



NorthX Nickel Corp.

(Formerly Archer Exploration Corp.)

Management's Discussion & Analysis

For the three months ended March 31, 2024 and 2023

(Expressed in Canadian dollars)

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MANAGEMENT'S DISCUSSION AND ANALYSIS

On May 1, 2024 the Company Changed its name to NorthX Nickel Corp. (Formerly Archer Exploration Corp). ("NorthX" or the "Company"). This Management's Discussion and Analysis ("MD&A") supplements but does not form part of the unaudited condensed interim consolidated financial statements and the notes thereto for the three months ended March 31, 2024 and 2023 (collectively referred to hereafter as the "financial statements").

The condensed interim financial statements have been prepared 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 interim financial statements including International Accounting Standard 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, "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 March 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 May 22, 2024.

For a detailed listing of the risk factors faced by the Company, please refer to the Company's MD&A for the years ended December 31, 2023.

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

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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

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 2023 reporting year, the Company has reported its audited consolidated financial statements for the fifteen-month period ending December 31, 2023, along with its comparative figures for the twelve month period ended September 30, 2022.

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. All share and per share amounts have been retrospectively adjusted to reflect the consolidation. Any references to common shares are on a post-consolidation

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basis. Numbers of warrants and stock options and their respective exercise prices have been retrospectively adjusted to reflect the effects of the consolidation.

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 and other equity incentive instruments have been retrospectively adjusted to reflect the effects of the consolidation.

SELECTED FINANCIAL INFORMATION

As at March 31, 2024, current assets were \$1,434,369 (December 31, 2023 - \$3,240,206) and current liabilities were \$1,058,339 (December 31, 2023 - \$1,265,859), resulting in working capital of \$376,030 (December 31, 2023 - \$1,974,347).

As at March 31, 2024, the Company had total assets of \$40,007,188 (December 31, 2023 - \$40,590,968), which is comprised of \$1,180,971 of cash (December 31, 2023 - \$2,876,128), receivables of \$184,212 (December 31, 2023 - \$234,729), \$69,186 of prepaid expenses (December 31, 2023 - \$129,349), exploration and evaluation assets of \$37,940,879 (December 31, 2023 - \$37,205,127) and property and equipment of \$92,811 (December 31, 2023 - \$88,135).

As at March 31, 2024, the Company had total liabilities of \$3,159,068 (December 31, 2023 - \$3,366,588), which comprises trade and other payables of \$540,390 (December 31, 2023 - \$739,549), current portion of decommissioning and restoration provision of \$517,949 (December 31, 2023 - \$526,310), and long-term portion of decommissioning and restoration provision of \$2,100,729 (December 31, 2023 - \$2,100,729).

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.

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WALLBRIDGE ASSETS ACQUISITION (continued)

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.

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

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

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 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. The bulk of the resources was tabulated within the H3 horizon; the H1 horizon hosting less than 2% of the resources.

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.

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NICKEL ASSETS (continued)

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.

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. 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 gather 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 sulphides-rich volcanics, absorbing sulphur, which is an essential element for the precipitation of nickel in the magmatic nickel metallogenetic 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 branches 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.

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NICKEL ASSETS (continued)

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.

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 GR23-09 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 Zone.

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

For the three months ended March 31, 2024 and 2023

NICKEL ASSETS (continued)

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.

b) Sonic Drilling

The Grasset Deposit is situated at the south eastern 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 exploration 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. Final interpretation is still pending.

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) is likely 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.

A 705 kilometre airborne magneto-telluric (MT) survey was completed in August 2023. 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. This type of survey tests for the resistivity contrast between mineralized and non-mineralized rocks, enabling the identification and delineation of mineralized zones. A 3D inversion analysis is pending.

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For the three months ended March 31, 2024 and 2023

NICKEL ASSETS (continued)

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.

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 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.

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

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NICKEL ASSETS (continued)

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 2024 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.

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.

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 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

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

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NICKEL ASSETS (continued)

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 is planned to be carried out in 2024 and activities for the 2024 seasonal discharge will commence in mid-April with discharge pumping anticipated to start in June and ending in late July.

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.

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 (Note 5)	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
Expenditures on the Broken hammer	(8,361)
Balance, March 31, 2024	2,618,678
Current portion	517,949
Non-current portion	2,100,729

The key assumptions on which the provision estimates were based as at March 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 2024 and 2034, which is based on the currently anticipated closure dates of the project; and
- The discount rate used is 3.02%.

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 \$2,735,137 as at March 31, 2024.

SHARE CAPITAL HIGHLIGHTS

- On May 18, 2024, 64,170 warrants expired unexercised.
- 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 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.

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

For the three months ended March 31, 2024 and 2023

SHARE CAPITAL HIGHLIGHTS (continued)

During the three months ended March 31, 2024, the Company completed the following share transactions:

- On January 22, 2024 the Company issued 15,277, common shares pursuant to the settlement of RSU's and reclassified \$45,835 from the Company's contributed surplus to share capital.
- 229,166 DSU's and 13,111 stock options expired unexercised and \$55,383 was moved from the Company's contributed surplus.

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 three months ended March 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.

USE OF PROCEEDS AND MILESTONES

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:

	November 27, 2023	November 18, 2022
Total proceeds	\$ 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	848,192	3,000,000

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

For the three months ended March 31, 2024 and 2023

USE OF PROCEEDS AND MILESTONES (continued)

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 copper, 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 March 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	\$-

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 March 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	\$620,204	Exploration	\$294,634
		Corporate Overhead, General Working Capital and Reclamation Costs	\$1,010,205	Corporate Overhead, General Working Capital and Reclamation Costs	\$112,987

The Private Placement closed in November 2023 and therefore there is a variation between the Planned Use and the Actual Use as of March 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.

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

For the three months ended March 31, 2024 and 2023

USE OF PROCEEDS AND MILESTONES (continued)

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 2024. As of March 31, 2024, the Company had working capital of \$376,030.

- Engage in community consultations and future labour sourcing from the local Grasset and Sudbury communities;
- Advance technical review of the extensive Grasset exploration database;
- Analyse geophysical data and further compile analysis of Grasset and Sudbury properties;
- Complete detailed planning of next phase of exploration activities at Grasset and Sudbury properties.

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 months ended March 31, 2024 and 2023 by project are presented in the following table.

	Three months ended	
	2024	March 31, 2023
	\$	\$
Grasset		
Acquisition Costs	-	39,494
Assay and Analysis	20,733	-
Camp Costs	100,466	295,518
Communications	615	4,637
Drilling	311,684	1,204,871
Field and Equipment	41,060	5,063
Fuel	4,294	474
Geological Consulting	92,542	115,333
Geophysics	7,768	38,626
Ground Logistics	1,800	835
Health and Safety	366	-
Property Maintenance	4,462	4,905
Salaries and Wages	154,317	150,735
Share Based Payments	40,221	-
Travel and Transportation	22,978	602
Grasset Total	803,306	1,861,093
NW Ontario		
Geological Consulting	1,543	-
Property Maintenance	1,877	-
NW Ontario Total	3,420	-

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

For the three months ended March 31, 2024 and 2023

	Three months ended	
	2024	March 31, 2023
Ontario Other		
Acquisition Costs	-	10,000
Camp Costs	5,850	12,194
Geological Consulting	12,056	15,690
Geophysics	4,160	630
Health and Safety	75	-
Property Maintenance	1,411	7,194
Salaries and Wages	28,500	-
Travel and Transportation	497	-
Ontario Other Total	52,549	45,708
Parkin		
Acquisition Costs	6,000	6,000
Field and Equipment	-	5,063
Geological Consulting	9,412	9,144
Geophysics	-	15,016
Government Grants	(200,000)	-
Property Maintenance	21,086	15,885
Parkin Total	(163,502)	51,108
Quebec Other		
Geological Consulting	8,173	-
Property Maintenance	110	-
Quebec Other Total	8,283	-
Sudbury W		
Acquisition Costs	10,000	-
Geological Consulting	7,227	-
Property Maintenance	(241)	459
Sudbury W Total	16,986	459
Wahnapitae		
Geological Consulting	3,940	-
Property Maintenance	284	138
Wahnapitae Total	4,224	138
Wisner		
Geological Consulting	2,611	-
Property Maintenance	7,875	4,097
Wisner Total	10,486	4,097
Exploration and Evaluation Expenditures	735,752	1,962,603

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 three months ended March 31, 2024 and 2023

RESULTS OF OPERATIONS

A summary of the Company's results of operations for the three months ended March 31, 2024 and 2023 is as follows:

	Three months ended March 31,	
	2024	2023
	\$	\$
Operating expenses		
Consulting fees	255	39,909
Depreciation	1,581	-
Filing fees	11,221	14,114
General and administrative	28,650	103,080
Management fees	192,826	118,766
Marketing	96,575	148,691
Professional fees	91,726	122,088
Rent	-	12,000
Share-based payments	53,335	183,329
	476,169	741,977
Other income (expenses)		
Amortization of flow through liability	-	649,581
Change in decommissioning and restoration provision	-	(116,588)
Gain (loss) on foreign exchange	620	(53)
Interest expense	(2,337)	(18,390)
Interest income	8,070	81,221
Loss before income taxes	(469,816)	(146,206)
Taxes		
Deferred income tax expense	89,000	-
Net loss and comprehensive loss	(558,816)	(146,206)

For Q1 2024, the Company reported a net loss of \$558,816 compared to a loss of \$146,206 in the prior year comparable period. The primary drivers of this increase in the net loss were as follows:

- Consulting fees decreased to \$255 compared to \$39,909 in the comparative primarily related to the reduction of consultant costs as workflows have been internalized by management.
- General and administrative decreased to \$28,650 compared to \$103,080 in the comparative period related to AGM costs that are expected to be incurred in the next quarter of 2024.
- Management fees increased to \$192,826 compared to \$118,766 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 decreased to \$96,575 compared to \$148,691 in the comparative period due the reduction of consultant costs as workflows have been internalized by management.
- Share-based payments decreased to \$53,335 compared to \$183,329 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.
- Income from the amortization of the flow-through premium liability was \$nil compared to \$649,581 in the prior year comparable period. The amortization was higher in the current year period due to issuance of flow-through shares in the first quarter of 2023 which had an associated flow-through premium.
- Change in decommissioning and restoration provision was \$nil compared to \$116,588 in the prior year comparable period as there was no change to the estimate in the first quarter of 2024.
- Interest income decreased to \$8,070 compared to \$81,221 in the prior year comparable period, which was earned on the Company's cash balance held with banks.
- Deferred income tax expense increased to \$89,000 compared to \$nil 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 three months ended March 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:

	Q1 2024	Q5 2023	Q4 2023	Q3 2023
	\$	\$	\$	\$
Net loss (income) and comprehensive loss(income)	558,816	882,880	874,514	(176,524)
Basic and diluted loss per share	0.00	0.01	0.01	(0.00)
Working capital	376,030	1,974,347	2,089,185	4,679,876
Total assets	40,007,188	40,590,968	39,218,630	40,434,481
Total liabilities	3,159,068	3,366,588	3,528,753	4,210,998
Shareholders' equity	36,848,120	37,224,380	35,689,877	36,223,483
Deficit	8,119,340	7,560,524	6,636,672	5,762,158

	Q2 2023	Q1 2023	Q4 2022	Q3 2022
	\$	\$	\$	\$
Net loss and comprehensive loss	146,206	1,610,459	894,687	1,271,055
Basic and diluted loss per share	0.00	0.03	0.08	0.04
Working capital	8,536,285	11,113,405	77,509	904,426
Total assets	40,813,192	40,877,767	315,824	1,019,551
Total liabilities	5,243,945	5,344,231	238,315	115,125
Shareholders' equity	35,569,247	35,533,536	77,509	904,426
Deficit	5,938,682	5,833,448	4,222,989	3,328,302

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.

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, 2023.

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, 2023.

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

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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 March 31, 2024 the Company had cash of \$1,180,971 (December 31, 2023 - \$2,876,128) and current assets less current liabilities of \$376,030 (December 31, 2023 - \$1,974,347).

The Company's cash flows from operations are negative as it is an exploration stage company. During the three months ended March 31, 2024, the Company used cash of \$514,146 in operating activities (2023 - \$1,179,225) primarily due to management fees, professional fees, consulting fees, marketing costs and general and administrative costs.

During the three months ended March 31, 2024, the Company used cash of \$1,181,011 in investing activities (2023 - \$1,354,211), primarily related to cash spent on exploration and evaluation activities, reclamation costs, purchase of equipment and acquisition costs incurred in the Transaction partially offset by cash acquired from Wallbridge in relation to the Transaction.

During the three months ended March 31, 2024, the Company received cash of \$nil from financing activities (2023 – used \$1,412).

While the information in the 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.

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:

	Three months ended March 31, 2024	Three months ended March 31, 2023
Wallbridge Mining Company ⁽ⁱ⁾	\$ 94,722	-
Inventa Capital Corp. ⁽ⁱⁱ⁾	-	-
	94,722	-

(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 March 31, 2024, the Company had a payable to Wallbridge of \$558 (2023 - \$54,890). 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.

NORTHX NICKEL CORP. (Formerly Archer Exploration Corp.)

Management's Discussion and Analysis

For the three months ended March 31, 2024 and 2023

RELATED PARTY TRANSACTIONS (continued)

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:

	Three months ended March 31, 2024	Three months ended March 31, 2023
Management and consulting fees ⁽ⁱ⁾	\$ 200,731	\$ 118,554
Share-based payments ⁽ⁱⁱ⁾	85,120	120,395
	285,851	238,949

(i) Included in management and consulting fees was \$50,000 (2023 - \$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 the condensed interim financial statements Note 14 and \$19,235 (2023 - \$50,000) was capitalized as exploration and evaluation assets.

As at March 31, 2024, accounts payable and accrued liabilities included \$1,863 (2023 - \$65,952) 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 137,941 common shares as finders' fees to a director of the Company.

PROPOSED TRANSACTIONS

As at March 31, 2024 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:

	March 31, 2024	Date of this MD&A
Common shares issued and outstanding ⁽¹⁾	18,981,484	28,460,650
Stock options	1,371,314	1,371,314
Warrants	5,885,252	15,297,246
Restricted stock units	544,959	544,959
Deferred stock units	589,581	589,581

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

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

a) Fair value

As at March 31, 2024, the financial instruments such as cash, investments, and trade and other payables are classified and measured at amortized cost. The carrying value of cash, investments, 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 three months ended March 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 March 31, 2024, the Company had cash and taxes receivable balances of \$1,365,183 (December 31, 2023 - \$3,110,857) to settle current liabilities of \$1,058,339 (December 31, 2023 - \$1,265,859). The Company also has a remaining flow-through commitment to spend \$294,634 on Canadian Exploration Expenditures by December 31, 2024 which will be fulfilled using existing cash. 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 March 31, 2024, 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 three months ended March 31, 2024. 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 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.