration of key management of the Company for the periods ended February 28, 2022 and 2021 was as follows:

	2022	2021
Short term benefits	$ 163,605	$139,374
Share based payments	-	322,500
	$ 163,605	$ 461,875

Short term benefits are expensed as either consultant fees, wages, or exploration and evaluation expenditures, as applicable.

During the six month period ended February 28, 2022, the Company also incurred cost reimbursements, management fees and exploration fees of $Nil (February 28, 2021 - $70,061) payable to Transition Metals Corp. ("TMC").

Included in accounts payable and accrued liabilities as at February 28, 2022 is $207 (August 31, 2021 - $2,783) owing to management and related companies. The amounts are unsecured, non-interest bearing, and are due on demand. Included in accounts receivable as at February 28, 2022, is $7,358 (August 31, 2021 - $6,479) receivable from TMC in respect of lease payments, which are unsecured, non-interest bearing, and due on demand

COMMITMENTS AND CONTINGENCIES

Environmental Contingencies

The Company's exploration activities are subject to various federal and provincial laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Flow-through Expenditures

In connections with the completion of a flow through financing, the Company has indemnified the subscribers for any tax related amounts that become payable by the subscriber in the event that the Company does not meeting its expenditure commitments. As February 28, 2022, the Company has fulfilled all of its flow through expenditures commitments that were otherwise required to be incurred in connection with prior flow through financings.

RISKS FACTORS

The operations of the Company are speculative due to the high-risk nature of its business, which are the acquisition, financing, exploration and development of mining properties. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward–looking information relating to the Company. See "*Risk Factors*" in the Company's prospectus filed on SEDAR.

Outlook

The Company will continue to explore and develop its Sudbury properties, as well as its recently acquired Muskox property, while continuing to pursue other Ni-PGM opportunities in Canada. The vision of the company is to build a publicly listed energy metals company focused on nickel and PGM opportunities in Canada.

Responsibility for financial statements

The information provided in this report, including information from the related financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgements and have been properly reflected in the financial statements.

Additional Information

Additional information relating to the Company is available on SEDAR www.sedar.com.

CAUTIONARY STATEMENT REGARDING FORWARD LOOKING INFORMATION

Except for statements of historical fact relating to SPC certain information contained herein constitutes forward-looking information under Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to the Company's proposed acquisitions and strategy, development potential and timetable of the Company's properties; the Company's ability to raise required funds; future mineral prices; mineralization projections; conclusions of economic evaluation; the timing and amount of estimated future exploration and development; costs of development; capital expenditures; success of exploration activities; mining or processing issues; currency exchange rates; government regulation of mining operations; and environmental risks. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made. Estimates regarding the anticipated timing, amount and cost of exploration activities are based on previous industry experience and regional political and economic stability. Capital and operating cost estimates are based on extensive research of the Company, recent estimates of exploration costs and other factors that are set out herein. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements, including but not limited to risks related to: unexpected events and delays during exploration and development; acquisition risks; regulatory risks; revocation of government approvals; timing and availability of external financing on acceptable terms; actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of minerals; accidents, labour disputes and other risks of the mining industry. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such 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. The Company does not undertake to update any forward-looking statements, except in accordance with applicable securities laws.