



ARCHER EXPLORATION CORP.

Management's Discussion & Analysis

For the three and nine months ended June 30, 2023 and 2022

(Expressed in Canadian dollars)

ARCHER EXPLORATION CORP.

Management's Discussion and Analysis

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MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis ("MD&A") of Archer Exploration Corp. ("Archer" or the "Company") supplements but does not form part of the unaudited condensed interim consolidated financial statements and the notes thereto for the three and nine months ended June 30, 2023 and 2022 (collectively referred to hereafter as the "financial statements").

The financial statements have been prepared by management in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee, applicable to the preparation of financial statements including International Accounting Standard ("IAS") 34 *Interim Financial Reporting*. 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, "Archer", the "Company", or the words "we", "us", or "our", collectively refer to Archer Exploration 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 June 30, 2023 and 2022 are referred to as "YTD 2023" and "YTD 2022", 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 August 23, 2023.

For a detailed listing of the risk factors faced by the Company, please refer to the Company's Annual Information Form ("AIF") for the year ended September 30, 2022.

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. See "Risks and uncertainties".

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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.

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. Jacquelin Gauthier, P.Geo., the Company's Vice President of Exploration. Mr. Gauthier is a qualified person for the purposes of NI 43-101.

DESCRIPTION OF THE BUSINESS

The Company was incorporated 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 Suite 401 - 353 Water Street, Vancouver, BC V6B 1B8.

On February 11, 2021, the shares of the Company began trading on the Canadian Securities Exchange (the "Exchange") under the symbol "RCHR".

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.

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SHARE CONSOLIDATION

On November 8, 2022, the Company completed a consolidation of its common shares on a three 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.

SELECTED FINANCIAL INFORMATION

As at June 30, 2023, current assets were \$6,508,206 (September 30, 2022 - \$315,824) and current liabilities were \$2,474,354 (September 30, 2022 - \$238,315), resulting in working capital excluding the flow-through premium liability of \$4,679,876 (September 30, 2022 - \$77,509).

As at June 30, 2023, the Company had total assets of \$40,434,481 (September 30, 2022 - \$315,824), which is comprised of \$4,855,928 of cash (September 30, 2022 - \$213,231), receivables of \$1,194,268 (September 30, 2022 - \$95,943), \$458,010 of prepaid expenses (September 30, 2022 - \$6,650), exploration and evaluation assets of \$33,776,614 (September 30, 2022 - \$nil) and property and equipment of \$92,161 (September 30, 2022 - \$nil).

As at June 30, 2023, the Company had total liabilities of \$4,210,998 (September 30, 2022 - \$238,315), which comprises trade and other payables of \$1,336,004 (September 30, 2022 - \$238,315), current portion of decommissioning and restoration provision of \$492,326 (September 30, 2022 - \$nil), flow-through premium liability of \$646,024 (September 30, 2022 - \$nil) and long-term portion of decommissioning and restoration provision of \$1,736,644 (September 30, 2022 - \$nil).

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 66,211,929 common shares of the Company (the "Transaction" or "Wallbridge assets acquisition") at approximately \$0.43 per share for an aggregate value of \$28,564,545. The Company granted to Wallbridge a 2% net smelter return royalty on production from certain of the acquired assets. 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 \$0.66. Each unit contains a common share and one common share purchase warrant. As the unit price of \$0.66 presents both a single common share and a single warrant, a valuation technique was applied to estimate the fair value to be \$0.43 and \$0.23 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.

The Company agreed to assume obligations under the closure plan relating to Wallbridge's Broken Hammer open pit mine which ceased operation in 2015 (the "Mine Closure Plan"). Wallbridge has posted a standby letter of credit in the amount of \$361,245 to provide financial assurance for the Mine Closure Plan. The Company has agreed to provide a replacement letter of credit on completion of the lease transfer and approval of the Mine Closure Plan Amendment. On August 8, 2023 the Company received notice of the completion of the lease transfer.

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 1,655,298 common shares at approximately \$0.43 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").

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WALLBRIDGE ASSETS ACQUISITION (continued)

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 account receivable is to be settled with Magna shares or cash on or before November 18, 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

The Company acquired the Nickel Assets through the Transaction with Wallbridge. The Nickel Assets include multiple exploration and evaluation assets located in Québec and Ontario:

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 Matagami 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 located in the Archean Abitibi Subprovince of the southern Superior Province in the Canadian Shield. The Company owns a 100% interest in the Grasset Project, subject to a 2% underlying royalty.

The Grasset Deposit, discovered in 2012, comprises two subparallel zones (H1 and H3 Zones) of disseminated to locally semi-massive sulphide mineralization located at the southern end of the Grasset Ultramafic Complex ("GUC"). 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.

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NICKEL ASSETS (continued)

Drilling in 2018-2019 by Balmoral discovered another significant zone of nickel mineralisation 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.

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	1000
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.

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NICKEL ASSETS (continued)

2023 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. The highlights are as follows:

- 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 tenor mineralization intersected to date in the H1 Zone
- The H1 Zone remains open at depth and along strike
- Visible gold was intersected 250 metres below surface, with assays of 49.1 g/t over 0.30 metres

a) Diamond Drilling

Following a review of historical drill core and data, the Company's interpretation of the local geology is that H1 and H3 are hosted within a sub-volcanic ultramafic conduit-type body 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 sulphides-rich volcanics, which is an essential element for the precipitation of nickel in the magmatic nickel metallogenetic model.

The Grasset Deposit has a sub-vertical extension with two mineralised zones that have been drilled to a depth of 500 to 600 metres. In order to test the potential of the sub-vertical fertile conduit at depth, the Company drilled 2 vertical pilot holes between H1 and H3 with the objective of drilling branches from each pilot hole, toward the two mineralised 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 surveys 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 mineralisation beneath the thickest, richest part of the current mineral resource. In addition, GR23-02 was also targeting a potential extension of H1, 70 metres below the deepest mineralised intersection to date, which is approximately 775 metres below surface (GR18-102A: 2.76% Ni over 0.51 metres within 0.41% Ni over 14.15 metres).

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 zone some 350 m south-east of the eastern limit of the actual resources and at a vertical depth of about 300 metres. This hole was targeting the H1 zone some 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 3D MAG 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 tenor mineralization intersected to date in the H1 Zone. This hole was successfully drilled into a large area that had seen little previous attention and the results clearly demonstrate there is much more to discover at Grasset.

Drill hole GR-23-04 was designed to test for an extension of the H3 mineralised zone below the current resource 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 mineralisation, however, disseminated sulphides were observed over the expected intersection of the H3 and H1 Zones

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NICKEL ASSETS (continued)

Hole GR23-05 was paused after 558 metres due to the wildfire evacuation order June 5. Drilling has resumed June 17th and GR23-05 will proceed as planned, testing one of the more prospective areas of the high-grade H3 Zone at a vertical depth of about 1,000 metres and is expected to intersect the H1 Zone at a depth of 1,200 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 is to test the potential at depth for another nickel zone 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 (Abitibi Geophysics InfiniTEM XI).

b) Sonic Drilling

The Grasset Deposit is situated at the south eastern end of an underexplored 23-kilometre-long belt containing abundant and favourable ultramafics. A sonic drill program commenced in early March 2023, and was designed to sample the base of the glacial till (60 to 90 metres thick), which renders the Grasset Deposit and other mineralisation blind to conventional surface geochemical sampling techniques. In addition, the first few meters of the bedrock were sampled in order to identify areas with underlying, geochemically anomalous, bedrock ultramafics. This technique is commonly used with success in exploration campaigns for detecting mineral deposits under thick overburden.

A total of 19 sonic drill holes were completed as part of the 2023 winter exploration program and determined the thickness of the overburden to be 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 ultramafic clasts with some felsic clasts in a silty-sand matrix. Laboratory assays from the 2023 winter sonic drilling program are pending.

c) Geophysical Surveys

The effectiveness of conventional geophysical approaches is hampered by the thick overburden, multiple types of conductive stratigraphic rock units (graphitic mudstones, barren massive pyrite). Archer 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 800 to 1,000 metres, a 53-kilometre grid line area was cut to allow the installation of two 0.8 x 2.5 kilometre high-power fixed loops. Moreover, the same loops will be used to perform high-power down-hole surveys. Conductors identified with the borehole InfiniTEM[®] XL survey will be further investigated using the unique GraviLOG slim hole gravity sensor to better identify the nature of the potential targets.

With hole GR23-03 being drilled outside of the known mineralisation, a downhole InfiniTEM[®] XL geophysical survey was completed and Archer is expecting to publish the results and final interpretation in due course.

A 705 kilometre airborne magneto-telluric (MT) survey is scheduled for the end of the summer. The MobileMT survey from Expert Geophysics, has been designed to cover the entire Grasset property and is intended to help identify new potential areas to explore along the 23 kilometres long Grasset Ultramafic Complex.

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 Archer'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 Archer 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 Archer 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.

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NICKEL ASSETS (continued)

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"). 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 June 30, 2023 the terms of the Impala Option Agreement were extended whereby the Company may acquire Impala's remaining 49.6% interest in the Parkin Project offset joint venture by making i) an initial cash payment of \$500,000 by June 30, 2023, and ii) a deferred cash payment of \$500,000 by December 31, 2023. The Company has made the initial cash payment and intends to exercise the option by making the deferred cash payment by December 31, 2023.

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

At Parkin, 9 previously drilled holes collared between the South Zone and Milnet Mine, were identified to carry out low frequency down hole UTEM surveys. The purpose for these geophysical surveys is to test for off hole conductors using a lower frequency EM method which is more responsive in identifying highly conductive sulphide mineralization that can be hosted in Sudbury Offset dykes such as the Parkin Offset. To date 4 holes have been surveyed and the remaining 5 are anticipated to be tested through August. Interpretation and results will be communicated following completion of the analysis.

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.

Wahnapiatae – Sudbury, Ontario

The Wahnapiatae 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 Wahnapiatae project has a total land area of land area of 22 km².

ARCHER EXPLORATION CORP.

Management's Discussion and Analysis

For the three and nine months ended June 30, 2023 and 2022

NICKEL ASSETS (continued)

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.

Northwestern Ontario

The Northwestern Ontario project is comprised of an interest in 3 properties including 747 unpatented mining claims. The Northwestern Ontario project has a total land area of 158 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.

Caster Property

On August 1, 2020, the Company entered into an option agreement with Geomap Exploration Inc. whereby the Company was granted an exclusive option to acquire a 100% interest in the "Caster Property" located in Lac Paul, Québec.

On May 31, 2022, the Company decided to discontinue further exploration of the Caster Property and as a result, fully impaired its investment.

Broken Hammer

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

The 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 \$2,449,775 as at June 30, 2023. The key assumptions on which the provision estimates were based as at June 30, 2023 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 2023 and 2034, which is based on the currently anticipated closure dates of the project; and
- The discount rate used is 3.28%.

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., pH adjustment, coagulant addition) with the use of a mobile treatment system. Pumping and seasonal discharge of the Broken Hammer Pit commenced June 12 and was completed July 28th, 2023. It is expected that a permanent passive sulphate reducing bio-reactor treatment system may allow for long-term lower cost treatment of the pit water versus the temporary arrangement.

ARCHER EXPLORATION CORP.

Management's Discussion and Analysis

For the three and nine months ended June 30, 2023 and 2022

SHARE CAPITAL HIGHLIGHTS

During the nine months ended June 30, 2023, the Company completed the following share transactions:

- On July 5, 2023, the Company granted 25,000 stock options to an employee. The stock options are exercisable until July 5, 2028 at an exercise price of \$0.14.
- On June 1, 2023, the Company granted 230,000 stock options to certain officers, employees, and consultants. The stock options are exercisable until June 1, 2028 at an exercise price of \$0.16.
- On March 22, 2023, the Company granted 100,000 stock options to certain officers. The stock options are exercisable until March 22, 2028 at an exercise price of \$0.38 per stock option, and vest in three equal annual installments commencing on the date of the grant.
- On March 17, 2023, the Company granted 225,000 stock options to certain directors, officers, employees, and consultants. The stock options are exercisable until March 17, 2028 at an exercise price of \$0.55 per stock option, and vest in three equal annual installments commencing on the date of the grant.
- On October 7, 2022, the Company issued 6,666 common shares pursuant to the exercise of 6,666 stock options with an exercise price of \$0.30. The Company received gross proceeds of \$2,000 and reclassified \$1,000 from the Company's contributed surplus to share capital.
- On November 18, 2022, in connection with the Transaction, the Company closed a private placement of 4,545,455 non-flow-through units ("NFT Units") at a price of \$0.66 per NFT Unit, 4,243,334 flow-through units ("FT Units") at a price of \$0.75 per FT Unit and 2,898,550 charity flow-through units ("Charity FT Units") at a price of \$1.38 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 \$1.02 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 \$0.66. Each unit contains a common share and one common share purchase warrant. As the unit price of \$0.66 presents both a single common share and a single warrant, a valuation technique was applied to estimate the fair value to be \$0.43 and \$0.23 respectively. As a result, \$7,510,901 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 385,031 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 \$0.66 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 66,211,929 common shares of the Company to Wallbridge at a fair value of \$0.43 per share, for an aggregate value of \$28,564,545. In connection with the transaction, the Company issued to the Finders 1,655,298 common shares at \$0.43 per share for an aggregate value of \$714,114.
- On December 13, 2022, the Company granted 2,325,000 stock options to certain directors, officers, employees, and consultants. The stock options are exercisable until December 13, 2027 at an exercise price of \$0.55 per stock option, and vest in three equal annual installments commencing on the date of the grant.
- On December 13, 2022, the Company granted 350,000 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 December 13, 2023 and ending on December 13, 2025.
- On December 13, 2022, the Company granted 1,100,000 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.

ARCHER EXPLORATION CORP.

Management's Discussion and Analysis

For the three and nine months ended June 30, 2023 and 2022

SHARE CAPITAL HIGHLIGHTS (continued)

During the year ended September 30, 2022, the Company completed the following share transactions:

- On October 1, 2021, the Company closed a non-brokered private placement for gross proceeds of \$1,499,999 from the issuance of 2,000,000 units (the "Units") at a price of \$0.75 per Unit (the "Private Placement"). Each Unit consists of one common share and one-half warrant. A whole warrant may be exercised for one common share at price of \$1.50 for a period of twenty-four months from the closing date of the Private Placement. Gross proceeds were allocated between share capital and warrants reserve using the relative fair value method. As a result, \$1,230,494 was allocated to share capital and \$269,505 was allocated to warrants reserve.
- On January 26, 2022, the Company issued 1,667 common shares for gross proceeds of \$500 on the exercise of stock options. As a result, \$301 was reallocated from contributed surplus to share capital.
- During the year ended September 30, 2022, the Company issued a total of 2,600,000 common shares for gross proceeds of \$780,000 on the exercise of warrants.

USE OF PROCEEDS AND MILESTONES

On November 18, 2022, in connection with the Transaction, the Company closed a private placement of 4,545,455 NFT Units at a price of \$0.66 per NFT Unit, 4,243,334 FT Units at a price of \$0.75 per FT Unit and 2,898,550 Charity FT Units at a price of \$1.38 per Charity FT Unit, for gross proceeds of \$10,182,500.

On October 1, 2021, the Company closed a private placement of units for aggregate gross proceeds of \$1,499,999 at a price of \$0.75 per unit. The Company raised the funds for the purpose of completing due diligence on the certain projects as well as project acquisition review and general working capital.

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

	November 18, 2022	October 1, 2021
Total proceeds	\$ 10,182,500	\$ 1,499,999
Allocation of proceeds:		
Exploration of the Grasset Project	6,182,500	-
Exploration of the Ontario Properties	1,000,000	-
General working capital expenses	3,000,000	1,023,305
Letter of intent payment for option to acquire property rights	-	298,808
Project due diligence costs and acquisition reviews	-	177,886

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.

As such, 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 copper, unexpected setbacks, and strategic opportunities, such as partnerships, strategic partners, joint ventures, mergers, acquisitions, and other opportunities.

ARCHER EXPLORATION CORP.

Management's Discussion and Analysis

For the three and nine months ended June 30, 2023 and 2022

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 Private Placement as of June 30, 2023:

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	\$4,613,912	Exploration	\$2,568,588
		General Working Capital	\$1,824,960	General Working Capital	\$1,175,040

The Private Placement closed relatively recently and therefore there is a variation between the Planned Use and the Actual Use as of the date of this MD&A. 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 Evaluations 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 2023. As of June 30, 2023, the Company had working capital of \$4,033,852.

- The primary objective of the initial 6,000 metre program is to test the vertical continuity of the Grasset Project nickel deposit at depth and to explore the potential for new massive sulphide lenses;
- Engage in community consultations and labour sourcing from the local Grasset and Sudbury communities;
- Complete technical review of the extensive Grasset exploration database;
- Complete a sonic drill program to sample the base of the glacial till (60-90 metres thick) around the Grasset Resource.
- Complete detailed 3D modeling of the geology and geophysics using existing data and conduct additional geophysical surveys on priority Sudbury properties;
- Plan diamond drilling program at the Parkin Project following completion of borehole time domain EM surveys and surface EM;
- Conduct grassroots exploration in northwestern Ontario.

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. Archer's vision is to be a responsible nickel sulphide developer in stable pro-mining jurisdictions. Archer 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

Archer 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 at the Grasset Project, in the three and nine months ended June 30, 2023, were primarily due to diamond drilling. The comparative periods had no activity as the Company completed the acquisition of the nickel assets on November 18, 2022.

ARCHER EXPLORATION CORP.**Management's Discussion and Analysis**

For the three and nine months ended June 30, 2023 and 2022

	Three months ended		Nine months ended	
	2023	June 30, 2022	2023	June 30, 2022
	\$	\$	\$	\$
Grasset				
Acquisition Costs	-	-	27,367,462	-
Assay and Analysis	35,142	-	35,142	-
Camp Costs	268,819	-	565,863	-
Communications	12,059	-	31,697	-
Drilling	1,103,829	-	2,308,700	-
Field and Equipment	41,512	-	46,575	-
Fuel	61,929	-	62,403	-
Geological Consulting	113,404	-	236,917	-
Geophysics	280,035	-	318,661	-
Ground Logistics	81,180	-	84,017	-
Helicopter	268,280	-	268,280	-
Permitting and Environment	3,095	-	3,095	-
Property Maintenance	36,355	-	42,850	-
Salaries and Wages	246,048	-	396,783	-
Travel and Transportation	20,423	-	25,976	-
	2,572,110	-	31,794,421	-
NW Ontario				
Acquisition Costs	-	-	58,482	-
	-	-	58,482	-
Ontario Other				
Acquisition Costs	-	-	10,000	-
Assay and Analysis	6,643	-	6,643	-
Camp Costs	30,484	-	42,678	-
Communications	125	-	125	-
Field and Equipment	2,105	-	2,105	-
Geological Consulting	54,000	-	69,690	-
Geophysics	17,775	-	18,405	-
Property Maintenance	11,853	-	37,220	-
Salaries and Wages	6,969	-	6,969	-
	129,954	-	193,835	-
Parkin				
Acquisition Costs	-	-	973,858	-
Field and Equipment	-	-	5,063	-
Geological Consulting	1,501	-	10,646	-
Geophysics	47,200	-	62,216	-
Property Maintenance	5,250	-	19,007	-
Salaries and Wages	15,499	-	15,499	-
Travel and Transportation	281	-	281	-
	69,731	-	1,086,570	-
Sudbury W				
Acquisition Costs	-	-	292,412	-
	-	-	292,412	-
Wahnapitae				
Acquisition Costs	-	-	233,929	-
	-	-	233,929	-
Wisner				
Acquisition Costs	-	-	116,965	-
	-	-	116,965	-
Explorations and Evaluation Expenditures	2,771,795	-	33,776,614	-

The above spending was in connection with the following: (i) continuous 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.

ARCHER EXPLORATION CORP.**Management's Discussion and Analysis**

For the three and nine months ended June 30, 2023 and 2022

RESULTS OF OPERATIONS

A summary of the Company's results of operations for the three and nine months ended June 30, 2023 and 2022 is as follows:

	Three months ended		Nine months ended	
	2023	June 30, 2022	2023	June 30, 2022
	\$	\$	\$	\$
Operating expenses				
Consulting fees	29,503	133,733	495,355	370,111
Depreciation	863	-	863	-
Exploration and evaluation costs	-	14,750	-	168,494
Filing fees	48,940	12,522	83,917	24,467
General and administrative	53,146	38,050	163,943	117,687
Management fees	121,876	19,875	493,591	144,672
Marketing	110,879	12,543	281,430	23,517
Professional fees	130,562	53,129	276,517	458,590
Rent	2,727	12,000	36,000	36,000
Share-based payments	175,831	69,045	1,230,822	325,360
	674,327	365,647	3,062,438	1,668,898
Other income (expenses)				
Amortization of flow through liability	936,369	-	1,585,950	-
Change in decommissioning and restoration provision	-	-	(116,588)	-
(Loss) gain on foreign exchange	(1,137)	3,416	(2,421)	(7,377)
Impairment of option agreement rights	-	(147,490)	-	(147,490)
Impairment of prepaid expenses	-	(761,334)	-	(761,334)
Interest expense and penalties	(84,216)	-	(105,044)	-
Interest income	64,835	-	185,400	-
Income (Loss) before Income Taxes	241,524	(1,271,055)	(1,515,141)	(2,585,099)
Income Taxes				
Deferred income tax expense	65,000	-	65,000	-
Net income (loss) and comprehensive income (loss)	176,524	(1,271,055)	(1,580,141)	(2,585,099)

For Q3 2023, the Company reported a net income of \$176,524 compared to a loss of \$1,271,055 in the prior year comparable period. The primary drivers of this increase in the net income were as follows:

- Income from the amortization of the flow-through premium liability was \$936,369 compared to \$nil in the prior year comparable period. The amortization was higher in the current year period due to issuance of flow-through shares in Q1 2023 in connection with the Transaction for which the Company incurred eligible expenditures.
- Impairment of option agreement rights decreased to \$nil compared to \$147,490 in the prior year comparable period. The impairment was a result of the Company's decision not to pursue a property for which they had previously paid an option payment which was recorded as acquisition cost and capitalized to exploration and evaluation assets. In connection with the decision to discontinue any further option payments the \$147,490 previously recorded to exploration and evaluation assets was fully written off.
- Impairment of prepaid expenses decreased to \$nil compared to \$761,334 in the prior year comparable period. The impairment was a result of the termination of a non-binding letter of intent the Company had with an independent third party for which the Company would have acquired all of the issued and outstanding common shares of the third party. In connection with the termination of the letter of intent, the Company wrote off the deposit of \$761,334.
- Interest expense of \$84,216 compared to \$nil in the prior year comparable period, which was Interest on Flow-through liability – Lookback and deferred income tax expenses.
- Interest income was \$64,835 compared to \$nil in the prior year comparable period, which was earned on the Company's higher cash balance held with banks.

ARCHER EXPLORATION CORP.

Management's Discussion and Analysis

For the three and nine months ended June 30, 2023 and 2022

RESULTS OF OPERATIONS (continued)

Partially offsetting the increase in the net income were increases to expenses as follows:

- Management fees increased to \$121,876 compared to \$19,875 in the prior year comparable period mainly due to the addition of new management roles to support the increase in mineral property acquisition and exploration activities during the current period.
- Marketing increased to \$110,879 compared to \$12,543 in the prior year comparable period mainly due to increased investor relations activities associated with private placements in Q1 2023.
- Professional fees increased to \$130,562 compared to \$53,129 in the prior year comparable period primarily due to increased accounting and audit fees as a result of an audit review engagement in the current period.
- Share-based payments increased to \$175,831 compared to \$69,045 in the prior year comparable period mainly due to the vesting of stock options and RSUs granted to officers and employees of the Company granted in the current year.

For YTD 2023, the Company reported a net loss of \$1,580,141 compared to \$2,585,099 in the prior year comparable period. The primary drivers of this decrease in the net loss were as follows:

- Exploration and evaluation decreased to \$nil compared to \$168,494 in the prior year comparable period relating to the capitalization of all exploration and evaluation expenses associated with the Nickel Assets incurred during the current period.
- Professional fees decreased to \$276,517 compared to \$458,590 in the prior year comparable period primarily related to legal fees associated with the due diligence of exploration and evaluation projects in the prior year comparable period.
- Income from the amortization of the flow-through premium liability was \$1,585,950 compared to \$nil in the prior year comparable period. The amortization was higher in the current year period due to issuance of flow-through shares in Q1 2023 in connection with the Transaction for which the Company incurred eligible expenditures.
- Impairment of option agreement rights decreased to \$nil compared to \$147,490 in the prior year comparable period. The impairment was a result of the Company's decision not to pursue a property for which they had previously paid an option payment which was recorded as acquisition cost and capitalized to exploration and evaluation assets. In connection with the decision to discontinue any further option payments the \$147,490 previously recorded to exploration and evaluation assets was fully written off.
- Impairment of prepaid expenses decreased to \$nil compared to \$761,334 in the prior year comparable period. The impairment was a result of the termination of a non-binding letter of intent the Company had with an independent third party for which the Company would have acquired all of the issued and outstanding common shares of the third party. In connection with the termination of the letter of intent, the Company wrote off the deposit of \$761,334.
- Interest expense was \$105,044 compared to \$nil in the prior year comparable period, which was Interest on Flow-through liability – Lookback and deferred income tax expenses.
- Interest income was \$185,400 compared to \$nil in the prior year comparable period, which was earned on the Company's higher cash balance held with banks.

Partially offsetting the decrease in the net loss were increases to expenses as follows:

- Consulting fees increased to \$495,355 compared to \$370,111 in the prior year comparable period due to a severance payment in connection with the termination of a consultant in the current period.
- Filing fees increased to \$83,917 compared to \$24,467 in the prior year comparable period mainly due to private placements and the Transaction that closed during the current period.
- Management fees increased to \$493,591 compared to \$144,672 in the prior year comparable period mainly due to the addition of new management roles to support the increase in mineral property acquisition and exploration activities during the current period.
- Marketing increased to \$281,430 compared to \$23,517 in the prior year comparable period mainly due to increased investor relations activities associated with private placements in Q1 2023 and AGM related expenses.
- Share-based payments increased to \$1,230,822 compared to \$325,360 in the prior year comparable period mainly due to the vesting of stock options, RSUs, and DSUs granted to officers and employees of the Company granted in Q1 2023.
- Change in decommissioning and restoration provision increased to \$116,588 compared to \$nil in the prior year comparable period due to changes in the provision that was acquired in the Wallbridge asset acquisition.

ARCHER EXPLORATION CORP.**Management's Discussion and Analysis**

For the three and nine months ended June 30, 2023 and 2022

SUMMARY OF QUARTERLY RESULTS

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

	Q3 2023	Q2 2023	Q1 2023	Q4 2022
	\$	\$	\$	\$
Net (income) loss and comprehensive (income) loss	(176,524)	146,206	1,610,459	894,687
Basic and diluted loss per share	(0.00)	0.00	0.03	0.08
Working capital	4,679,876	8,536,285	11,113,405	77,509
Total assets	40,434,481	40,813,192	40,877,767	315,824
Total liabilities	4,210,998	5,243,945	5,344,231	238,315
Shareholders' equity	36,223,483	35,569,247	35,533,536	77,509
Deficit	5,762,158	5,938,682	5,833,448	4,222,989

	Q3 2022	Q2 2022	Q1 2022	Q4 2021
	\$	\$	\$	\$
Net loss and comprehensive loss	1,271,055	137,331	1,198,607	408,458
Basic and diluted loss per share	0.04	0.01	0.05	0.05
Working capital	904,426	1,862,052	1,334,828	1,273,666
Total assets	1,019,551	2,058,429	1,783,347	1,535,777
Total liabilities	115,125	48,887	411,019	224,611
Shareholders' equity	904,426	2,009,542	1,372,328	1,311,166
Deficit	3,328,302	2,079,141	1,941,810	743,203

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. The significant decrease in net loss and comprehensive loss in Q2 2023 compared to prior quarters and the net income position in Q3 2023 is mainly due to the amortization of the flow through premium liability and reduced share-based payments.

SIGNIFICANT ACCOUNTING POLICIES

In the preparation of these financial statements, the Company used the same accounting policies as in Note 3 to the Annual Financial Statements, except for the following:

a) Exploration and Evaluation Assets

Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation expenditures are recognized and capitalized, in addition to the acquisition costs. These direct expenditures include such costs as mineral concession taxes, option payments, diamond drilling, sonic drilling, wages and salaries, surveying, geological consulting and laboratory costs, field supplies, travel and administration. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs, are expensed in the period in which they are incurred. The Company may occasionally enter into option or royalty arrangements, whereby the Company will transfer part of its mineral properties, as consideration, for an agreement by the transferee to meet certain exploration and evaluation expenditures which would have otherwise been undertaken by the Company. Any sales proceeds and costs related to the agreement will be recognized in profit or loss. The Company assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use. Once the technical feasibility and commercial viability of extracting a mineral resource has been determined, the property is considered to be a mine under development and is classified as 'mines under construction'. Exploration and evaluation assets are tested for impairment before the assets are transferred to mineral properties and mine development costs.

b) Property and equipment

Property and equipment are stated at historical cost net of accumulated depreciation and impairment losses.

ARCHER EXPLORATION CORP.

Management's Discussion and Analysis

For the three and nine months ended June 30, 2023 and 2022

The cost of an item of property and equipment includes the purchase price or construction cost, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use, an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, and for qualifying assets, the associated borrowing costs.

Costs incurred for major overhaul of existing equipment and sustaining capital are capitalized as property and equipment and are subject to depreciation once they are available for use. Major overhauls include improvement programs that increase the productivity or extend the useful life of an asset beyond that initially envisaged. The costs of routine maintenance and repairs that do not constitute improvement programs are accounted for as repairs and maintenance.

The carrying amounts of property and equipment are depreciated to their estimated residual value over the estimated useful lives of the specific assets concerned, or the estimated life of mine or lease, whichever is shorter. Depreciation starts on the date when commissioning is complete, and the asset is ready for its intended use. A summary of the Company's annual depreciation rates and methods is as follows:

Class of property and equipment	Depreciation rate	Depreciation method
Bridges	25 years	Straight-line
Computers	55%	Declining balance
Equipment	5 years	Straight-line

c) Decommissioning and restoration provision

The Company recognizes a provision for statutory, contractual, constructive, or legal obligations associated with decommissioning of mining operations and reclamation and rehabilitation costs arising when environmental disturbance is caused by the exploration or development of exploration and evaluation assets. Provisions for decommissioning and restoration are recognized in the period in which the obligation is incurred or acquired and are measured based on expected future cash flows to settle the obligation, discounted to their present value. The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and risks specific to the liability.

When an obligation is initially recognized, the corresponding cost is capitalized to the carrying amount of the related asset. These costs are depreciated on a basis consistent with the depreciation, depletion, and amortization of the underlying assets.

d) Flow-through shares

Canadian income tax legislation permits companies to issue flow-through instruments whereby the income tax deductions generated by eligible expenditures of the Company, defined in the Income Tax Act (Canada) as qualified Canadian exploration expenses, are claimed by the investors rather than by the Company. Shares issued on a flow-through basis are typically sold at a premium above the market share price which relates to the tax benefits that will flow through to the investors. The Company often issues flow-through shares as part of its equity financing transactions to fund its Canadian exploration activities. The Company estimates the portion of the proceeds attributable to the premium as being the excess of the flow-through share price over the market share price of the common shares without the flow-through feature at the time of issuance. The premium is recorded as a liability which represents the Company's obligation to spend the flow-through funds on eligible expenditures and is amortized as other income through the statement of loss and comprehensive loss as the eligible expenditures are incurred.

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 Company's interim results are not necessarily indicative of its results for a full year. The critical judgements and estimates applied in the preparation of these financial statements are consistent with those applied and disclosed in Note 4 to the Annual Financial Statements, except for the following:

a) Asset acquisition versus business combination

With each acquisition, the Company has to determine whether it should be accounted for as a business combination or an asset acquisition. As dictated by IFRS 3, the components of a business must include inputs, processes and outputs. Management has assessed its acquisition with Wallbridge (note 5) and has concluded that it did not include all the necessary components of a business. As such, it has been recorded as an asset acquisition, being the purchase of mineral properties and/or working capital.

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b) Decommissioning and restoration provision

Mining and exploration activities are subject to various laws and regulations governing the protection of the environment. In general, these laws and regulations are continually changing, and the Company has made, and intends to make in the future, expenditures to comply with such laws and regulations. Accounting for reclamation and remediation obligations requires management to make estimates of the future costs the Company will incur to complete the reclamation and remediation work required to comply with existing laws and regulations at each mining operation and exploration and development property. In addition, future changes to environmental laws and regulations may increase the extent of reclamation and remediation work required to be performed by the Company. Increases in future costs could materially impact the amounts charged to operations for decommissioning and restoration. The provision represents management's best estimate of the present value of the future decommissioning and restoration obligation.

Due to uncertainties concerning environmental remediation, the ultimate cost to the Company of future site restoration could differ from the amounts provided. The estimate of the total provision for future decommissioning and restoration costs are subject to change based on amendments to laws and regulations, changes in technology, price increases and changes in interest rates, and changes in mine life, and as new information concerning the Company's closure and reclamation obligations becomes available.

c) Mineral Property Impairment Indicators

In accordance with the Company's accounting policy for mineral properties, exploration and evaluation expenditures on mineral properties are capitalized. There is no certainty that the expenditures made by the Company in the exploration of its property interests will result in discoveries of commercial quantities of minerals. The Company applies judgment to determine whether indicators of impairment exist for these capitalized costs. Management uses several criteria in making this assessment, including the period for which the Company has the right to explore, expected renewals of exploration rights, whether substantive expenditures on further exploration and evaluation of mineral properties are budgeted, and evaluation of the results of exploration and evaluation activities up to the reporting date.

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 June 30, 2023 the Company had cash and of \$4,855,928 (September 30, 2022 - \$213,231) and a net working capital excluding the flow-through premium liability of \$4,679,876 (September 30, 2022 - \$77,509).

The Company's cash flows from operations are negative as it is an exploration stage company. During the nine months ended June 30, 2023, the Company used cash of \$2,924,521 in operating activities (2022 - \$1,846,069) primarily relating to management fees, professional fees, consulting fees, marketing costs and general and administrative costs.

LIQUIDITY, CAPITAL RESOURCES AND GOING CONCERN (continued)

During the nine months ended June 30, 2023, the Company used cash of \$1,816,390 in investing activities (2022 - \$109,990), primarily related to cash spent on exploration and evaluation activities, purchase of equipment and acquisition costs incurred in the Transaction partially offset by cash acquired from Wallbridge in relation to the Transaction.

During the nine months ended June 30, 2023, the Company received cash of \$9,383,608 from financing activities (2022 - \$1,852,999) related to net proceeds from issuance of NFT, FT Units, and Charity FT Units in a private placement and proceeds from the exercise of stock options.

While the information in the interim financial statements has been prepared in accordance with IFRS 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.

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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:

	Period ended	
	2023	June 30, 2022
	\$	\$
Wallbridge Mining Company ⁽ⁱ⁾	692,307	-
Inventa Capital Corp. ⁽ⁱⁱ⁾	137,077	124,022
	829,384	124,022

(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 and a secondment agreement to provide the Company with Wallbridge personnel for work on the nickel assets on an as needed basis. Wallbridge also charges Archer for the use of Wallbridge accommodations at their Detour-Fenelon Gold Trend site facilities in the Northern Abitibi region of Quebec. At June 30, 2023, the Company had a payable to Wallbridge of \$34,612 (September 30, 2022 - \$nil). Wallbridge and Archer 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 Michael Konnert, a director of the Company, for office rent and administrative functions. The Company has provided 180 days notice under the terms of the contract with an effective termination date of October 22, 2023.

These transactions were in the normal course of operations and measured at fair value.

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:

	Nine months ended	
	2023	June 30, 2022
	\$	\$
Management and consulting fees ⁽ⁱ⁾	612,958	104,797
Share-based payments ⁽ⁱⁱ⁾	670,816	59,078
	1,284,774	163,875

(i) Included in management and consulting fees was \$138,333 (September 30, 2022 - \$Nil) capitalized as exploration and evaluation assets.

(ii) Share-based compensation expense is the fair value of options, RSUs, DSUs, granted which have been calculated as disclosed in Note 14.

As at June 30, 2023, accounts payable and accrued liabilities included \$37,442 (September 30, 2022 - \$30,257) 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 Transaction, the Company issued 827,649 common shares as finders' fees to Christian Karl-Simard, a director of the Company.

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PROPOSED TRANSACTIONS

As at June 30, 2023 or the date of this MD&A, the Company had no proposed transactions.

OUTSTANDING SECURITY DATA

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

	June 30, 2023	Date of this MD&A
Common shares issued and outstanding ⁽¹⁾	90,672,321	90,672,321
Warrants	14,104,020	13,072,357
Stock options	3,463,341	3,488,341
Restricted stock units	350,000	350,000
Deferred stock units	1,100,000	1,100,000

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

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

a) Fair value

As at June 30, 2023, the financial instruments such as cash, investments, accounts receivable with Magna and trade and other payables are classified and measured at amortized cost. The carrying value of cash, investments, accounts receivable with Magna, 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:

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 and accounts receivable with Magna. The Company has minimal exposure of credit risk on its cash as the Company's cash is held with major Canadian financial institutions. The maximum exposure of the Company's accounts receivable with Magna is \$612,230. However, credit risk is not considered significant as the Company has entered into a contract to receive cash or a variable number of common shares of Magna equivalent to \$612,230 at the settlement date.

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 June 30, 2023, the Company had cash and taxes receivable balances of \$5,437,966 (September 30, 2022 - \$309,174) to settle current liabilities of \$2,474,354 (September 30, 2022 - \$238,315). The Company also has a remaining flow-through commitment to spend \$2,568,588 on Canadian Exploration Expenditures by December 31, 2023 which will be fulfilled using existing cash. Liquidity risk for the Company is associated with its trade and other payables. There is no assurance that the necessary financing will be available in a timely manner or on terms acceptable to the Company.

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.

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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 June 30, 2023, the Company does not carry significant cash and trade and other payables balances denominated in USD.

CAPITAL MANAGEMENT

The Company's capital structure consists of all components of shareholders' equity. The Company's objective when managing capital is to maintain adequate levels of funding to continue as a going concern and support its exploration of mineral claims. The Company obtains funding primarily through issuing common stock. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future.

There were no changes to the Company's approach to capital management during the nine months ended June 30, 2023. The Company is not subject to externally imposed capital requirements.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

The significant components of operating expenses are presented in the interim financial statements. Significant components of mineral property expenditures are included in the section Results of Operations.

ADDITIONAL INFORMATION

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

RISKS AND UNCERTAINTIES

For a detailed listing of the risk factors faced by the Company, please refer to the Company's AIF for the year ended September 30, 2022.