



NorthX Nickel Corp.

(Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

For the Twelve and Fifteen Months Ended December 31, 2024 and 2023

(Expressed in Canadian dollars)

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

For the twelve and fifteen months ended December 31, 2024 and 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis ("MD&A") supplements but does not form part of the audited financial statements and the notes thereto for the twelve and fifteen months ended December 31, 2024 and 2023 (collectively referred to hereafter as the "financial statements").

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards and International Accounting Standards, as issued by the International Accounting Standards Board ("IASB"), and Interpretations (collectively "IFRS Accounting Standards"). All amounts are expressed in Canadian dollars unless otherwise stated. Other information contained in this document has been prepared by management and is consistent with the information contained in the financial statements.

The Company's certifying officers are responsible for ensuring that the financial statements and MD&A do not contain any untrue statement of a 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 was made. The Company's certifying officers certify that the financial statements together with the other financial information included in the filings fairly present, in all material respects, the financial condition, financial performance and cash flows of the Company as of the date of, and for the periods presented in the filings.

In this MD&A, "NorthX", the "Company", or the words "we", "us", or "our", collectively refer to NorthX Nickel Corp. The first, second, third, and fourth quarters of the Company's fiscal years are referred to as "Q1", "Q2", "Q3", and "Q4", respectively. The year-to-date periods ended December 31, 2024 and 2023 are referred to as "YTD 2024" and "YTD 2023", respectively.

The Company's Audit Committee and the Board of Directors provide an oversight role with respect to all public financial disclosures by the Company. The Board of Directors approves the financial statements and MD&A after the completion of its review and recommendation for approval by the Audit Committee, which meets periodically to review all financial reports, prior to filing.

The following MD&A has been prepared by management, in accordance with the requirements of NI 51-102 as of April 29, 2025.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this document constitute "forward-looking statements". All statements other than statements of historical fact contained in this MD&A, including, without limitation, those regarding the Company's future financial position and results of operations, strategy, proposed acquisitions, plans, objectives, goals and targets, and any statements preceded by, followed by or that include the words "believe", "expect", "aim", "intend", "plan", "continue", "will", "may", "would", "anticipate", "estimate", "forecast", "predict", "project", "seek", "should" or similar expressions or the negative thereof, are forward-looking statements. These statements are not historical facts but instead represent only the Company's expectations, estimates and projections regarding future events. These statements are not guarantees of future performance and involve assumptions, risks and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied, or forecasted in such forward-looking statements.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to risks associated with: geological risks; limited operating history; inability to generate earnings or pay dividends for the foreseeable future; uncertain ability to raise additional funds when required; reliance on a small number of key managers lacking backup; potential conflicts of interest among directors and officers of the Company; lack of liquidity for shareholders of the Company; ability to secure needed permits; ability to physically access and work the Company's property assets due to poor weather; a potential lack of key contract personnel and services providers needed to execute elements of the Company's exploration plans; and market risk consisting of fluctuations in the Company's share price, metal prices, credit market conditions; and investor appetite for early stage exploration companies.

Management provides forward-looking statements because they believe such statements deliver useful guidance and information to readers when considering their investment objectives. Though management believes such statements to be as accurate as possible in the context of the information available to management at the time in which they are made, management cautions readers that the guidance and information contained in such statements may rapidly be superseded by subsequent events. Consequently, all of the forward-looking statements made in this MD&A are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments suggested by such forward-looking statement will be realized or, even if substantially realized, that they will have the expected results, or effects upon, the Company. These forward-looking statements are made as of the date of this MD&A and the Company assumes no obligation to update or revise them to reflect subsequent information, events or circumstances or otherwise, except as required by law.

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

For the twelve and fifteen months ended December 31, 2024 and 2023

The forward-looking statements in this MD&A are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future, including assumptions regarding business and operating strategies.

The disclosure relating to deposits and mineral resource estimates in this MD&A and referred to herein was prepared in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") which differs from the requirements of the U.S. Securities and Exchange Commission (the "SEC"). The terms "measured mineral resource", "indicated mineral resource" and "inferred mineral resource" used in this MD&A are in reference to the mining terms defined in the Canadian Institute of Mining, Metallurgy and Petroleum Standards (the "CIM Definition Standards"), which definitions have been adopted by NI 43-101. Accordingly, information contained in this MD&A providing descriptions of our mineral deposits in accordance with NI 43-101 may not be comparable to similar information made public by other U.S. companies subject to the United States federal securities laws and the rules and regulations thereunder.

Investors are cautioned not to assume that any part or all mineral resources will ever be converted into reserves. Pursuant to CIM Definition Standards, "inferred mineral resources" are that part of a mineral resource for which quantity and grade or quality are estimated based on limited geological evidence and sampling. Such geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An inferred mineral resource has a lower level of confidence than that applying to an indicated mineral resource and must not be converted to a mineral reserve. However, it is reasonably expected that the majority of inferred mineral resources could be upgraded to indicated mineral resources with continued exploration. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies, except in rare cases. Investors are cautioned not to assume that all or any part of an inferred mineral resource is economically or legally mineable.

All scientific and technical information in this MD&A has been reviewed and approved by Mr. Tom Meyer, P.Eng., the Company's President and CEO. Mr. Meyer is a qualified person for the purposes of NI 43-101.

DESCRIPTION OF THE BUSINESS

On May 1, 2024 the Company changed its name to NorthX Nickel Corp. (Formerly Archer Exploration Corp.) ("NorthX" or the "Company"). The Company was incorporated under the laws of the Province of British Columbia on October 26, 2018 and focuses on the exploration of mineral claims located in Québec and Ontario, Canada. The Company's registered and records office is located at 1200 Waterfront Centre, 200 Burrard Street, Vancouver, BC V7X 1T2. On February 11, 2021, the shares of the Company began trading on the Canadian Securities Exchange (the "Exchange") under the symbol "RCHR". Effective May 1, 2024, coincident with the name change, the Company commenced trading on the Canadian Securities Exchange under the new trading symbol "NIX".

In August 2023, the Company announced the change in its fiscal year end from September 30 to December 31, effective as of December 31, 2023. Accordingly, for the 2024 reporting year, the Company has reported its audited financial statements for the twelve month period ending December 31, 2024, along with its comparative figures for the fifteen month period ended December 31, 2023.

At December 31, 2023 the Company had one wholly owned subsidiary, 1273600 B.C. Ltd. On January 25, 2024 1273600 B.C. Ltd. was dissolved by way of voluntary dissolution under the Business Corporations Act.

Costs relating to the acquisition and claim maintenance of exploration and evaluation assets (including option payments and annual fees to maintain the property in good standing) are capitalized and deferred by property until the project to which they relate is sold, abandoned, impaired, or placed into production.

The Company's cash flows from operations are negative, and its level of expenditures is dependent on debt and equity to finance its exploration operations.

SHARE CONSOLIDATION

On November 8, 2022, the Company completed a consolidation of its common shares on a three to one basis and on May 1, 2024, the Company completed a consolidation of its common shares on a six to one basis. All share and per share amounts have been retrospectively adjusted to reflect the consolidation. Any references to common shares are on a post-consolidation basis. Numbers of warrants and stock options and their respective exercise prices have been retrospectively adjusted to reflect the effects of the consolidation.

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

For the twelve and fifteen months ended December 31, 2024 and 2023

SELECTED FINANCIAL INFORMATION

As at December 31, 2024, current assets were \$3,615,825, inclusive of assets held for sale of \$2,655,709 (December 31, 2023 - \$3,240,206) and current liabilities were \$2,803,075 inclusive of liabilities held for sale of 2,655,709 (December 31, 2023 - \$1,265,859), resulting in working capital of \$812,750 (December 31, 2023 - \$1,974,347).

As at December 31, 2024, the Company had total assets of \$7,150,650 (December 31, 2023 - \$40,590,968), which is comprised of \$875,556 of cash (December 31, 2023 - \$2,876,128), receivables of \$28,771 (December 31, 2023 - \$234,729), \$55,789 of prepaid expenses (December 31, 2023 - \$129,349), assets held for sale of \$2,655,709 (December 31, 2023 - \$nil) exploration and evaluation assets of \$3,466,634 (December 31, 2023 - \$37,205,127), property and equipment of \$10,691 (December 31, 2023 - \$88,135) and other assets of \$57,500 (December 31, 2023 - \$57,500).

As at December 31, 2024, the Company had total liabilities of \$2,803,075 (December 31, 2023 - \$3,366,588), which was comprised of trade and other payables of \$147,366 (December 31, 2023 - \$739,549), current portion of decommissioning and restoration provision of \$nil (December 31, 2023 - \$526,310), long-term portion of decommissioning and restoration provision of \$nil (December 31, 2023 - \$2,100,729), and liabilities held for sale of \$2,655,709 (December 31, 2023 - \$nil).

MASON RESOURCES STRATEGIC INVESTMENT

On May 14, 2024, the Company completed a non-brokered private placement of 9,479,166 units of the Company ("Units") at a price of \$0.24 per Unit for aggregate gross proceeds of \$2,275,000 (the "Offering"). Pursuant to the Offering, Mason Resources Inc. ("Mason") invested \$1,000,000 in the Company and subscribed for 4,166,667 Units (the "Strategic Investment"). The Strategic Investment represents a 14.6% ownership interest in the Common Shares on a non-diluted basis and 25.5% on a partially diluted basis assuming the exercise in full of the warrants issued to Mason.

In connection with the Strategic Investment, the Company entered into an investor rights agreement (the "Mason Investor Rights Agreement"). Pursuant to the Mason Investor Rights Agreement, so long as Mason holds at least 10% of the issued and outstanding Common Shares, it will have pre-emptive rights and top-up rights.

In addition, Mason has agreed to restrict its exercise of any warrants if doing so would result in Mason owning or controlling more than 19.9% of the then issued and outstanding Common Shares. Additionally, Mason has the right to designate two directors to the Board (the "Mason Nomination Right"), with the current nominees being Mr. Simon Marcotte and Ms. Adree DeLazzer. The Mason Nomination Right will decrease to one nominee in the event that it holds 5% or more (but less than 10%) of the issued and outstanding Common Shares on a non-diluted basis. Mason's head office is located at 120 Adelaide Street West, Suite 1410, Toronto, Ontario, Canada.

WALLBRIDGE ASSETS ACQUISITION

On July 12, 2022, the Company entered into an asset purchase agreement with Wallbridge Mining Company Limited ("Wallbridge") whereby the Company acquired from Wallbridge a 100% interest in certain mineral properties located in Québec and Ontario (collectively the "Nickel Assets") in exchange for 11,035,212 common shares of the Company (the "Transaction" or "Wallbridge assets acquisition") at approximately \$2.58 per share for an aggregate value of \$28,564,545. The Company granted to Wallbridge a 2% net smelter return royalty ("NSR") less the amount of any pre-existing royalties on encumbered portions of the Grasset Project. As a condition precedent to the closing of the Transaction, the Company was required to complete an equity financing for gross proceeds of at least \$10,000,000.

The Company halted trading of its shares on July 13, 2022 and did not resume trading until November 29, 2022. As a result, the shares of the Company were not being traded in an active market at the time of the acquisition. In connection with the Transaction, the Company completed a private placement where NFT Units were issued at a price of \$3.96. Each unit contains a common share and one common share purchase warrant. As the unit price of \$3.96 presents both a single common share and a single warrant, a valuation technique was applied to estimate the fair value to be \$2.58 and \$1.38 respectively.

On November 18, 2022, the Company completed its previously announced acquisition of all the Nickel Assets, rights and obligations located in Québec and Ontario from Wallbridge. The assets acquired included 2,046 mining titles, including a 100% interest in the Grasset nickel sulphide deposit (the "Grasset Project"), as well as cash in the amount of \$2,652,997, representing proceeds received by Wallbridge following the sale of certain shares it held in Lonmin Canada Inc.

As part of the Transaction, the Company acquired the closure liability associated with the Broken Hammer Project. The Broken Hammer Project has been in a state of inactivity since 2015 and closure plan activities have been ongoing.

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

For the twelve and fifteen months ended December 31, 2024 and 2023

WALLBRIDGE ASSETS ACQUISITION (continued)

In connection with the Transaction, the Company entered into a finders' fee agreement with two parties (the "Finders"). As compensation for the Finders' introduction of the Company and Wallbridge, the Company issued to the Finders 275,883 common shares at approximately \$2.58 per share for an aggregate value of \$714,114.

The Company incurred \$250,696 in legal fees prior to the closing of the Transaction and the amount is allocated as part of the consideration (the "Transaction costs").

The acquisition has been accounted for as an equity-settled share-based payment transaction within the scope of IFRS 2 *Share-based Payment*. The acquisition did not qualify as a business combination under IFRS 3 *Business Combinations*, as the significant inputs, processes, and outputs that together constitute a business did not exist in the Company or the Nickels Assets at the time of acquisition. Accordingly, no goodwill was recorded with respect to the acquisition.

Prior to closing the Transaction, the Nickel Assets included a 20.4% share ownership of Lonmin Canada Inc., which was sold to Magna Mining Inc. ("Magna"). As a result of the sale, the Nickel Assets recognized a \$612,230 account receivable with Magna, which was transferred to the Company upon closing of the Transaction. The Company received the proceeds in cash on November 6, 2023.

A summary of the Company's consideration paid and the net assets acquired from Wallbridge as at the November 18, 2022 acquisition date is as follows:

	\$
Purchase price:	
Fair value of common shares issued to Wallbridge	28,564,545
Fair value of finders' shares	714,114
Transaction costs	250,696
	29,529,355
Net assets acquired:	
Cash	2,652,997
Account receivable with Magna	612,230
Exploration and evaluation assets	28,538,141
Property and equipment	87,138
Decommissioning and restoration provision	(2,361,151)
	29,529,355

NICKEL ASSETS

Grasset Project, Québec

The Grasset Project is a resource-exploration stage Ni-Cu-Co-PGM project located in the James Bay territory in Nord-du-Québec administrative region of the province of Québec, Canada, approximately 55 kilometres west-northwest of the city of Mattagami and 170 kilometres north of the town of Amos. The Grasset Project consists of 153 claims blocks and an aggregate area of 81.81 km² in the Northern part of the Abitibi Region. The Company owns a 100% interest in the Grasset Project, subject to a 2% underlying NSR royalty.

The Property is 23 km long stretching SE-NW and covering the Grasset Ultramafic Complex ("GUC") that is made up of a mix of volcanic, intrusive and sub-intrusive rocks of mainly ultramafic composition. The GUC ultramafics are in contact with an abundance of sulphur-rich sediments and volcanics. Assimilation of sulphur by the ultramafic magma is the main process that precedes precipitation and concentration of nickel-rich sulphides at the base of the ultramafic rocks. The GUC is located at the extreme northern edge of the Abitibi Craton, which, in this area, is in contact with the Opatoca Craton. The vast majority of nickel mining camps are located at the edge of major cratons or at inter-craton boundaries.

The Grasset Deposit, discovered in 2012, comprises two subparallel mineralized horizons (H1 and H3) of disseminated to locally semi-massive to massive sulphide mineralization located at the southeastern end of the Grasset Ultramafic Complex. An initial mineral resource estimate and preliminary metallurgical testing results was published by the former owners, Balmoral Resources Ltd. ("Balmoral"), in early 2016 and an updated resource estimate was published by Wallbridge in late 2021 (the "Resource Estimate"), which was comprised of 5,512,000 tonnes grading 1.53% NiEq Indicated and 217,000 tonnes grading 1.01% NiEq Inferred. The bulk of the resources was tabulated within the H3 horizon; the H1 horizon hosting less than 2% of the resources.

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

For the twelve and fifteen months ended December 31, 2024 and 2023

NICKEL ASSETS (continued)

2021 Grasset Resource Estimate (November 2021)^{(1),(2)}:

Indicated

>0.80% NiEq	Tonnes	NiEq (%)	Ni (%)	Cu (%)	Co (%)	Pt (g/t)	Pd (g/t)	Contained NiEq (t)	Contained Ni (t)	Contained Cu (t)	Contained Co (t)	Contained Pt (oz)	Contained Pd (oz)
Horizon 1	89,200	1.00	0.82	0.09	0.03	0.15	0.33	900	700	100	20	400	1,000
Horizon 3	5,422,700	1.54	1.22	0.13	0.03	0.26	0.64	83,300	66,400	7,300	1,400	45,400	112,200
Total	5,512,000	1.53	1.22	0.13	0.03	0.26	0.64	84,200	67,100	7,400	1,400	45,800	113,100

Inferred

>0.80% NiEq	Tonnes	NiEq (%)	Ni (%)	Cu (%)	Co (%)	Pt (g/t)	Pd (g/t)	Contained NiEq (t)	Contained Ni (t)	Contained Cu (t)	Contained Co (t)	Contained Pt (oz)	Contained Pd (oz)
Horizon 1	13,600	0.95	0.78	0.09	0.02	0.14	0.32	100	100	10	3	100	100
Horizon 3	203,500	1.01	0.83	0.09	0.02	0.15	0.34	2,100	1,700	200	40	1,000	2,200
Total	217,100	1.01	0.83	0.09	0.02	0.15	0.34	2,200	1,800	200	43	1,000	2,400

- (1) The Resource Estimate is based on a 0.80% NiEq cut-off grade. The independent and qualified person for the Resource Estimate, as defined by NI 43-101, is Carl Pelletier, P. Geo. (InnovExplo Inc.). The effective date of the Grasset 2021 Resource Estimate is November 9, 2021. These mineral resources are not mineral reserves as they do not have demonstrated economic viability. The Resource Estimate follows 2014 CIM Definition Standards and the 2019 CIM MRMR Best Practice Guidelines. Two mineralized zones were modelled in 3D using a minimum true width of 3.0 m. Density values are interpolated from density databases, capped at 4.697 g/cm³. High-grade capping was done on raw assay data and established on a per zone basis for nickel (15.00%), copper (5.00%), platinum (5.00 g/t) and palladium (8.00 g/t). Composites (1-m) were calculated within the zones using the grade of the adjacent material when assayed or a value of zero when not assayed. The Resource Estimate was completed using a block model in GEMS (v.6.8) using 5m x 5m x 5m blocks. Grade interpolation (Ni, Cu, Co, Pt, Pd, Au and Ag) was obtained by ID2 using hard boundaries. Results in NiEq were calculated after interpolation of the individual metals. The Resource Estimate is categorized as indicated and inferred based on drill spacing, geological and grade continuity. A maximum distance to the closest composite of 50 m was used for indicated mineral resources and 100 m for the inferred mineral resources. The criterion of reasonable prospects for eventual economic extraction was met by having constraining volumes applied to any blocks (potential underground extraction scenario) using DSO and by the application of a cut-off grade of 0.80% NiEq. Cut-off calculations used: Mining = \$65.00/t; Maintenance = \$10.00/t; G&A = \$20.00/t; Processing = \$42.00/t. The cut-off grades should be re-evaluated in light of future prevailing market conditions (metal prices, exchange rate, mining cost, etc.). The NiEq formula used a USD:CAD exchange rate of 1.31, a nickel price of US\$6.95/lb, a copper price of US\$3.33/lb, a cobalt price of US\$17.06/lb, a platinum price of US\$984.85/oz, and a palladium price of US\$2,338.47/oz.

Gold and silver do not contribute to the economics of the deposit. Results are presented undiluted and in-situ. Ounce (troy) = metric tons x grade / 31.10348. Metric tons and ounces were rounded to the nearest hundred. Metal contents are presented in ounces and pounds. Any discrepancies in the totals are due to rounding effects; rounding followed the recommendations in NI 43-101. The QP is not aware of any known environmental, permitting, legal, title-related, taxation, socio-political, marketing or other relevant issue that could materially affect the Resource Estimate.

- (2) The quantity and grade of reported inferred resources in the Resource Estimate are uncertain in nature and there has been insufficient exploration to define these inferred resources as an indicated or measured mineral resource and it is uncertain if further exploration will result in upgrading them to an indicated or measured mineral resource category.

Drilling in 2018-2019 by Balmoral discovered another significant zone of nickel mineralization in the Central GUC prospect, located approximately 7 kilometres to the northwest of the Grasset deposit. The nickel sulphide mineralization exhibits classic sulphide segregation/settling textures grading down sequence from disseminated, to net-textured matrix, to massive sulphide, over widths of 5 to 20 metres. The broadest mineralized interval intersected to date was in drill hole FAB-18-58, which returned 7.58 metres grading 1.05% Ni, 0.31% Cu, 0.05% Co, 0.20 g/t Pt and 0.48 g/t Pd that included a 0.65metres thick basal massive sulphide zone grading 4.14% Ni, 0.26% Cu, 0.18% Co, 1.9 g/t Pt and 0.89 g/t Pd.

Very limited Ni-focused exploration has been carried out away from the immediate Grasset resource and Central GUC prospect areas where several untested, or partially tested coincident magnetic/conductivity anomalies have been delineated, demonstrating excellent potential for further significant Ni-Cu-Co-PGE discoveries. No work was completed on the property following Wallbridge's acquisition of Balmoral in May 2020.

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

For the twelve and fifteen months ended December 31, 2024 and 2023

NICKEL ASSETS (continued)

Exploration Program - Grasset

On June 15, 2023, the Company provided an update on its 2023 winter drilling program at its Grasset Nickel Project located in the Abitibi Greenstone Belt of Quebec, Canada. A new high-grade nickel-PGM zone, now called "H1X", was discovered at depth on the south-east extension of the H1 mineralized horizon:

- GR23-03 intersected 1.82% Ni over 4.60 metres, including 5.75% Ni over 0.60 metres at a depth of 330 metres below surface
- The 4.60 metre interval includes 0.95 g/t Pd and 0.40 g/t Pt, with a subinterval of 3.85 g/t Pd and 1.68 g/t Pt over 0.60 metres.

On January 17, 2024 and March 22, 2024, the Company published the results of two short subsequent drilling campaigns:

- GR23-08 cut a net-texture zone grading 1.06% Ni over 5.60 metres including 1.61% Ni, 1.1 g/t Pt-Pd over 2.50 metres
- GR24-10A intersected a high-grade zone of 2.67% Ni, 2.32 g/t Pt-Pd over 2.90 metres
 - a. This included a subinterval of 4.08% Ni, 4.57 g/t Pt-Pd over 0.85 metres within a broader zone grading 1.19% Ni, 0.99 g/t Pt-Pd over 8.20 metres.

The three intercepts in holes 03, 08 and 10A represent the thickest, highest nickel-PGM mineralization ever drilled on the H1 mineralized horizon. The H1X Zone remains open at depth, below 250 metres from surface, and along strike for at least 500 metres.

a) Diamond Drilling

Following a review of historical drill core and data and with the new information gathered during the year, the Company's interpretation of the local geology is that high-grade nickel mineralization, in both H1 and H3, is hosted within sub-volcanic ultramafic conduits within the GUC. Moreover, the ultramafic hosts are in contact with sulphide-rich volcanics and sediments. This confirms that the ultramafic rocks were intruded within sulphide-rich volcanics, absorbing sulphur, which is an essential element for the precipitation of nickel in the magmatic nickel metallogenic model.

A first drilling campaign was started in February 2023 and ended in July with six holes being completed. The Grasset Deposit resources in H3 have a sub-vertical extension that have been drilled to a depth of 600 metres. In order to test the potential of the sub-vertical fertile conduit at depth, the Company attempted to drill two vertical pilot holes between H1 and H3 horizons with the objective of drilling branch holes at depth from each pilot hole, toward the two mineralized zones, by wedging and/or controlled directional drilling.

The first vertical pilot hole, GR23-01, was collared in early February 2023, with an ultimate vertical depth target of 1,500 meters. The objective of pilot hole GR23-01 was to initially utilize large loop, high power downhole electromagnetic surveying to generate drilling targets below the H1 and H3 zones that are more easily accessible with controlled directional drilling at depth. As GR23-01 encountered very difficult ground conditions, wedging or controlled drilling was impossible. The deviation of the hole through caving faults and very soft rock was too extensive to warrant continuing, and the decision to abandon the hole was made after reaching a depth of 446 metres.

A second pilot hole, GR23-02, was collared 130 metres southeast of GR23-01 with an 87-degree dip and a northwest azimuth, aligned to favour the natural deviation tendencies within the softer rock units. As with GR23-01, the objective of GR23-02 was to target potential zones of high-grade nickel mineralization beneath the thickest, richest part of the current mineral resource. GR23-02 also encountered very challenging ground conditions. Two caving faults were encountered, and the hole was deviating in the wrong direction. Due to these adverse conditions and the risk of losing the directional drilling device, the hole was abandoned at a depth of 874 metres.

Hole GR23-03 was designed to test the H1 mineralized horizon approximately 350 metres south-east of the eastern limit of the defined mineral resource and at a vertical depth of about 300 metres. This hole was targeting the H1 horizon approximately 200 metres beneath historical hole GR-14-38 which intercepted 0.51% nickel over 4.51 metres, including 0.80% nickel over 1.07 metres. This intersection is within an interesting circular magnetic anomaly. GR23-03 intersected 1.82% Ni over 4.60 metres, including 5.75% Ni over 0.60 metres at a depth of 330 metres below surface. The 4.60 metre interval includes 0.95 g/t Pd and 0.40 g/t Pt, with a subinterval of 3.85 g/t Pd and 1.68 g/t Pt over 0.60 metres. This intercept represents the thickest, highest nickel sulphide mineralization intersected to date in the H1 Horizon.

This hole was successfully drilled into a large area that had seen little previous attention and the results clearly demonstrate the need for additional exploration on this high-grade nickel discovery.

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

For the twelve and fifteen months ended December 31, 2024 and 2023

NICKEL ASSETS (continued)

Drill hole GR-23-04 was designed to test for an extension of the H3 mineralized horizon below the current resource ultimate depth of 350 metres within the middle of the deposit area. It was completed to a depth of 886 metres having crosscut both contacts of the main ultramafic rock units without any obvious visible massive sulphide mineralization, however, disseminated sulphides were observed over the expected intersection of the H3 and H1 Horizons with no values of interest. A high-powered, down-hole electromagnetic technique (Abitibi Geophysics InfiniTEM XL) was attempted but due to a downhole blockage, the survey could not be completed.

Hole GR23-05 was drilled to a final depth of 1,151.8 meters, testing the more prospective areas of the high-grade H3 and H1 Horizons at target depths up to 1,000 metres below surface. The target area is a step down of about 500 metres under the known H3 resources on section 6+00E where some of the best intersections are located. The objective was to test the potential at depth for another nickel lens along the fertile ultramafic conduit. At such a depth, a very large area could be investigated with the help of high-power, down-hole electromagnetic techniques. Disseminated sulphides were intersected where H3 and H1 were expected, indicating the proximity to a favourable environment hosting magmatic massive sulphides but contained no significant metal values. Down-hole EM was also completed on GR23-05 with no obvious conductors detected within the ultramafics.

Hole GR23-06 was designed to test a deep 3D magnetic anomaly situated below some interesting assay values closer to surface. Previous drilling in GR15-70 intersected 3.24%Ni over 2.17 metres and GR15-02 intersected 0.61%Ni over 2.3 metres. Hole GR23-06 was recollared due to issues while anchoring the casing and GR23-06A was drilled to intersect the same target and was drilled to a final depth of 1,104 metres. The expected and favourable lithologies were crossed and both the H3 and H1 horizons were intersected with only disseminated sulphides being intersected in the H3 horizon and no pentlandite visible in H1.

In November and December 2023, a short drilling campaign of two holes was completed on the depth extension of the high-grade mineralization of the newly discovered zone H1X cut in hole GR23-03. Hole GR23-07 intersected the H1 Horizon at a depth of 430 metres; 100 metres below the high-grade intercept of hole GR23-03. The northern contact of the ultramafics, where H1 mineralization is located, was strongly sheared and hosted a few metres of disseminated sulphides. Within 10 metres of the ultramafic contact the hole intersected 0.44 metres of massive sulphides grading 2.97% Ni and 4.1 g/t Pt-Pd within felsic volcanics. A massive sulphides intersection outside the ultramafic rocks is a first on the Grasset Property but it's not uncommon in other nickel mining camps like Sudbury or Norilsk.

Hole GR23-08 cut the H1 horizon 60 metres south-east of hole GR23-07, at a depth of 420 metres. It intersected a zone of mainly net texture sulphides that graded 1.06% Ni over 5.60 metres, including 1.61% Ni, 1.1 g/t Pt-Pd over 2.50 metres.

During winter 2023/2024, a third drilling campaign of three holes was performed on the property. Hole GR24-09 was designed to intersect the center of a conductive plate, N9, that was interpreted from a high-power, large loop InfiniTEM XL surface survey conducted in 2023. The N9 plate occupies an area of approximately 400 by 400 metres and ranges from a depth of 300 to 700 metres. The anomaly is located at the northern contact of an ultramafic sequence (interpreted from magnetic surveys). Due to technical difficulties, hole GR24-09 was unable to reach its target and following an unsuccessful attempt to wedge the hole at a depth of 336 metres, the decision was made to abandon the hole and move the drill rig to the Grasset Deposit for continued drilling of the H1X Discovery Zone. Notwithstanding the technical challenges, the N9 target remains a priority as it presents very similar characteristics to the S6 conductive plate that overlays the H1X Discovery Zone.

Hole GR24-10A intersected the H1X Zone 50 metres above and 50 metres southeast of hole GR23-08. It cut a high-grade zone of 2.67% Ni, 0.44% Cu, 2.32 g/t Pt-Pd over 2.90 metres, including a subinterval of 4.08% Ni, 0.98% Cu, 4.57 g/t Pt-Pd over 0.85 metres within a broader zone grading 1.29% Ni, 0.19% Cu, 1.08 g/t Pt-Pd over 7.20 metres. The mineralization is comprised of two zones of massive sulphides, (pyrrhotite and pentlandite) 0.25 and 0.35 metres thick, within a 2.90 metre section of net-texture mineralization. This is the first intersection demonstrating large, high-grade net-texture thickness within the H1X Discovery Zone.

Hole GR24-11 was targeting the up-dip extension of the trend defined through the intersections of holes GR23-08 and GR23-03. Unfortunately, due to strong deviation, the hole cut the H1 Horizon 50 metres west of the target and intersected 0.41% Ni over 0.70 metres. As with hole GR23-07, the bottom contact of the ultramafic was strongly sheared with a small zone of disseminated sulphides.

High-grade nickel and PGM intersections which now define the newly discovered H1X Zone, clearly demonstrate the presence of a strong mineralizing system that remains open at depth below 250 metres in the southeast portion of the H1 Horizon. Grades and sulphides textures, observed at the bottom of the main ultramafic package, indicate the potential for these recent intersections to be at the fringe of a new high-grade-hosting ultramafic conduit.

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

For the twelve and fifteen months ended December 31, 2024 and 2023

NICKEL ASSETS (continued)

b) Sonic Drilling

The Grasset Deposit is situated at the southeastern end of an underexplored 23-kilometre-long belt containing abundant and favourable ultramafic rocks. The property is completely covered by Quaternary glacial deposits, and devoid of any known outcrop. The thickness of the overburden varies from 60 to 90 metres in the south-east part of the property, and from 20 to 60 metres in the northwestern half. Such thick overburden renders the Grasset Deposit and other mineralization blind to conventional surface geochemical sampling techniques. A sonic orientation drill program was performed in Spring 2023 and was designed to sample the glacial till at the base of the overburden. In addition, the first few meters of the bedrock were core sampled in order to identify areas with underlying, geochemically anomalous, bedrock ultramafic rocks. This technique is commonly used with success in exploration campaigns for detecting mineral deposits under thick overburden.

A total of 15 sonic drill holes were completed as part of the 2023 orientation program. The thickness of the overburden is between 75 and 85 metres, and mostly composed of sand and clay with local one-metre-thick horizons of silty clay and silt. The basal till, in the last 8 to 12 metres, was typically composed of sub-angular mafic and ultramafic clasts with some felsic clasts in a silty-sand matrix.

Sonic hole number 4, located just north of the H1 Horizon and directly northwest of the Grasset resources, shows a very high geochemical anomaly in the fines of the basal till. An assay of 352 ppm Ni was obtained in this hole, while the background in the other holes is between 4 and 61 ppm Ni. Copper and cobalt are also highly anomalous in hole number 4. It was demonstrated by Veillette et al. (2005)¹ that the oldest and main glacial movement in the Grasset property area was from southeast to northwest. These results confirm that basal till sampling will be a very useful technique, in conjunction with geophysics, for the search of hidden Ni-Cu-Co-Pt/Pd mineralization under thick overburden across the entire Grasset property. A reverse circulation and/or Sonic sampling program is recommended to cover the major parts of the interpreted ultramafic sequences on the property, particularly over the thickest part of the sequences.

c) Geophysical Surveys

The effectiveness of conventional geophysical approaches is hampered by multiple factors on the Grasset property, mainly: -the thick overburden; -multiple types of conductive stratigraphic rock units like graphitic mudstones and barren massive pyrite. NorthX management believes that the best potential is for deeper nickel sulphide targets along the fertile ultramafic conduit. In March 2023, the Company commenced deep penetration geophysical surveys over a large area covering the Grasset Deposit.

Abitibi Geophysics' InfiniTEM® XL system was chosen as one of the geophysical techniques to aid in exploration as it has one of the better performance measures in this type of challenging environment. In order to detect anomalous conductors (massive sulphides) at a depth of 500 to 1,000 metres, a 53-kilometre grid line area was cut to allow the installation of two 0.8 by 2.5 kilometre high-power fixed loops. Moreover, the same loops were used to perform high-power down-hole surveys. The InfiniTEM® XL surface survey was completed in August 2023.

With hole GR23-03 being drilled outside of the known mineralization, a downhole InfiniTEM® XL ("DHEM") geophysical survey was completed and results were released in a press release on August 17, 2023. The DHEM survey yielded three new highly conductive plates within the H1 Horizon at Grasset. The newly modelled plates begin 360 metres below surface and have not yet been drill tested. Conductivity measurements suggest semi-massive to massive pyrrhotite (± pentlandite) may be the source of the conductive anomalies. The three large conductors contain known mineralized intercepts in their periphery but remain largely untested. The size of the three modelled DHEM anomalies suggests a much better continuity at depth when compared to the numerous small plates detected closer to surface. The results of this survey confirmed the excellent potential to intersect magmatic massive sulphides in an untested 500 by 600 metre (minimum) area under the GR23-03 intersection.

The entire Grasset property was covered by an airborne magneto-telluric survey conducted by Expert Geophysics Limited in 2023. The survey consisted of 781 line-kilometres of magneto-telluric (MT), magnetics (MAG), and Very Low Frequency Electromagnetic (VLF) over a 148 km² area, including the Grasset deposit sector. The purpose of the survey was to map bedrock structures and lithology, including possible alteration and mineralization zones reflected in the electrical resistivity and magnetic properties of the rocks. The data was processed to identify anomalous zones of MT resistivity (less than 600 Ohm-m) and residual magnetic field strength.

¹ Veillette, J.J., Paradis, S.J., Buckle, J. 2005. Bedrock and Surficial Geology of the General Area Around Rouyn-Noranda, Quebec and Ontario. In: Bonham-Carter, G. (Ed.), Metals in the Environment Around Smelters at Rouyn-Noranda, Quebec, and Belledune, New Brunswick: Results and Conclusions of the GSC MITE Point Sources Project. Geological Survey of Canada, Bulletin 584, Natural Resources Canada, 1-16.

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

For the twelve and fifteen months ended December 31, 2024 and 2023

NICKEL ASSETS (continued)

The resultant processed responses clearly identify the Grasset deposit and, more significantly, a large area just east of the Grasset deposit where coincident magnetic and low resistivity anomalous responses, with similar intensities as the Grasset deposit, have been delineated. Additionally, just north and west of the Grasset deposit, several MAG-MT anomalies occur in areas of sparse shallow historical drilling. Discrete coincident magnetic and low resistivity anomalies are also clustered farther west of the Grasset deposit area.

In the far north-west part of the property, an isolated VTEM anomaly was previously drilled by historical hole JER-15-04 that intersected ultramafic rocks with 3.5 metres of barren semi-massive sulphides (mainly pyrrhotite) at the south-west contact of the ultramafic rocks. The 2023 airborne MT survey detected a deeply buried (800-1,000m), wide, thick (300 to 600m) and isolated flat lying MT-Mag feature of 400 Ohm-m that dips up to the ultramafic intersection in hole JER15-04 (Figure 3). This large conductive zone is a very attractive target to follow-up given that the MT data strongly suggests that the conductive zone connects with the ultramafic rocks intersected in JER-15-04 that hosts 3.5 metres of magmatic semi-massive sulphides. A detailed ground MT survey is recommended to better define this deep anomaly before any further drilling in this area.

Exploration Cooperation Agreement

On November 18, 2022 the Company and Wallbridge entered into an exploration cooperation agreement (the "Exploration Cooperation Agreement") whereby Wallbridge was granted the right to explore certain portions of the Grasset Project for gold under certain circumstances. The Exploration Cooperation Agreement applies to approximately 7,515 hectares of the Grasset Project and excludes approximately 665 hectares of coverage over the Grasset Deposit. If the results from either Wallbridge's or NorthX's exploration work on the 7,515 hectares that are subject to the Exploration Cooperation Agreement (the "Gold Cooperation Area") establish a mineral resource that consists of primary gold mineralization, then the parties will form a joint venture in which NorthX will have a 30% interest and Wallbridge will have a 70% interest. If the results from Wallbridge's exploration work in the Gold Cooperation Area establish a mineral resource that consists of primary mineralization other than gold, then the parties will form a joint venture in which NorthX will have a 70% interest and Wallbridge will have a 30% interest. The purpose of any such joint ventures will be to explore, develop and operate such mineral resource. The Exploration Cooperation Agreement has a term of five years and is subject to earlier termination in certain circumstances.

Impairment Charge

During the period ended September 30, 2024, the Company identified an indicator of impairment related to the Grasset project since the previous reporting period, due to a change in the substantive expenditures budgeted for further exploration and evaluation activities in the medium term due to decreased availability of equity financing for Canadian-listed small-cap exploration and development companies. In accordance with the Company's accounting policy for mineral properties, exploration and evaluation expenditures are capitalized, and management applies judgment to assess whether indicators of impairment exist. This judgment includes considerations such as the period for which exploration rights are held, the likelihood of renewal of these rights, and the evaluation of exploration results. The revised budget for expenditures on the affected property, reflecting a reduction in future exploration and evaluation efforts, has triggered the impairment assessment for this property.

An impairment assessment was performed based on a recoverable amount valued at fair value less costs of disposal ("FVLCD"). The Company applied a discount to reflect the stage and quality of its assets and utilized multiple valuation techniques. Various market metrics for comparable junior nickel exploration and development companies with development-stage assets, along with the Company's market capitalization, were considered in determining the FVLCD. The valuation that was most representative of fair value was determined to be \$3,119,894 for Grasset. Management's estimate of recoverability is based on inputs which have a significant effect on fair value that are not directly observable from market data and is therefore classified within Level 3 in the fair value hierarchy. Key assumptions include a range of enterprise values per contained nickel tonne from \$20.47 to \$72.52, with an average of \$46.50 per contained nickel tonne of mineral resource, based on market comparables as of September 30, 2024. A \$5 to \$10 change in the enterprise value per contained nickel tonne would result in a change to the impairment charge ranging from \$335,500 to \$671,000.

As a result, the Company recorded a non-cash impairment for the Grasset project of \$32,750,284 in the twelve month period ended December 31, 2024.

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

For the twelve and fifteen months ended December 31, 2024 and 2023

NICKEL ASSETS (continued)

ASSETS AND LIABILITIES HELD FOR SALE

On December 18, 2024, the Company entered into a definitive asset purchase agreement whereby Magna Mining Inc. ("Magna") will acquire the Company's portfolio of nickel and base metal assets located in the Sudbury Basin ("Sudbury Properties") as well as the rights and obligations related to its Sudbury Properties. The assets and liabilities relating to this agreement were classified as held for sale as at December 31, 2024. The closing of the transaction is expected to be completed in the second quarter of 2025.

As the sale was considered highly probable at December 31, 2024, the assets and liabilities of the Sudbury Properties were classified as assets and liabilities (a disposal group) held for sale and presented separately under current assets and current liabilities, respectively, on the Company's Statement of Financial Position.

At December 31, 2024, the Sudbury Properties were stated at carrying value, which was determined to be the lower of carrying value and FVLCD, as follows:

	Amount
	\$
Cash	18,370
Finance assurance for closure plan	481,629
Exploration and evaluation assets (1)	2,087,025
Property and equipment	68,685
Total assets held for sale	2,655,709
Decommissioning and restoration provision	2,655,709
Total liabilities held for sale	2,655,709

(1) The exploration and evaluation assets included in the Sudbury Properties are certain claims relating to Wahnapiatae, Northwest Ontario and Ontario Other as well as claims relates to Parkin, Sudbury West and Wisner Properties. An impairment charge of \$486,889 was recognized on these properties to reflect the FVLCD in connection with the asset purchase agreement.

Under the terms of the Agreement, Magna will pay the Company \$1.00 and Magna will assume all liabilities related to the Broken Hammer Project Mine Closure Plan, including lodging financial assurance with the Ministry of Mines in an amount of approximately \$481,629. The Company will pay \$500,000 to cover Broken Hammer closure financial assurance; and Magna will assume certain liabilities with respect to the Sudbury Properties, including acting as the operator of joint ventures, NSR royalty payments, and annual work commitments. This amount is included in the assets classified as held for sale.

The Transaction is subject to certain closing conditions specified in the Agreement, including the receipt of all required third party consents and regulatory approvals.

Sudbury Properties, Ontario

The Sudbury nickel assets include a large property package comprised of approximately 300 km² within 37 properties, including the Parkin, Sudbury W, Wahnapiatae, Wisner, Northwest Ontario, and a package of other projects (collectively, the "Sudbury Properties"). The Sudbury Properties are located within the world-class mining district of Sudbury, with the individual properties acquired on the basis of recognised prospective geological settings and proximity to several significant producing mines.

The Sudbury Properties, excluding the Parkin Project, are subject to NSR royalties ranging from 1.5% to 3%.

Parkin Project - Sudbury, Ontario

The Parkin Project is comprised of an interest in 4 properties including 60 unpatented mining claims. In addition, the Company holds an interest in 12 mining leases and 5 patented claims. The Parkin Project has a total land area of 25.3 km².

On November 18, 2022, the Company and Wallbridge entered into an Assignment and Assumption Agreement whereby the Company agreed to acquire the rights, title, and interest in several joint venture agreements, including a joint venture and option agreement between Wallbridge and Impala Platinum Holdings Limited ("Impala") dated December 31, 2014, as amended (the "Impala Option Agreement").

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

For the twelve and fifteen months ended December 31, 2024 and 2023

NICKEL ASSETS (continued)

Parkin Project - Sudbury, Ontario (continued)

Pursuant to the terms of the Impala Option Agreement, the Company has the right to acquire Impala's remaining 49.6% interest in the Parkin Project by making a cash payment of \$1 million to Impala by June 30, 2023. The Company may exercise this option at its discretion.

During the period ended December 31, 2023 the terms of the Impala Option Agreement were amended whereby the Company may acquire Impala's remaining 49.6% interest in the Parkin Project offset joint venture by making payments as follows:

	Option Payment
June 30, 2023	\$500,000 (paid)
December 31, 2024	500,000
	<u>\$1,000,000</u>

The Company is required to make a \$12,000 per year advance royalty payment in order to maintain certain property agreements in good standing.

On September, 26, 2023 an application was made to the Ontario Junior Exploration Program ("OJEP") for the Parkin Project which included Bore Hole Electro Magnetic ("BHEM") and Magneto Telluric ("MT") geophysical surveys described further below. The OJEP is an initiative of the Ontario government to help attract investment in early exploration and through the program, junior mining companies can apply for funding to cover eligible costs of up to \$200,000 per mineral exploration or development project. The application was successful, the projects were approved and the Company received \$200,000 on March 26, 2024.

In accordance with the definitive asset purchase agreement dated December 18, 2024 with Magna Mining Inc., the Company has not made the final \$500,000 option payment to Impala Platinum Holdings Ltd. ("Impala") due December 31, 2024. Impala has informed NorthX that, notwithstanding its failure to pay the final \$500,000 option payment by December 31, 2024, or to date, Impala has elected not to exercise its right to deliver a default payment notice to the Company. In addition, Impala has informed the Company that it reserves its rights in terms of the final \$500,000 option payment and the Option Agreement.

The Company has classified the carrying value of \$1,131,363 of the project as held for sale at December 31, 2024.

a) Geophysical Surveys

At Parkin, thirteen previously drilled bore holes collared along the strike of the offset dyke, from the South Zone through Milnet Mine, were identified to resurvey with low frequency down hole University Toronto Electro Magnetic ("UTEM") geophysical surveys. The purpose of these surveys was to test for off hole conductors using a lower frequency electromagnetic method which is more responsive in identifying highly conductive sulphide mineralization that can be typically hosted in Sudbury Offset dykes such as the Parkin Offset. To date four holes have been surveyed and the remaining nine holes are planned to be tested. To date five of the remaining holes were found to be blocked prohibiting a survey to be completed down hole. Plans have been developed to clear all the holes and complete the remaining downhole BHEM surveys. This work is anticipated to be completed in 2025 with interpretation and results being communicated following completion of the surveys and analysis.

In addition to the BHEM work, a property wide Deep Imaging MT survey was started on October 22, 2023. This work was completed on November 11, 2023. The Digital Imaging MT survey covered the entire strike extent of the Parkin Offset property. This type of resistivity survey tests for the resistivity contrast between mineralized and non-mineralized rocks, enabling the identification and delineation of mineralized zones. MT surveys can also identify variations in subsurface resistivity, which can be indicative of different geological structures, such as faults, fractures, or mineralized zones. And as well, different rock types exhibit varying electrical resistivity properties, and the MT surveys can help distinguish between lithological units supporting the delineation of detailed geological interpretations. A total of 125 MT stations were proposed and completed in the survey. Interpretation and results are pending and will be communicated when available.

Sudbury West – Sudbury, Ontario

The Sudbury West project is comprised of an interest in 18 properties including 532 unpatented mining claims. In addition, the Company holds an interest in 4 mining leases, 2 patented claims and 1 exploratory licence of occupation. The Sudbury West project covers a total area of 218 km².

The Company is required to make a \$20,000 per year advance royalty payment in order to maintain certain property agreements in good standing. The Company has classified the carrying value of \$281,640 of the project as held for sale at December 31, 2024.

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

For the twelve and fifteen months ended December 31, 2024 and 2023

NICKEL ASSETS (continued)

Wahnapitae – Sudbury, Ontario

The Wahnapitae project is comprised of an interest in 5 properties including 51 unpatented mining claims. In addition, the Company holds an interest in 1 mining lease, 5 patented claims and 3 mining licences of occupation. The Wahnapitae project has a total land area of land area of 22 km². Claims with a carrying value of \$204,789 have been classified to assets held for sale at December 31, 2024. The remaining carrying value of \$433 relates to claims retained by the Company.

Wisner – Sudbury, Ontario

The Wisner project is comprised of an interest in 5 properties including 46 unpatented mining claims. In addition, the Company holds an interest in 2 mining lease, and 1 patented claim. The Wisner project has a total land area of land area of 11 km². Distributed throughout all the Wisner properties are irregular bodies of Sudbury Breccia, which is the main host rock for footwall-style copper, nickel and platinum group metal mineralization. The Company has classified the carrying value of \$111,551 of the project as held for sale at December 31, 2024.

Northwestern Ontario

The Northwestern Ontario project is comprised of an interest in 3 properties including 755 unpatented mining claims. The Northwestern Ontario project has a total land area of 155.5 km². Prospecting field work was completed for assessment credit at Gargoyle and Goblin sites in NW Ontario. This work commenced in early May 2023 and has now been completed.

On December 21, 2023, the Company provided an update on its Summer 2023 field program at the Gargoyle Ni-Cu-Co project in the Lumby Lake Greenstone Belt.

The highlights are as follows:

- The Gargoyle property hosts a 10 kilometre long succession of favourable ultramafic rocks hosting numerous untested conductors
- Ni-Cu-Co sulphide mineralization has been traced across intermittent outcrops over a 1 kilometre strike length
- Four well-mineralized samples collected from two outcrops, contained anomalous nickel concentrations ranging from 0.54% to 0.76% nickel
- Memorandum of Understanding completed with Lac des Mille Lacs First Nations

Claims with a carrying value of \$47,419 have been classified to assets held for sale at December 31, 2024. The remaining carrying value of \$219,187 relates to claims retained by the Company.

Broken Hammer

As part of the acquisition of the Nickel Assets, the Company acquired the closure liability associated with the Broken Hammer Project. The Broken Hammer Project has been in a state of inactivity since 2015 and closure plan activities have been ongoing. The Broken Hammer site received closed mine status on July 25, 2023. The amendment of the Closure Plan for the Broken Hammer project was successfully filed with the Ontario Ministry of Mines on February 28, 2024.

Surface water runoff and groundwater seepage from the site collects in the Broken Hammer open pit. Excess pit water is treated seasonally with chemical treatment (e.g., lime addition followed by pH adjustment) with the use of a mobile treatment system. Pumping and seasonal discharge of the Broken Hammer Pit began in early June and was completed in late September 2024.

It is expected that a permanent passive sulphate reducing bio-reactor treatment system may allow for long-term low cost treatment of the pit water versus the temporary seasonal arrangement and ongoing closure plan activities have included the submission of the Environmental Compliance Approval ("ECA") permit application on August 3, 2023 and an application for an amendment to the accompanying Permit to Take Water ("PTTW") on August 21, 2023. Coincident with the filing of the Closure Plan Amendment, the Company posted an irrevocable standby letter of credit in the amount of \$481,629 in favour of the Ontario Ministry of Mines. Interest on the letter of credit is accrued at a rate of 0.15% monthly.

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

For the twelve and fifteen months ended December 31, 2024 and 2023

NICKEL ASSETS (continued)

Broken Hammer (continued)

A summary of the Company's discounted liabilities for decommissioning and restoration provisions is as follows:

	\$
Balance, October 1, 2022	-
Decommissioning and restoration provision acquired in the Transaction	2,361,151
Change in decommissioning and restoration provision	910,066
Expenditures on Broken Hammer Project	(644,178)
Balance, December 31, 2023	2,627,039
Change in decommissioning and restoration provision	508,881
Expenditures on the Broken Hammer Project	(480,211)
Classified as held for sale	(2,655,709)
Balance, December 31, 2024	-

The key assumptions on which the provision estimates were based as at December 31, 2024 are as follows:

- Expected timing of the cash flows is based on the estimated useful life of the mines forming part of the Broken Hammer Project. The majority of the expenditures are expected to occur between 2025 and 2034, which is based on the currently anticipated closure dates of the project; and
- The discount rate used is 3.02%.

The remaining undiscounted amount of estimated cash flows required to settle the decommissioning and restoration costs of the Broken Hammer Project at the end of the project's life was estimated to be \$2,768,163 as at December 31, 2024.

SHARE CAPITAL HIGHLIGHTS

- The Company issued 249,999, common shares pursuant to the settlement of omnibus awards and reclassified \$329,999 from the Company's contributed surplus to share capital.

During the twelve month period ended December 31, 2024, the Company completed the following share transactions:

- On October 3, 2024, 218,717 RSU's expired and stock options to purchase 322,581 shares at a weighted average exchange price of \$1.11 expired unexercised.
- On July 5, 2024, the Company granted 425,000 stock options to certain directors, officers, employees, and consultants. The stock options are exercisable until July 5, 2029 at an exercise price of \$0.28 per stock option, and vest in three equal annual installments commencing on the date of the grant.
- On July 5, 2024, the Company granted 525,000 restricted share units ("RSUs") to certain officers, employees, and consultants of the Company. The fair value of RSUs is based on the closing price of the Company's common share on the Exchange on the date immediately preceding the grant date. The RSUs will vest in equal one third annual installments commencing on July 5, 2025 and ending on July 5, 2027.
- On July 5, 2024, the Company granted 600,000 deferred share units ("DSUs") to certain directors of the Company. The fair value of the DSUs is the closing price of the Company's common share on the Exchange on the date immediately preceding the grant date. The DSUs shall vest when the recipient director ceases to be a director of the Company provided that no DSUs will vest within twelve months of the grant date.
- The Company issued 187,216, common shares pursuant to the settlement of omnibus awards and reclassified \$95,833 from the Company's contributed surplus to share capital.

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

For the twelve and fifteen months ended December 31, 2024 and 2023

SHARE CAPITAL HIGHLIGHTS (continued)

- On May 14, 2024, the Company closed a non-brokered private placement of 9,479,166 non-flow-through units ("NFT Units") at a price of \$0.24 per NFT Unit, for gross proceeds of \$2,275,000. Each NFT Unit is comprised of one common share and one non-transferable common share purchase warrant with each warrant entitling the holder thereof to purchase one common share for a period of 36 months from the date of issuance at an exercise price of \$0.36 per Warrant Share.
- 2,012,035 warrants, 229,166 DSU's, 233,117 RSU's and 411,192 stock options were cancelled or expired unexercised.

During the fifteen month period ended December 31, 2023, the Company completed the following share transactions:

- On December 21, 2023, the Company granted 834,159 stock options to certain officers, employees, and consultants. The stock options are exercisable until December 21, 2028 at an exercise price of \$0.48.
- On December 21, 2023, the Company granted 635,415 deferred share units ("DSUs") to certain directors of the Company. The fair value of the DSUs is the closing price of the Company's common shares on the Exchange on the date immediately preceding the grant date. The DSUs shall vest when the recipient director ceases to be a director of the Company provided that no DSUs will vest within twelve months of the grant date.
- On December 21, 2023, the Company granted 506,068 restricted share units ("RSUs") to certain officers, employees, and consultants of the Company. The fair value of RSUs is based on the closing price of the Company's common shares on the Exchange on the date immediately preceding the grant date. The RSUs will vest in equal one third annual installments commencing on December 21, 2024 and ending on December 21, 2026.
- On November 27, 2023, the Company closed a non-brokered private placement of 1,767,067 non-flow-through units ("NFT Units") at a price of \$0.48 per NFT Unit, 999,700 flow-through units ("FT Units") at a price of \$0.54 per FT Unit, and 1,083,333 Quebec flow-through units ("QFT Units") at a price of \$0.60 per QFT Unit for gross proceeds of \$2,038,030. Each NFT Unit is comprised of one common share and one non-transferable common share purchase warrant. Each FT Unit and QFT Unit is comprised of one common share that qualifies as a "flow-through share" within the meaning of subsection 66(15) of the Income Tax Act (Canada) (the "Tax Act") and one warrant. The warrants comprising each of the NFT Units, FT Units and QFT Units are subject to the same terms, with each warrant entitling the holder thereof to purchase one common share for a period of three (3) years from the date of issuance at an exercise price of \$0.96 per Warrant Share. In connection with the offering, the Company paid aggregate cash finder's fees in the amount of \$73,705 and issued a total of 20,125 non-transferable finder's warrants with a fair value of \$5,128. Each finder's warrant entitles the holder thereof to purchase one common share at a price of \$0.96 per common share for a period of 18 months from the closing date of the offering. As the units are comprised of both a single common share and a single warrant, a valuation method was used to determine that fair value of the warrants. As a result, \$1,202,622 was allocated to share capital and \$835,408 was allocated to warrants reserve.
- On July 5, 2023, the Company granted 4,166 stock options to an employee. The stock options are exercisable until July 5, 2028 at an exercise price of \$0.84.
- On June 1, 2023, the Company granted 38,332 stock options to certain officers, employees, and consultants. The stock options are exercisable until June 1, 2028 at an exercise price of \$0.96.
- On March 22, 2023, the Company granted 16,666 stock options to certain officers. The stock options are exercisable until March 22, 2028 at an exercise price of \$2.28 per stock option, and vest in three equal annual installments commencing on the date of the grant.
- On March 17, 2023, the Company granted 37,499 stock options to certain directors, officers, employees, and consultants. The stock options are exercisable until March 17, 2028 at an exercise price of \$3.30 per stock option, and vest in three equal annual installments commencing on the date of the grant.
- On October 7, 2022, the Company issued 1,111 common shares pursuant to the exercise of 1,111 stock options with an exercise price of \$1.80. The Company received gross proceeds of \$2,000 and reclassified \$1,000 from the Company's contributed surplus to share capital.

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

For the twelve and fifteen months ended December 31, 2024 and 2023

SHARE CAPITAL HIGHLIGHTS (continued)

- On November 18, 2022, in connection with the Transaction, the Company closed a private placement of 757,576 non-flow-through units ("NFT Units") at a price of \$3.96 per NFT Unit, 707,222 flow-through units ("FT Units") at a price of \$4.50 per FT Unit and 483,092 charity flow-through units ("Charity FT Units") at a price of \$8.28 per Charity FT Unit, for gross proceeds of \$10,182,500. Each NFT Unit consists of one common share and one common share purchase warrant. Each FT Unit and Charity FT Unit consists of one flow-through share and one common share purchase warrant. Each common share purchase warrant entitles the holder thereof to acquire one additional common share of the Company at a price of \$6.12 until November 18, 2024, the date which is twenty-four months following the closing date of the Transaction. The Company halted trading of its shares on July 13, 2022 and did not resume trading until November 29, 2022. As a result, the shares of the Company were not being traded in an active market at the time of the acquisition. In connection with the Transaction, the Company completed a private placement where NFT Units were issued at a price of \$3.96. Each unit contains a common share and one common share purchase warrant. As the unit price of \$3.96 presents both a single common share and a single warrant, a valuation technique was applied to estimate the fair value to be \$2.58 and \$1.38 respectively. As a result, \$7,510,902 was allocated to share capital and \$2,671,599 was allocated to warrants reserve.
- In connection with the private placement, the Company paid a cash finders fee of \$799,479 and issued 64,172 finders' warrants with a fair value of \$176,100. Each finders' warrant will be exercisable into one common share of the Company at an exercise price of \$3.96 per warrant until May 18, 2024, the date which is eighteen months after the closing date of the Transaction.
- On November 18, 2022, pursuant to the closing of the Transaction, the Company issued 11,035,212 common shares of the Company to Wallbridge at a fair value of \$2.58 per share, for an aggregate value of \$28,564,545. In connection with the transaction, the Company issued to the Finders 711,778 common shares at \$2.58 per share for an aggregate value of \$714,114.
- On December 13, 2022, the Company granted 387,495 stock options to certain directors, officers, employees, and consultants. The stock options are exercisable until December 13, 2027 at an exercise price of \$3.30 per stock option, and vest in three equal annual installments commencing on the date of the grant.
- On December 13, 2022, the Company granted 58,332 restricted share units ("RSUs") to certain officers, employees, and consultants of the Company. The fair value of RSUs is based on the closing price of the Company's common share on the Exchange on the date immediately preceding the grant date. The RSUs will vest in equal one third annual installments commencing on December 13, 2023 and ending on December 13, 2025.
- On December 13, 2022, the Company granted 183,332 deferred share units ("DSUs") to certain directors of the Company. The fair value of the DSUs is the closing price of the Company's common share on the Exchange on the date immediately preceding the grant date. The DSUs shall vest when the recipient director ceases to be a director of the Company provided that no DSUs will vest within twelve months of the grant date.

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

For the twelve and fifteen months ended December 31, 2024 and 2023

USE OF PROCEEDS AND MILESTONES

On May 14, 2024, the Company closed a non-brokered private placement of 9,479,166 non-flow-through units ("NFT Units") at a price of \$0.24 per NFT Unit for gross proceeds of \$2,275,000.

On November 27, 2023, the Company closed a non-brokered private placement of 1,767,067 non-flow-through units ("NFT Units") at a price of \$0.48 per NFT Unit, 999,700 flow-through units ("FT Units") at a price of \$0.54 per FT Unit, and 1,083,333 Quebec flow-through units ("QFT Units") at a price of \$0.60 per QFT Unit for gross proceeds of \$2,038,030.

On November 18, 2022, in connection with the Transaction, the Company closed a private placement of 757,576 NFT Units at a price of \$3.96 per NFT Unit, 707,222 FT Units at a price of \$4.50 per FT Unit and 483,092 Charity FT Units at a price of \$8.28 per Charity FT Unit, for gross proceeds of \$10,182,500.

The following table summarizes the Company's principal purposes, with approximate amounts, for which the proceeds will be used by the Company:

	May 14, 2024	November 27, 2023	November 18, 2022
	\$	\$	\$
Total proceeds	2,275,000	2,038,030	10,182,500
Allocation of proceeds:			
Exploration of the Grasset Project	-	1,050,000	6,182,500
Exploration of the Ontario Properties	-	139,838	1,000,000
Corporate overhead, general working capital and reclamation costs	2,275,000	848,192	3,000,000

The Company achieved its business objectives and milestones through the use of proceeds raised from the private placements to identify exploration and evaluation opportunities and perform due diligence testing on potential mineral exploration properties. In addition, the Company was able to maintain liquidity while meeting operating expenditure obligations and adequate levels of funding to continue as a going concern and support its exploration of mineral claims.

Considering the current uncertainty as to the general market and competitive conditions, the Company continues to maintain its fiscally responsible approach to its mineral exploration activities. In particular, the Company continues to evaluate market conditions on an ongoing basis, with the goal of, among other things: (i) identifying the appropriate time to initiate certain business objectives, and (ii) exploring potential alternative, viable opportunities to further develop and expand the Company's business.

The Company notes that there may be circumstances where, for sound business reasons, the Company may be required to reallocate funds, including due to demands for shifting focus or investment in mining exploration and/or development activities, requirements for accelerating, increasing, reducing, or eliminating initiatives in response to changes in market, regulations and/or developments in the mining sector generally and in the price of commodities, unexpected setbacks, and strategic opportunities, such as partnerships, strategic partners, joint ventures, mergers, acquisitions, and other opportunities.

The following table compares planned use of proceeds as disclosed (the "Planned Use") to the actual use of proceeds (the "Actual Use") of the November 18, 2022 Private Placement as of December 31, 2024:

Planned Use		Actual Use		Remaining	
Description	Amount	Description	Amount	Description	Amount
Exploration at the Grasset Project, the Company's other properties and general working capital	\$10,182,500	Exploration	\$7,182,500	Exploration	\$-
		Corporate Overhead, General Working Capital and Reclamation Costs	\$3,000,000	Corporate Overhead, General Working Capital and Reclamation Costs	\$-

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)**Management's Discussion and Analysis**

For the twelve and fifteen months ended December 31, 2024 and 2023

USE OF PROCEEDS AND MILESTONES (continued)

The following table compares planned use of proceeds as disclosed (the "Planned Use") to the actual use of proceeds (the "Actual Use") of the November 27, 2023 Private Placement as of December 31, 2024:

Planned Use		Actual Use		Remaining	
Description	Amount	Description	Amount	Description	Amount
Exploration at the Grasset Project, the Company's other properties and general working capital	\$2,038,030	Exploration	\$1,189,838	Exploration	\$-
		Corporate Overhead, General Working Capital and Reclamation Costs	\$848,192	Corporate Overhead, General Working Capital and Reclamation Costs	\$-

The following table compares planned use of proceeds as disclosed (the "Planned Use") to the actual use of proceeds (the "Actual Use") of the May 14, 2024 Private Placement as of December 31, 2024:

Planned Use		Actual Use		Remaining	
Description	Amount	Description	Amount	Description	Amount
Corporate Overhead, General Working Capital and Reclamation Costs	\$2,275,000	Corporate Overhead, General Working Capital Property Maintenance and Reclamation Costs	\$1,399,444	Corporate Overhead, General Working Capital Property Maintenance and Reclamation Costs	\$875,556

The Private Placement closed in May 2024 and therefore there is a variation between the Planned Use and the Actual Use as of December 31, 2024. The Company does not expect such variance to impact its ability to achieve its business objectives and milestones. The Company continues to expect to use the net proceeds of the Private Placement in accordance with the Planned Use.

Upcoming Work - Exploration and Evaluation Expenditures

The Company is focused on the advancement of its nickel sulphide properties within its portfolio. The Company intends to achieve the following business objectives during 2025. As of December 31, 2024, the Company had working capital of \$812,750.

- Engage in community consultations and future labour sourcing from the local Grasset and Ontario communities;
- Advance technical review of the extensive Grasset exploration database;
- Analyze geophysical data and further compile analysis of the Grasset property;
- Planning next phase of exploration activities at Grasset and Ontario properties.

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)**Management's Discussion and Analysis**

For the twelve and fifteen months ended December 31, 2024 and 2023

OUTLOOK

The Company will continue to explore and develop its portfolio of Ni-Cu-Co-PGM properties in Quebec and Ontario. The Company's growth strategy is focused on the exploration and development of its nickel sulphide properties within its portfolio. NorthX's vision is to be a responsible nickel sulphide developer in stable pro-mining jurisdictions. NorthX is committed to socially responsible exploration and development, working safely, ethically, and with integrity.

The Company expects to obtain financing in the future primarily through further equity financing. There can be no assurance that the Company will succeed in obtaining additional financing, now or in the future. Failure to raise additional financing on a timely basis could cause the Company to suspend its operation and eventually to forfeit or sell its interest in its exploration and evaluation assets.

Exploration and Evaluations Expenditures

NorthX is an exploration stage company and engages principally in the exploration of resource properties. Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation expenditures are recognized and capitalized in the period in which they are incurred. These direct exploration and evaluation expenditures include such costs as acquisition costs, materials used, surveying costs, drilling costs and payments made to contractors.

Exploration expenditures for the three and twelve months ended December 31, 2024 and comparative periods by project are presented in the following table.

	Three months ended		Twelve months	Fifteen months
	December 31,		ended	ended
	2024	2023	December 31,	December 31,
	\$	\$	2024	2023
	\$	\$	\$	\$
Grasset				
Acquisition Costs	-	-	-	27,367,462
Assay and Analysis	-	40,512	20,733	111,170
Camp Costs	4,448	111,112	113,825	860,216
Communications	583	1,178	2,428	33,735
Drilling	-	276,234	311,684	2,979,344
Field and Equipment	8,113	55,332	54,533	157,724
Fuel	-	13,215	3,843	76,831
Geological Consulting	27,207	134,533	290,206	480,715
Geophysics	4,121	145,618	40,413	565,647
Ground Logistics	-	2,760	10,300	418,023
Health and Safety	-	-	366	-
Helicopter	-	145,588	-	449,305
Impairment Charge	-	-	(32,750,284)	-
Permitting and Environment	-	261	517	3,989
Property Maintenance	5,768	(18,220)	22,540	32,655
Salaries and Wages	13,089	24,868	302,098	748,724
Share Based Payments	43,396	193,180	194,749	215,622
Travel and Transportation	249	38,233	20,074	87,681
Grasset Total	106,974	1,164,404	(31,361,975)	34,588,843
Parkin				
Acquisition Costs	-	-	12,000	979,858
Classified as Held for Sale	(1,131,363)	-	(1,131,363)	-
Field and Equipment	-	-	-	5,063
Geological Consulting	18,000	13,073	57,909	30,045
Geophysics	-	285,925	9,225	388,666
Government Grants	-	-	(200,000)	-
Impairment Charge	(263,939)	-	(263,939)	-
Property Maintenance	271	3,129	28,577	33,887
Salaries and Wages	-	21,797	-	49,791
Travel and Transportation	-	-	-	281
Parkin Total	(1,377,031)	323,924	(1,487,591)	1,487,591

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)**Management's Discussion and Analysis**

For the twelve and fifteen months ended December 31, 2024 and 2023

	Three months ended		Twelve months	Fifteen months
	December 31,		ended	ended
	2024	2023	December 31,	December 31,
			2024	2023
Sudbury W				
Acquisition Costs	-	-	20,000	302,412
	-	-	162	-
Classified as Held for Sale	(281,640)	-	(281,640)	-
Geological Consulting	-	6,064	10,963	6,064
Impairment Charge	(65,705)	-	(65,705)	-
Property Maintenance	-	1,439	3,132	4,612
Sudbury W Total	(347,345)	7,503	(313,088)	313,088
Wahnapitae				
Acquisition Costs	-	-	-	233,929
Classified as Held for Sale	(204,789)	-	(204,789)	-
Geological Consulting	-	3,728	4,604	3,728
Impairment Charge	(47,776)	-	(47,776)	-
Property Maintenance	-	-	295	10,350
Salaries and Wages	-	-	-	92
Wahnapitae Total	(252,565)	3,728	(247,666)	248,099
Wisner				
Acquisition Costs	-	-	-	116,965
Classified as Held for Sale	(111,551)	-	(111,551)	-
Geological Consulting	-	-	3,113	-
Impairment Charge	(26,024)	-	(26,024)	-
Property Maintenance	-	-	8,549	8,948
Wisner Total	(137,575)	-	(125,913)	125,913
NW Ontario				
Acquisition Costs	-	-	-	58,482
Assay and Analysis	-	-	-	27,385
Camp Costs	-	-	-	122
Classified as Held for Sale	(47,419)	-	(47,419)	-
Communications	-	-	-	3,260
Field and Equipment	-	1,320	-	11,007
Fuel	-	-	-	78
Geological Consulting	-	320	1,542	107,091
Impairment Charge	(11,063)	-	(11,063)	-
Property Maintenance	933	2,925	10,998	30,173
Salaries and Wages	-	1,044	-	14,214
Travel and Transportation	-	-	-	13,316
NW Ontario Total	(57,549)	5,609	(45,942)	265,128

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)**Management's Discussion and Analysis**

For the twelve and fifteen months ended December 31, 2024 and 2023

	Three months ended		Twelve months	Fifteen months
	December 31,		ended	ended
	2024	2023	December 31,	December 31,
			2024	2023
Ontario Other				
Acquisition Costs	-	-	-	10,000
Camp Costs	6,435	7,893	24,180	58,907
Classified as Held for Sale	(310,263)	-	(310,263)	-
Communications	-	1,602	-	1,602
Field and Equipment	-	4,211	550	14,211
Geological Consulting	9,424	5,357	42,534	31,232
Geophysics	-	2,268	11,176	2,898
Health and Safety	-	-	75	-
Impairment Charge	(72,382)	-	(72,382)	-
Property Maintenance	2,430	12,867	6,804	48,256
Salaries and Wages	40,375	-	125,875	-
Travel and Transportation	-	3,799	5,603	4,345
Ontario Other Total	(323,981)	37,997	(165,848)	171,451
Quebec Other				
Geological Consulting	-	2,340	8,394	2,340
Property Maintenance	-	-	1,136	2,674
Quebec Other Total	-	2,340	9,530	5,014
Exploration and Evaluation Expenditures	106,974	1,545,505	(33,738,493)	37,205,127

The above spending was in connection with the following: (i) exploration drilling to expand the current resource and make new discoveries at Grasset; and (ii) geophysical work to identify new prospective drilling targets at Grasset and at the Parkin Project.

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)**Management's Discussion and Analysis**

For the twelve and fifteen months ended December 31, 2024 and 2023

RESULTS OF OPERATIONS

A summary of the Company's results of operations for the three months ended December 31, 2024 and 2023 the twelve and fifteen month periods ended December 31, 2024 and 2023:

	Three months ended December 31,		Twelve months ended December 31,	Fifteen months ended December 31,
	2024	2023	2024	2023
	\$	\$	\$	\$
Operating expenses				
Consulting fees	2,661	675	7,391	534,715
Depreciation	124	1,819	3,159	3,950
Filing fees	11,469	18,363	78,758	116,208
General and administrative	20,747	31,796	167,049	246,365
Management fees	180,253	(29,006)	773,324	888,095
Marketing	33,448	120,493	223,700	503,766
Professional fees	35,976	128,135	299,820	499,794
Rent	-	2,839	-	50,839
Share-based payments	95,044	420,371	531,672	1,889,700
	379,722	695,485	2,084,873	4,733,432
Other income (expenses)				
Impairment of exploration and evaluation assets	(486,889)		(33,237,173)	
Amortization of flow through liability	-	292,315	-	2,253,573
Change in decommissioning and restoration provision	-	(793,478)	(508,881)	(910,066)
Gain (loss) on foreign exchange	516	(1,567)	563	(2,987)
Interest expense	(11,396)	(17,308)	(11,405)	(122,523)
Interest income	8,834	14,643	47,905	228,900
Loss before Income Taxes	(868,657)	(1,200,880)	(35,793,864)	(3,286,535)
Taxes				
Deferred income tax expense	-	(318,000)	-	(51,000)
Net loss and comprehensive loss	(868,657)	(1,518,880)	(35,793,864)	(3,337,535)

The Company reported a net loss of \$868,657 for the three months ended December 31, 2024 compared to a net loss of \$1,518,880 for the three months ended December 31, 2023. The primary drivers of this decrease in the net loss were as follows:

- Marketing decreased to \$33,448 compared to \$120,493 in the comparative period due to the reduction of marketing consultant costs, as workflows were internalized by management and initiatives were streamlined to enable a more focused allocation of resources.
- Share-based payments amounted to \$95,044 for the period, compared to \$420,371 in the prior year comparable period. The change primarily reflects the timing and vesting of stock options and restricted share units (RSUs) granted to officers and employees during the current and previous periods. The fair value of these awards was estimated using standard valuation models and includes assumptions such as expected volatility, risk-free interest rate, and expected life of the instruments.
- Impairment of exploration and evaluation costs of \$486,889 compared to \$nil in the comparative period as a result of an impairment charge in the current period related to the impairment assessment that was performed on the Sudbury portfolio based on a recoverable amount valued at fair value less costs of disposal with respect to the definitive agreement to sell its Sudbury portfolio to Magna.
- Income from the amortization of the flow-through premium liability was \$nil compared to \$292,315 in the prior year comparable period. The amortization was higher in the prior year period due to issuance of flow-through shares in 2023 which had an associated flow-through premium.
- Change in decommissioning and restoration provision of \$nil in the current period, compared to \$793,478 in the prior comparable period, due to an estimate for a seasonal discharge in 2025 at the Broken Hammer site, which was recognized in the third quarter of 2024, whereas the 2024 estimate was recognized in the fourth quarter of 2024.
- Interest income decreased to \$8,843 compared to \$14,643 in the prior year comparable period, which was earned on the Company's cash balance held with banks.

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

For the twelve and fifteen months ended December 31, 2024 and 2023

RESULTS OF OPERATIONS (continued)

- Deferred income tax expense of \$nil compared to \$318,000 in the prior year comparable period. Deferred income tax is a non-cash charge related to deferred income tax liabilities primarily related to changes to estimates in future deferred income tax assets and liabilities throughout the various periods.

The Company reported a net loss of \$35,793,864 for the twelve months ended December 31, 2024 compared to a net loss of \$3,337,535 for the fifteen months ended December 31, 2023. The primary drivers of this increase in the net loss were as follows:

- Consulting fees decreased to \$7,391 compared to \$534,715 in the comparative period primarily related to the reduction of consultant costs as workflows have been internalized by management.
- General and administrative costs decreased to \$167,049 compared to \$246,365 in the comparative period primarily related to reduced office operating expenses in the current period related to internalizing general and administrative functions.
- Management fees decreased to \$773,324 compared to \$888,095 in the prior year comparable period mainly due reduced management short-term incentive costs.
- Marketing decreased to \$223,700 compared to \$503,766 in the comparative period due to the reduction of marketing consultant costs, as workflows were internalized by management and initiatives were streamlined to enable a more focused allocation of resources.
- Share-based payments amounted to \$531,672 compared to \$1,889,700 in the prior year comparable period. The change primarily reflects the timing and vesting of stock options and restricted share units (RSUs) granted to officers and employees during the current and previous periods. The fair value of these awards was estimated using standard valuation models and includes assumptions such as expected volatility, risk-free interest rate, and expected life of the instruments.
- Impairment of exploration and evaluation costs of \$33,237,173 compared to \$nil in the comparative period primarily as a result of an impairment charge in the current period related to the Grasset project as well as an impairment charge of \$483,889 in the current period related to the impairment assessment that was performed on the Sudbury portfolio based on a recoverable amount valued at fair value less costs of disposal with respect to the definitive agreement to sell its Sudbury portfolio to Magna.
- Income from the amortization of the flow-through premium liability was \$nil compared to \$2,253,573 in the prior year comparable period. The amortization was higher in the prior year period due to issuance of flow-through shares in 2023 which had an associated flow-through premium.
- Change in decommissioning and restoration provision of \$508,881 in the current period compared to \$910,066 in the prior comparable period, as the prior period amount included a portion for provision for the capital program and the current period reflects more efficient in completing the seasonal discharge in 2024.
- Interest expense decreased to \$11,405 compared to \$122,523 in the prior year comparable period primarily related to part X11.6 tax accrual related to the November 2022 flow-through financing that was recognized in 2023.
- Interest income decreased to \$47,905 compared to \$228,900 in the prior year comparable period, which was earned on the Company's cash balance held with banks.
- Deferred income tax expense of \$nil compared to \$51,000 in the prior year comparable period. Deferred income tax is a non-cash charge related to deferred income tax liabilities primarily related to changes to estimates in future deferred income tax assets and liabilities throughout the various periods.

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

For the twelve and fifteen months ended December 31, 2024 and 2023

SUMMARY OF QUARTERLY RESULTS

The following summarizes quarterly financial results of the Company for the last eight most recently completed quarters:

	Q4 2024	Q3 2024	Q2 2024	Q1 2024
	\$	\$	\$	\$
Net loss and comprehensive loss	1,888,435	33,905,429	460,962	558,816
Basic and diluted loss per share	0.07	1.19	0.02	0.03
Working capital	812,750	755,663	1,812,449	376,030
Total assets	7,150,650	8,095,672	41,395,891	40,007,188
Total liabilities	2,803,075	3,017,880	2,796,968	3,159,068
Shareholders' equity	4,347,575	5,077,792	38,598,923	36,848,120
Deficit	43,354,388	42,485,731	8,580,302	8,119,340

	Q5 2023	Q4 2023	Q3 2023	Q2 2023
	\$	\$	\$	\$
Net (income) loss and comprehensive (income) loss	882,880	874,514	(176,524)	146,206
Basic and diluted (income) loss per share	0.01	0.01	(0.00)	0.00
Working capital	1,974,347	2,089,185	4,679,876	8,536,285
Total assets	40,590,968	39,218,630	40,434,481	40,813,192
Total liabilities	3,366,588	3,528,753	4,210,998	5,243,945
Shareholders' equity	37,224,380	35,689,877	36,223,483	35,569,247
Deficit	7,560,524	6,636,672	5,762,158	5,938,682

The quarterly trend in working capital is primarily driven by movements in cash from the Company's financing activities and exploration and evaluation spending. The quarterly trend in total assets is primarily driven by the investment in exploration and evaluation assets from the capitalization of exploration and evaluation costs. Additionally, the trend reflects the impact of the impairment charge recognized during the period.

MATERIAL ACCOUNTING POLICY INFORMATION

The preparation of the financial data is based on accounting principles and practices consistent with those used in the preparation of the audited financial statements as at December 31, 2024.

SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, revenues and expenses. Management continually evaluates these judgments, estimates and assumptions based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates and judgments which may cause a material adjustment to the carrying amounts of assets and liabilities.

The critical judgements and estimates applied in the preparation of the financial data are consistent with those used in the preparation of the audited financial statements as at December 31, 2024.

LIQUIDITY, CAPITAL RESOURCES AND GOING CONCERN

The Company is in the exploration stage and therefore has no cash flow from operations. Its only source of funds since incorporation has been from the issuance of common shares, special warrants, and units. The Company is in the process of exploring mineral claims. The Company has not yet determined whether or when the claims could be economically viable.

As at December 31, 2024 the Company had cash of \$875,556 (December 31, 2023 - \$2,876,128) and current assets less current liabilities of \$812,750 (December 31, 2023 - \$1,974,347).

The Company's cash flows from operations are negative as it is an exploration stage company. During the twelve months ended December 31, 2024, the Company used cash of \$1,351,001 in operating activities (2023 - \$2,428,748) primarily due to management fees, professional fees, filing fees, marketing costs and general and administrative costs.

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

For the twelve and fifteen months ended December 31, 2024 and 2023

LIQUIDITY, CAPITAL RESOURCES AND GOING CONCERN (continued)

During the twelve months ended December 31, 2024, the Company used cash of \$2,840,209 in investing activities (2023 - \$6,211,353), primarily related to cash spent on exploration and evaluation activities, reclamation costs, posting of a standby letter of credit and purchase of equipment.

During the twelve months ended December 31, 2024, the Company received cash of \$2,190,638 from financing activities (2023 - \$11,302,998).

While the information in the financial statements has been prepared in accordance with IFRS Accounting Standards on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future, there are conditions and events that cast significant doubt on the validity of this presumption. The Company's ability to continue as a going concern is dependent upon achieving profitable operations and upon obtaining additional financing. While the Company is making its best efforts in this regard, the outcome of these matters cannot be predicted at this time.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements and does not contemplate having them in the foreseeable future.

RELATED PARTY TRANSACTIONS

Related party personnel are those who have the authority and responsibility for planning, directing, and controlling activities of the Company directly or indirectly. Related parties include the Board of Directors, officers, close family members and entities that are controlled by these individuals.

a) The Company had the following transactions with related party entities:

	Twelve months ended December 31, 2024	Fifteen months ended December 31, 2023
Wallbridge Mining Company ⁽ⁱ⁾	\$ 97,850	\$ 1,009,604
Inventa Capital Corp. ⁽ⁱⁱ⁾	-	181,762
	97,850	1,191,366

(i) Effective November 18, 2022, the Company entered into a sub-lease agreement with Wallbridge for a portion of their premises relating to the nickel assets acquired. The sub-lease agreement terminated on August 31, 2023. The Company also entered into a secondment agreement to provide the Company with Wallbridge personnel for work on the nickel assets on an as needed basis. Wallbridge also charges NorthX for the use of Wallbridge accommodations at their Detour-Fenelon Gold Trend site facilities in the Northern Abitibi region of Quebec. At December 31, 2024, the Company had a payable to Wallbridge of \$1,725 (2023 - \$23,806). Wallbridge and NorthX are also parties to an Investor Rights Agreement and Exploration Agreement.

(ii) Effective July 1, 2021 the Company entered into a management services agreement with Inventa Capital Corporation ("Inventa"), a company controlled by a former director of the Company, for office rent and administrative functions. The agreement was terminated effective October 22, 2023. The Company subsequently entered into an agreement with Inventa purely for certain administrative functions.

These transactions were in the normal course of operations.

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)
Management’s Discussion and Analysis
For the twelve and fifteen months ended December 31, 2024 and 2023

RELATED PARTY TRANSACTIONS (continued)

b) Key management personnel

The Company’s key management personnel are its directors and officers.

A summary of the Company’s key management personnel remuneration is as follows:

	Twelve months ended December 31, 2024	Fifteen months ended December 31, 2023
	\$	\$
Management and consulting fees ⁽ⁱ⁾	748,492	1,067,078
Share-based payments ⁽ⁱⁱ⁾	662,140	1,749,937
	1,410,632	2,817,015

(i) Included in management and consulting fees was \$131,267 (2023 - \$272,500) capitalized as exploration and evaluation assets.

(ii) Share-based payments is the fair value of options, RSUs, DSUs, granted which have been calculated as disclosed in Note 15 and \$100,480 (2023 - \$106,313) was capitalized as exploration and evaluation assets.

As at December 31, 2024, accounts payable and accrued liabilities included \$1,725 (2023 - \$77,245) payable to directors, officers and companies controlled or related to directors and/or officers. Amounts payable to related parties have no specific terms of repayment, are unsecured and do not bear interest.

In connection with the Wallbridge transaction, the Company issued 137,942 common shares as finders’ fees to a director of the Company.

PROPOSED TRANSACTIONS

As at December 31, 2024, and as disclosed in this MD&A, the Company has entered into a definitive agreement to sell its Sudbury portfolio to Magna Mining Inc. For further details, refer to the “**NICKEL ASSETS**” and “**ASSETS AND LIABILITIES HELD FOR SALE**” section of this MD&A.

OUTSTANDING SECURITY DATA

A summary of the number of the Company’s issued and outstanding equity instruments is as follows:

	December 31, 2024	Date of this MD&A
Common shares issued and outstanding ⁽¹⁾	28,632,589	28,882,588
Stock options	1,398,234	1,398,234
Warrants	13,349,382	13,349,382
Restricted stock units	681,569	681,569
Deferred stock units	1,172,915	822,916

(1) Authorized: Unlimited common shares without par value.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

a) Fair value

As at December 31, 2024, the financial instruments such as cash, investments, finance assurance for closure plan, and trade and other payables are classified and measured at amortized cost. The carrying value of cash, investments, standby letter of credit for financial assurance, and trade and other payables approximate the fair value due to the relatively short-term nature of these instruments.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

For the twelve and fifteen months ended December 31, 2024 and 2023

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the Company by failing to discharge an obligation. Credit risk for the Company is associated with its cash. The Company has minimal exposure of credit risk on its cash as the Company's cash is held with major Canadian financial institutions.

c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets. At December 31, 2024, the Company had cash and taxes receivable balances of \$904,327 (December 31, 2023 - \$3,110,857) to settle current liabilities related to trade payables of \$147,366 (December 31, 2023 - \$1,265,859). Liquidity risk for the Company is associated with its trade and other payables.

d) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates.

The Company is not exposed to significant interest rate risk on the basis that it does not hold any financial liabilities subject to variable interest rates.

Foreign currency risk is the risk that the value of the Company's financial instruments denominated in foreign currencies will fluctuate due to changes in foreign exchange rates. The Company does not use derivative instruments to reduce its exposure to foreign currency risk.

The Company is mainly exposed to foreign currency risk on financial instruments (consisting of cash and trade and other payables) denominated in USD. As at December 31, 2024, the Company does not carry significant cash and trade and other payables balances denominated in USD.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

The significant components of operating expenses are included in the section Results of Operations. Significant components of mineral property expenditures are included in the section Exploration and Evaluation Expenditures.

ADDITIONAL INFORMATION

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

RISKS AND UNCERTAINTIES

The Company is in the business of acquiring, exploring and, if warranted, developing and exploiting natural resource properties. Due to the nature of the Company's proposed business and the present stage of exploration of its mineral properties, the following risk factors, among others, will apply:

Resource Exploration and Development is a Speculative Business

Resource exploration and development is a speculative business and involves a high degree of risk, including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits which, though present, are insufficient in size to return a profit from production. The marketability of natural resources that may be acquired or discovered by the Company will be affected by numerous factors beyond the control of the Company. These factors include market fluctuations, the proximity and capacity of natural resource markets, government regulations, including regulations relating to prices, taxes, royalties, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital.

Substantial expenditures are required to establish ore reserves through drilling and metallurgical and other testing techniques, determine metal content and metallurgical recovery processes to extract metal from the ore, and construct, renovate or expand mining and processing facilities. No assurance can be given that any level of recovery of ore reserves will be realized or that any identified mineral deposit, even

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

For the twelve and fifteen months ended December 31, 2024 and 2023

if it is established to contain an estimated resource, will ever qualify as a commercial mineable ore body which can be legally and economically exploited. The great majority of exploration projects do not result in the discovery of commercially mineable deposits of ore.

Financing Risks

Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of its projects with the possible loss of such properties.

Liquidity Risk

The Company has in the past and may in the future seek to acquire additional funding by the sale of Common Shares, the sale of assets or through the assumption of debt. Movements in the price of the Common Shares have been volatile in the past and may be volatile in the future. Furthermore, liquidity of the Company's securities may be impacted by large shareholders.

Fluctuation of Metal Prices

Even if commercial quantities of mineral deposits are discovered by the Company, there is no guarantee that a profitable market will exist for the sale of the metals produced. Factors beyond the control of the Company may affect the marketability of any substances discovered. The prices of various metals have experienced significant movement over short periods of time and are affected by numerous factors beyond the control of the Company, including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods. The supply of and demand for metals are affected by various factors, including political events, economic conditions and production costs in major producing regions. There can be no assurance that the price of any commodities will be such that any of the properties in which the Company has, or has the right to acquire, an interest may be mined at a profit.

Option and Joint Venture Agreements

The Company has and may continue to enter into option agreements and/or joint ventures as a means of gaining property interests and raising funds. Any failure of any partner to meet its obligations to the Company or other third parties, or any disputes with respect to third parties' respective rights and obligations, could have a negative impact on the Company. Pursuant to the terms of certain of the Company's existing option agreements, the Company is required to comply with exploration and community relations obligations, among others, any of which may adversely affect the Company's business, financial results and condition. Under the terms of such option agreements the Company may be required to comply with applicable laws, which may require the payment of maintenance fees and corresponding royalties in the event of exploitation/production. The costs of complying with option agreements are difficult to predict with any degree of certainty; however, if the Company is forced to suspend operations on any of its properties or pay any material fees, royalties or taxes, it could result in a material adverse effect to the Company's business, financial results and condition. The Company may be unable to exert direct influence over strategic decisions made in respect of properties that are subject to the terms of these agreements, and the result may be a materially adverse impact on the value of the underlying properties.

Increased Costs

Capital and exploration cost estimates made in respect of the Company's projects may not prove accurate. Capital and exploration cost estimates are based on the interpretation of geological data, economic studies, anticipated climatic conditions, market conditions for required products and services, and other factors and assumptions regarding foreign exchange currency rates. Any of the following events could affect the ultimate accuracy of such estimates: incorrect data on which exploration assumptions are made; delay in drilling schedules, unanticipated transportation costs; availability of third-party contractors; labour availability; changes in government regulation (including regulations regarding prices, cost of consumables, royalties, duties, taxes, permitting and restrictions on production quotas on exportation of minerals); and title claims.

Reclamation

There is a risk that monies allotted for land reclamation may not be sufficient to cover all risks, due to changes in the nature of the waste rock or tailings and/or revisions to government regulations. Therefore, additional funds, or reclamation bonds or other forms of financial assurance may be required over the tenure of any mineral project of the Company to cover potential risks. These additional costs may have a material adverse effect on the Company's business, financial condition and results of operations.

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

For the twelve and fifteen months ended December 31, 2024 and 2023

Mining Industry is Intensely Competitive

The mineral exploration industry is intensely competitive in all its phases and the Company competes with many companies possessing greater financial and technical resources than itself. Competition in the precious metals mining industry is primarily for mineral rich properties that can be developed and produced economically; the technical expertise to find, develop, and operate such properties; the labour to operate the properties; and the capital for the purpose of funding such properties. Many competitors not only explore for and mine precious metals, but also conduct refining and marketing operations on a global basis. Such competition may result in the Company being unable to acquire desired properties, to recruit or retain qualified employees or to acquire the capital necessary to fund its operations and develop its properties. Existing or future competition in the industry could materially adversely affect the Company's prospects for mineral exploration and success in the future.

Permits and Licenses

The Company's operations are subject to receiving and maintaining permits from appropriate governmental authorities. There is no assurance that delays will not occur in connection with obtaining all necessary renewals of permits for the Company's existing operations, additional permits for any possible future changes to operations, or additional permits associated with new legislation. Prior to any development on any of its properties, the Company must receive permits from appropriate governmental authorities. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects, on reasonable terms or at all. Delays or a failure to obtain such licenses and permits or a failure to comply with the terms of any such licenses and permits that the Company does obtain, could have a material adverse effect on the Company.

Government Regulation

Any exploration, development or mining operations carried on by the Company, will be subject to government legislation, policies and controls relating to prospecting, development, production, environmental protection, mining taxes and labour standards. In addition, the profitability of any mining prospect is affected by the market for precious and/or base metals which is influenced by many factors including changing production costs, the supply and demand for metals, the rate of inflation, the inventory of metal producing corporations, the political environment and changes in international investment patterns.

Regulatory Requirements

The activities of the Company are subject to extensive regulations governing various matters, including environmental protection, management and use of toxic substances and explosives, management of natural resources, exploration, development of mines, production and post-closure reclamation, exports, price controls, taxation, regulations concerning business dealings with indigenous peoples, labour standards on occupational health and safety, including mine safety, and historic and cultural preservation. Failure to comply with applicable laws and regulations may result in civil or criminal fines or penalties, enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions, any of which could result in the Company incurring significant expenditures. The Company may also be required to compensate those suffering loss or damage by reason of a breach of such laws, regulations or permitting requirements. It is also possible that future laws and regulations, or more stringent enforcement of current laws and regulations by governmental authorities, could cause additional expense, capital expenditures, restrictions on or suspension of the Company's operations and delays in the exploration and development of the Company's properties.

Economic and Political Conditions

The current economic climate for junior mining issuers has resulted in low valuations for their equities. This has made financing these companies difficult without unduly diluting the existing shareholders. Most of the Company's activities are in northern Quebec, an area with strong political support for mining. While some political opposition to mining can exist in any jurisdiction, the location of the Company's operations somewhat mitigates this risk. Significant and increasing competition exists for the limited number of mineral acquisition opportunities available. As a result of this competition, some of which is with large established mining companies with substantially greater capabilities and financial and technical resources than those of the Company, the Company may be unable to acquire the resources and/or additional attractive mineral properties on terms it considers acceptable. Accordingly, there can be no assurance that the Company's exploration and acquisition programs will yield any new mineral reserves, mineral resources or result in any commercial mining operation.

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

For the twelve and fifteen months ended December 31, 2024 and 2023

Global Economy Risk

The volatility of global capital markets, including the general economic slowdown in the mining sector, over the past several years has generally made the raising of capital by equity or debt financing more difficult. Heightened geopolitical risks, including ongoing US trade tensions with key global economies, have further contributed to market uncertainty and volatility. The Company may be dependent upon capital markets to raise additional financing in the future. As such, the Company is subject to liquidity risks in meeting its operating expenditure requirements and future development cost requirements in instances where adequate cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact the ability to raise equity or obtain loans and other credit facilities in the future and on terms favourable to the Company and its management. If these levels of volatility persist or if there is a further economic slowdown, the Company's operations, the Company's ability to raise capital and the trading price of the Company's securities could be adversely impacted.

Inflation

The Company's operating costs could escalate and become uncompetitive due to supply chain disruptions, inflationary cost pressures, equipment limitations, escalating supply costs, commodity prices and additional government intervention through stimulus spending or additional regulations. The Company's inability to manage costs may impact, among other things, future development decisions, which could have a material adverse impact on the Company's financial performance.

Title Matters

Although the Company has taken steps to verify the title to the mineral properties in which it has or has a right to acquire an interest in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee title (whether of the Company or of any underlying vendor(s) from whom the Company may be acquiring its interest). Title to mineral properties may be subject to unregistered prior agreements or transfers, and may also be affected by undetected defects or the rights of indigenous peoples. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties for which titles have been issued are in good standing.

Environmental Restrictions

The activities of the Company are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation generally provides for restrictions and prohibitions on spills, releases or emissions into the air, discharges into water, management of waste, management of hazardous substances, protection of natural resources, antiquities and endangered/threatened species and reclamation of lands disturbed by mining operations. Certain types of operations require the submission and approval of environmental impact assessments. In addition, such laws and regulations can constrain or prohibit the exploration and development of new projects or the development or expansion of existing projects. Environmental legislation is evolving in a manner which means stricter standards, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations.

Exploration and Mining Risks

Fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the operation of mines and the conduct of exploration programs. Substantial expenditures are required to establish reserves through drilling, to develop metallurgical processes, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. The economics of developing mineral properties is affected by many factors including the cost of operations, variations of the grade of ore mined, fluctuations in the price of gold or other minerals produced, costs of processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. In addition, the grade of mineralization ultimately mined may differ from that indicated by drilling results and such differences could be material. Short term factors, such as the need for orderly development of ore bodies or the processing of new or different grades, may have an adverse effect on mining operations and on the results of operations. There can be no assurance that minerals recovered in small scale laboratory tests will be duplicated in large scale tests under on-site conditions or in production scale operations. Material changes in geological resources, grades, stripping ratios or recovery rates may affect the economic viability of projects.

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

For the twelve and fifteen months ended December 31, 2024 and 2023

No Assurance of Profitability

The Company has no history of earnings and, due to the nature of its business there can be no assurance that the Company will ever be profitable. The Company has not paid dividends on its Common Shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Company is from the sale of its Common Shares or, possibly, from the sale or optioning of a portion of its interest in its mineral properties. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists. While the Company may generate additional working capital through further equity offerings or through the sale or possible syndication of its properties, there can be no assurance that any such funds will be available on favorable terms, or at all. At present, it is impossible to determine what amounts of additional funds, if any, may be required. Failure to raise such additional capital could put the continued viability of the Company at risk.

Community Relations

The Company's relationships with the communities in which it operates and other stakeholders are critical to the future success of its existing exploration operations and the advancement of its projects. There is an increasing level of public concern relating to the perceived effect of mineral exploration and development activities on the environment and on communities impacted by such activities. Publicity adverse to the Company, its operations or extractive industries generally, could have an adverse effect on the Company and may impact relationships with the communities in which the Company operates and other stakeholders. While the Company is committed to operating in a socially responsible manner, there can be no assurance that its efforts in this respect will mitigate this potential risk. Further, damage to the Company's reputation can be the result of the perceived or actual occurrence of any number of events, and could include any negative publicity, whether true or not.

The increased usage of social media and other web-based tools used to generate, publish and discuss user generated content and to connect with other users has made it increasingly easier for individuals and groups to communicate and share opinions and views in regard to the Company and its activities, whether true or not. While the Company strives to uphold and maintain a positive image and reputation, the Company does not ultimately have control over how it is perceived by others. Reputation loss may lead to increased challenges in developing and maintaining community relations, and advancing its projects and sustaining investor confidence, all of which may have a material adverse impact on the financial performance and growth of the Company.

First Nations and Indigenous Heritage

First Nations title claims, and Indigenous heritage issues may affect the ability of the Company to pursue exploration, development and mining on its properties. The resolution of First Nations and Indigenous heritage issues is an integral part of exploration and mining operations in Canada and the Company is committed to effectively managing any issues that may arise. However, in view of the inherent legal and factual uncertainties relating to such issues, no assurance can be given that material adverse consequences will not arise.

Climate Change

The potential physical impacts of climate change on the Company's operations are uncertain and may include extreme weather events, increased frequency and intensity of wildfires, changes in rainfall patterns, water shortages, energy disruptions and changing temperatures. There may also be supply chain implications from climate change in getting critical operational inputs to the Company's operations. Compliance issues, increased costs, and reduced productivity may result from such physical impacts.

The Company's operations in the future may be energy intensive. While the Company will review numerous processes to reduce its overall carbon footprint in future economic studies, such as the use of electric battery powered mining equipment, the Company acknowledges climate change as an international and community concern. Legislation and regulations relating to emission levels and energy efficiency are becoming more rigorous and may result in increased costs at its future operations. While the Company has taken measures to manage the use of energy, such regulatory requirements may have an adverse impact on the Company.

Information Technology

The Company is reliant on the continuous and uninterrupted operations of its information technology ("IT") systems. User access and security of all IT systems are critical elements to the operations of the Company. The Company's operations depend, in part, on how well the Company and its suppliers protect networks, equipment, IT systems and software against damage from threats, including, but not limited to, cable cuts, damage to physical plants, natural disasters, terrorism, fire, power loss, hacking, computer viruses, vandalism and theft. The Company's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

For the twelve and fifteen months ended December 31, 2024 and 2023

and software, as well as pre-emptive expenses to mitigate the risks of failures. Any IT failure pertaining to availability, access or system security could result in disruption for personnel and could adversely affect the reputation, operations, or financial performance of the Company.

The Company's IT systems could be compromised by unauthorized parties attempting to extract business sensitive, confidential or personal information, corrupting information or disrupting business processes or by inadvertent or intentional actions by the Company's employees or vendors. A cyber security incident resulting in a security breach or failure to identify a security threat could disrupt business and could result in the loss of business-sensitive, confidential or personal information or other assets, as well as litigation, regulatory enforcement, violation of privacy and security laws and regulations and remediation costs.

Although to date the Company has not experienced any material losses relating to cyber-attacks or other information security breaches, there can be no assurance that it will not incur such losses in the future. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access remain a priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

While the Company governance policies in place to maintain the confidentiality of information, social media and other web-based information sharing applications may result in negative publicity or have the effect of damaging the reputation of the Company, whether or not such publicity is in fact verified, truthful or correct. The Company places a great emphasis on ensuring the highest reputational standards, however, it may not have the ability to control how it is perceived by others. Reputational loss may result in challenges in developing and maintaining community and shareholder relations and decreased investor confidence.

Uninsured or Uninsurable Risks

Exploration, development and mining operations involve various hazards, including environmental hazards, industrial accidents, metallurgical and other processing problems, unusual or unexpected rock formations, structural cave-ins or slides, flooding, fires, metal losses and periodic interruptions due to inclement or hazardous weather conditions. These risks could result in damage to or destruction of mineral properties, facilities or other property, personal injury, environmental damage, delays in operations, increased cost of operations, monetary losses and possible legal liability. The Company may not be able to obtain insurance to cover these risks at economically feasible premiums or at all. The Company may elect not to insure where premium costs are disproportionate to the Company's perception of the relevant risks. The payment of such insurance premiums and of such liabilities would reduce the funds available for exploration and production activities.

Conflicts of Interest

The directors and officers of the Company may serve as directors and/or officers for other public and private companies, including companies in which the Company has invested in, and may devote a portion of their time to manage other business interests. This may result in certain conflicts of interest. To the extent that such other companies may participate in ventures in which the Company is also participating, and to the extent that such companies may receive funds from the Company, such directors and officers of the Company may have a conflict of interest in negotiating and reaching an agreement with respect to the extent of each company's participation. The *Business Corporations Act* (British Columbia), which governs the Company, requires the directors and officers to act honestly, in good faith, and in the best interests of the Company and its shareholders. However, in conflict of interest situations, directors and officers of the Company may owe the same duty to another company and will need to balance the competing obligations and liabilities of their actions. There is no assurance that the needs of the Company will receive priority in all cases. From time to time, several companies may participate together in the acquisition, exploration and development of natural resource properties, thereby allowing these companies to: (i) participate in larger programs; (ii) acquire an interest in a greater number of programs; and (iii) reduce their financial exposure to any one program. A particular company may assign, at its cost, all or a portion of its interests in a particular program to another affiliated company due to the financial position of the Company making the assignment. In determining whether or not the Company will participate in a particular program and the interest therein to be acquired by it, it is expected that the directors and officers of the Company will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

For the twelve and fifteen months ended December 31, 2024 and 2023

Key Executives and Outside Consultants

The Company is dependent upon the services of key executives, including the directors of the Company, and will be dependent on a small number of highly skilled and experienced executives and personnel. Due to the relatively small size of the Company, the loss of these persons or the inability of the Company to attract and retain additional highly-skilled employees may adversely affect its business and future operations.

The Company has also relied upon outside consultants, geologists, engineers and others and intends to rely on these parties for their exploration and development expertise. Substantial expenditures are required to construct mines, to establish mineral resources and reserves estimates through drilling, to carry out environmental and social impact assessments, to develop metallurgical processes and to develop the development, exploration and plant infrastructure at any particular site. If such parties' work is deficient or negligent or is not completed in a timely manner, it could have a material adverse effect on the Company's business, financial condition and results of operations.

Potential Volatility of Market Price of Common Shares and Related Litigation Risks

Securities of publicly listed companies such as the Company have, from time to time, experienced significant price and volume fluctuations unrelated to the operating performance of particular companies. These broad market fluctuations may adversely affect the market price of the Common Shares. In addition, the market price of the Common Shares is likely to be highly volatile. Factors such as commodity prices, the average volume of shares traded, announcements by competitors, changes in stock market analysts' recommendations regarding the Company and general market conditions and attitudes affecting other exploration and mining companies may have a significant effect on the market price of the Company's Common Shares. It is likely that the Company's results or development and exploration activities may fluctuate significantly or may fail to meet the expectations of stock market analysts and investors and, in such event, the market price of the Common Shares could be materially adversely affected. In the past, securities class action litigation has often been initiated following periods of volatility in the market price of a company's securities. Such litigation, if brought against the Company, could result in substantial costs and a diversion of management's attention and resources, which could have a material adverse effect on the Company's business, financial position and results of operations.

Dilution to Common Shares

During the life of the Company's outstanding common share purchase warrants, as well as options and other rights granted or assumed by the Company, if any, the holders are given an opportunity to profit from a rise in the market price of the common shares. The Company's ability to obtain additional financing during the period such rights are outstanding may be adversely affected and the existence of the rights may have an adverse effect on the price of the common shares. The holders of common share purchase warrants, options and other rights of the Company may exercise such securities at a time when the Company would, in all likelihood, be able to obtain any needed capital by a new offering of securities on terms more favourable than those provided by the outstanding rights.

The increase in the number of common shares in the market and the possibility of sales of such shares may have a depressive effect on the price of the common shares. In addition, as a result of such additional common shares, the voting power of the Company's existing shareholders will be diluted.

Future Sales of Common Shares by Existing Shareholders

Sales of a large number of common shares in the public markets, or the potential for such sales, could decrease the trading price of the common shares and could impair the Company's ability to raise capital through future sales of common shares. The Company has previously completed private placements at prices per share which may be, from time to time, lower than the market price of the common shares. Accordingly, a significant number of the Company's shareholders at any given time may have an investment profit in the common shares that they may seek to liquidate.

No History of Dividends

Investors cannot expect to receive a dividend on their investment in the foreseeable future, if at all. Accordingly, it is likely investors will not receive any return on their investment in the Company's securities other than possible capital gains.

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

For the twelve and fifteen months ended December 31, 2024 and 2023

Tax Matters

The Company's taxes are affected by several factors, some of which are outside of its control, including the application and interpretation of the relevant tax laws. If the Company's filing position, application of tax incentives or benefits were to be challenged for any reason, this could have a material adverse effect on the Company's business, results of operations and financial condition. The Company is subject to routine tax audits by various tax authorities. Tax audits may result in additional tax, interest payments and penalties which would negatively affect the Company's financial condition and operating results. New laws and regulations or changes in tax rules and regulations or the interpretation of tax laws by the courts or the tax authorities may also have a substantial negative impact on the Company's business. There is no assurance that the Company's financial condition will not be materially adversely affected in the future due to such changes.

Litigation

Defense and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Like most companies, the Company is subject to the threat of litigation and may be involved in disputes with other parties in the future which may result in litigation or other proceedings. The results of litigation or any other proceedings cannot be predicted with certainty. If the Company is unable to resolve these disputes favourably, it could have a material adverse effect on the Company's business, financial condition and results of operations.

The Company's management consider the risks disclosed to be the most significant to potential investors of the Company, but not all risks associated with an investment in securities of the Company. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the directors are currently unaware or which they consider not to be material in relation to the Company's business, actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected. In such circumstances, the price of the Company's securities could decline and investors may lose all or part of their investment.

U.S federal income tax consequences for U.S. investors

Shareholders in the United States should be aware that the Company believes it was classified as a "passive foreign investment company" ("PFIC") during the tax year ended December 31, 2024. Subsequent to that time, the Company has been classified as a PFIC, and based on current business plans and financial expectations, the Company expects that it may be a PFIC for the current tax year and future tax years. If the Company is a PFIC for any year during a U.S. taxpayer's holding period of the Company's securities, then such U.S. taxpayer generally will be required to treat any gain realized upon a disposition of any such securities or any so-called "excess distribution" received on such securities, as ordinary income, and to pay an interest charge on a portion of such gain or distribution. In certain circumstances, the sum of the tax and the interest charge may exceed the total amount of proceeds realized on the disposition, or the amount of excess distribution received, by the U.S. taxpayer. Subject to certain limitations, these tax consequences may be mitigated if a U.S. taxpayer makes a timely and effective QEF Election under Section 1295 of the Internal Revenue Code of 1986, as amended (the "Code"), or a Mark-to-Market Election under Section 1296 of the Code. Subject to certain limitations, such elections may be made with respect to the Common Shares of the Company. A U.S. taxpayer may not make a QEF Election or Mark-to-Market Election with respect to the Warrants. A U.S. taxpayer who makes a timely and effective QEF Election generally must report on a current basis its share of the Company's net capital gain and ordinary earnings for any year in which the Company is a PFIC, whether or not the Company distributes any amounts to its shareholders. However, U.S. taxpayers should be aware that there can be no assurance that the Company will satisfy the record keeping requirements that apply to a qualified electing fund, or that the Company will supply U.S. taxpayers with information that such U.S. taxpayers require to report under the QEF Election rules, in the event that the Company is a PFIC and a U.S. taxpayer wishes to make a QEF Election. Thus, U.S. taxpayers may not be able to make a QEF Election with respect to their Common Shares. A U.S. taxpayer who makes the Mark to-Market Election generally must include as ordinary income each year the excess of the fair market value of the Common Shares over the taxpayer's basis therein.