

SPC Nickel Corp.

Management Discussion & Analysis

For the Year Ended August 31, 2023

The following is management's discussion and analysis ("MD&A") of the financial condition and results of operations of SPC Nickel Corp. ("SPC" or the "Company") for the year ended, and as of, August 31, 2023 unless otherwise noted. This discussion and analysis should be read in conjunction with the Company's August 31, 2023 year-end financial statements and attached notes, including the section on risks. This MD&A is dated December 18, 2023.

This MD&A contains forward-looking statements and should be read in conjunction with the risk factors described in the "*Risks and Uncertainties*" and the "*Cautionary Statement Regarding Forward Looking Information*" sections at the end of this MD&A.

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

OVERVIEW OF THE COMPANY

SPC is a mineral exploration company that is focused on exploring for nickel ("Ni"), copper ("Cu") and platinum group metals ("PGMs"). The Company has spent in excess of \$15 million dollars on exploration to date and is currently advancing its Ni-Cu-PGM properties located in the Sudbury Mining Camp, as well as its recently acquired Muskox Ni-Cu-PGM property, located in Nunavut. The Company will continue to focus on advancing its portfolio of properties, with a vision of discovering and delineating an economic orebody.

CORPORATE ACTIVITIES

In January 2023, the Company entered into an agreement (the "Vale Agreement") with Vale Canada Limited ("Vale") designed to consolidate and unlock the full potential of the adjacent and contiguous West Graham and Crean Hill 3 nickel-copper deposits (collectively, the "West Graham Project"). The Vale Agreement grants the Company the right to acquire a 100% interest in the surface and mineral rights of the Crean Hill 3 Property in consideration for a cash payment of one million dollars and certain rights and royalties that will be extended to Vale across the West Graham Project.

In March 2023, the Company entered into an option agreement (the "Bathurst Option Agreement") with Bathurst Metals Corp. ("Bathurst") giving the Company the right to acquire a 100% interest in the McGregor Lake and Speers Lake properties located within the Kitikmeot Region of western Nunavut. Upon vestiture, SPC will control nearly 650 square kilometres of the highly prospective Muskox Intrusion, representing one of the last remaining district scale Ni-Cu-PGM opportunities in North America. Further details regarding this transactions and the property's exploration prospectivity can be found in the Company's press release dated March 28, 2023.

In June, 2023, the Company completed a non-brokered private placement, issuing 17,029,961 flow-through common shares for gross proceeds of \$1,788,146 and 5,285,888 common shares for gross proceeds of \$475,730. The Company issued 939,180 compensation warrants exercisable into common shares at a price of \$0.105 per compensation warrant for a period of twelve months in connection with the private placement.

MINERAL PROPERTIES, ACTIVITY AND PLANS

OVERVIEW OF PROJECTS

SPC holds interests in two properties located in the Sudbury Mining Camp near Sudbury Ontario (Aer-Kidd Property and Lockerby East Property) and one near Espanola Ontario (Owen Nickel Property). In addition, it holds an option to acquire 100% of certain mining claims located 50 kilometres northeast of Sudbury

(Janes Property). The Company also holds the mineral rights (Muskox Property) to 47,460 hectares comprised of 15 mining claims and 2 prospecting permits in the territory of Nunavut. Additionally, SPC holds an option with Bathurst Metals Corp. to acquire 100% of 17,840 hectares comprised of 12 mining claims, contiguous to its existing Muskox Property.

AER-KIDD PROPERTY

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

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

MUSKOX PROPERTY

In September 2021, the Company staked 11 mining claims (totaling 13,327 hectares) and had previously obtained 2 prospecting permits (totaling 30,350 hectares) in respect of exploration properties located within the Muskox Intrusion (collectively, the "Muskox Property") in the Kitikmeot Region of Nunavut. Additionally, in a separate transaction that closed on November 22, 2021, the Company acquired a 100% interest in a database related to the Muskox Intrusion in exchange for cash payment of \$94,600 (US\$75,000) and 100,000 warrants exercisable into common shares of the Company at an exercise price of \$0.20 per warrant for a period of three years from the closing date. In February and April 2022, the Company staked an additional 4 mining claims (totaling 2,311 hectares) resulting in total land holdings of 47,470 hectares in 15 mining claims and 2 prospecting permits.

In March 2023, the Company entered into the "Bathurst Option Agreement, giving the Company the right to acquire a 100% interest in the McGregor Lake and Speers Lake properties located within the Kitikmeot Region of western Nunavut.

Pursuant to the terms of the Bathurst Option Agreement, the Company can earn a 100% interest in the McGregor Lake and Speers Lake properties by paying \$1,350,000 in cash (\$300,000 paid) and issuing 7,500,000 shares (2,500,000 issued) over a 3 year period. If the Company vests its interest, the Vendors will retain a 1% NSR on certain claims with the Company retaining the right to buy back a 0.5% NSR for \$5,000,000 up to the point of commercial production.

Upon vestiture, SPC will control nearly 650 square kilometres of the highly prospective Muskox Intrusion, representing one of the last remaining camp scale Ni-Cu-PGM opportunities in North America.

If the Company exercises its Option and earns a 100% undivided legal and beneficial interest in the Property (subject to the NSR), the Company is required to pay Bathurst \$5,000,000 within twelve months of the commencement of Commercial Production on the Property.

LOCKERBY EAST PROPERTY

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

The Company owns 100% interest in the Lockerby East property. The property consists of freehold patents located in the south range of the Sudbury Igneous Complex ("SIC"), Sudbury, Ontario including 100% of

the Lockerby patents and 100% of the West Graham Property subject to a 1% NSR to the previous owner of the West Graham portion of the Property.

The Company also holds the right to acquire a 100% interest in the surface and mineral rights of the Crean Hill 3 Property, which is contiguous with the West Graham Property, in consideration for a cash payment of \$1 million and certain rights and royalties that will be extended to Vale across the West Graham/Crean Hill 3 Project.

OWEN NICKEL PROPERTY

SPC owns 100% of mineral rights of the Owen Nickel Property located 70 kilometres west of Sudbury Ontario near Espanola. The property consists of the mineral rights of 3 mining patents (47.5 hectares) located in Mongowin Township.

JANES PROPERTY

On July 5, 2020, the Company entered into an option agreement to acquire a 100% interest in the Janes Property in Ontario. Pursuant to the terms of the option agreement, the Company holds the option to earn a 100% interest in the property by issuing \$355,000 in cash (\$43,000 paid) and an additional \$155,000 in shares (\$29,500 paid) over a 5 year period and incurring work expenditures of \$227,000 (all expenditures incurred) over a 5 year period. Upon the Company vesting a 100% interest in the Janes Property, the optionors would retain a 2% NSR on certain portions of the Janes Property, of which the Company can purchase the first 1% for \$1,000,000 and the remaining 1% for an additional \$500,000 up to the point of commercial production. Portions of the Janes Property remain subject to a pre-existing underlying agreement that provides a 1% NSR to a previous owner, of which all of the 1.0% NSR can be purchased for \$1,000,000. On claims containing the pre-existing 1% NSR, the NSR awarded to the Optionors is reduced from 2% to 1%, of which the Company can purchase the first 0.5% for \$500,000 and the remaining 0.5% for an additional \$500,000 up to the point of commercial production.

EXPLORATION HIGHLIGHTS

LOCKERBY EAST PROPERTY

In March of 2023, the Company commenced the first phase of the Crean Hill 3 Property drill program. This 5,000 metre Phase 1 drill program represented the first drilling to be completed on the Crean Hill 3 Property since 1960 and the first by SPC Nickel since the signing of the Agreement with Vale. The goal of the drill program was to test the continuity and grade of the mineralized zone across the property, allowing SPC Nickel to complete a new updated mineral resource estimate across the combined property (West Graham – Crean Hill 3).

In July of 2023, the Company announced the completion of the Phase 1 drill program, which consisted of 5,338 metres in 27 holes. The program was highly successful and achieved its goal of confirming the presence of mineralization in the western portion of the West Graham Project property while outlining areas of higher-than-expected grades within the contact-style deposit as well as discovering new high-grade footwall-style mineralization outside the historical resource envelope.

Complete assay results from the Phase 1 drill program are presented in the table below.

Hole ID	From (m)	To (m)	Length (m)	Ni (%)	Cu (%)	Co (%)	Pt (g/t)	Pd (g/t)	Au (g/t)	Ag (g/t)	Estimated True Width %
WG-23-019	64.00	93.00	29.00	0.39	0.25	0.01	0.04	0.02	0.02	1.36	70
WG-23-020	47.00	91.00	44.00	0.53	0.27	0.02	0.05	0.02	0.02	1.41	100
including	75.00	83.00	7.00	0.75	0.39	0.03	0.06	0.02	0.02	1.86	100
including	87.00	91.00	4.00	1.03	0.62	0.04	0.07	0.05	0.03	2.85	100
WG-23-021	41.00	72.00	31.00	0.46	0.29	0.02	0.06	0.02	0.02	1.50	90
including	42.00	46.00	4.00	0.63	0.46	0.02	0.10	0.03	0.04	2.40	90

Hole ID	From (m)	To (m)	Length (m)	Ni (%)	Cu (%)	Co (%)	Pt (g/t)	Pd (g/t)	Au (g/t)	Ag (g/t)	Estimated True Width %
including	58.00	63.00	5.00	0.66	0.30	0.02	0.04	0.02	0.01	1.50	90
WG-23-022	61.00	81.00	20.00	0.51	0.26	0.02	0.03	0.01	0.01	1.12	100
including	76.00	80.00	4.00	0.85	0.46	0.03	0.05	0.02	0.02	1.80	100
WG-23-023	45.00	83.00	38.00	0.47	0.28	0.02	0.04	0.02	0.02	1.45	90
including	71.00	82.00	11.00	0.71	0.41	0.02	0.07	0.02	0.04	2.09	90
WG-23-024	29.00	48.00	19.00	0.46	0.25	0.02	0.04	0.01	0.02	1.21	100
and	56.00	61.00	5.00	0.93	0.50	0.03	0.06	0.02	0.02	4.18	100
WG-23-025	20.00	67.00	47.00	0.56	0.30	0.02	0.05	0.02	0.02	1.85	90
including	42.00	65.00	23.00	0.72	0.42	0.02	0.08	0.03	0.03	2.73	90
WG-23-026	106.00	186.90	80.90	0.49	0.25	0.02	0.05	0.02	0.02	1.29	35
including	167.00	186.90	19.90	1.19	0.37	0.04	0.09	0.02	0.02	1.29	35
including	170.00	177.90	7.90	2.48	0.64	0.08	0.15	0.04	0.02	1.82	35
WG-23-027	68.00	120.50	52.50	0.43	0.27	0.01	0.05	0.02	0.02	1.49	85
including	96.65	120.50	23.85	0.57	0.33	0.02	0.06	0.02	0.03	1.79	85
including	111.00	120.50	9.50	0.83	0.37	0.02	0.09	0.03	0.03	2.16	85
WG-23-028	79.00	275.85	196.85	0.32	0.19	0.01	0.04	0.01	0.02	1.07	30
including	89.00	110.00	21.00	0.72	0.18	0.03	0.03	0.01	0.01	0.75	30
including	93.60	95.00	1.40	3.73	0.27	0.17	0.06	0.07	0.01	1.26	30
WG-23-029	84.00	107.00	23.00	0.37	0.25	0.01	0.03	0.02	0.02	1.39	50
WG-23-030	20.00	52.00	32.00	0.60	0.36	0.02	0.07	0.02	0.03	2.02	45
including	39.00	46.00	7.00	0.98	0.54	0.03	0.15	0.38	0.04	3.00	45
WG-23-031	3.00	9.65	6.65	0.37	0.22	0.01	0.04	0.01	0.01	1.08	95
WG-23-032	34.50	42.50	8.00	0.49	0.38	0.02	0.05	0.02	0.03	2.00	85
WG-23-033	38.00	52.00	14.00	0.35	0.24	0.01	0.04	0.02	0.02	1.29	80
WG-23-034	59.00	90.00	31.00	0.27	0.19	0.01	0.04	0.01	0.01	1.26	50
including	96.00	97.65	1.65	0.67	0.34	0.02	0.05	0.03	0.03	2.29	50
WG-23-035	43.00	51.00	8.00	0.26	0.21	0.01	0.04	0.02	0.02	1.25	80
WG-23-036	97.00	102.00	5.00	0.39	0.23	0.01	0.05	0.02	0.01	1.54	45
WG-23-037	147.00	188.65	41.65	0.50	0.34	0.02	0.08	0.02	0.03	1.64	50
including	174.00	188.65	14.65	0.81	0.51	0.02	0.14	0.04	0.05	2.61	50
including	174.00	179.00	5.00	1.21	0.69	0.04	0.14	0.04	0.05	3.32	50
WG-23-038	130.00	140.00	10.00	0.43	0.25	0.01	0.06	0.02	0.21	1.31	75
WG-23-039	191.50	241.00	49.50	0.36	0.28	0.01	0.05	0.02	0.02	1.49	40
including	224.00	241.00	17.00	0.43	0.49	0.01	0.08	0.03	0.04	2.58	40
WG-23-040	169.00	209.00	40.00	0.46	0.32	0.01	0.07	0.02	0.03	1.90	60
WG-23-041	237.00	276.00	39.00	0.43	0.36	0.01	0.17	0.03	0.06	2.04	55
including	243.00	250.00	7.00	0.60	0.49	0.02	0.10	0.03	0.04	2.13	55
including	262.82	275.00	12.20	0.60	0.54	0.02	0.36	0.05	0.11	3.46	55
WG-23-042	256.00	306.00	50.00	1.06	0.34	0.03	0.15	0.04	0.04	1.71	75

Hole ID	From (m)	To (m)	Length (m)	Ni (%)	Cu (%)	Co (%)	Pt (g/t)	Pd (g/t)	Au (g/t)	Ag (g/t)	Estimated True Width %
including	286.00	306.00	20.00	1.71	0.46	0.05	0.17	0.06	0.06	2.61	75
including	286.90	291.70	4.80	3.15	0.21	0.09	0.15	0.11	0.02	0.95	75
and	331.00	331.40	0.40	6.23	0.30	0.14	0.10	0.12	0.03	2.60	75
and	336.90	337.20	0.30	7.07	0.09	0.15	0.04	0.07	0.01	2.50	75
WG-23-043	212.00	280.00	68.00	0.46	0.36	0.01	0.09	0.02	0.03	1.90	60
including	246.00	280.00	34.00	0.64	0.50	0.02	0.12	0.03	0.04	2.64	60
including	266.00	275.00	9.00	0.94	0.68	0.02	0.19	0.05	0.06	3.83	60
including	277.50	280.00	2.50	0.96	1.02	0.02	0.05	0.04	0.04	4.58	60
and	304.10	304.60	0.50	6.09	0.07	0.12	0.81	0.30	0.03	2.50	60
WG-23-044	362.35	375.40	13.05	0.74	0.81	0.02	0.22	0.05	0.10	4.84	45
including	369.25	375.40	6.15	0.96	1.33	0.03	0.26	0.08	0.18	8.04	45
WG-23-045	286.00	296.00	10.00	0.33	0.24	0.01	0.12	0.02	0.03	1.33	60
and	302.05	304.00	1.95	0.54	0.75	0.02	0.21	0.05	0.11	4.93	60
and	307.55	308.55	1.00	0.81	1.12	0.02	0.31	0.09	0.37	8.50	60

Notes: Length refers to downhole length. Estimated True Width is expressed as a percentage of downhole length. Bold intervals are based on a Ni% grade multiplied by downhole length greater than 15.

In October of 2023, the Company announced the completion of the Phase 2 program, which consisted of 8,842 metres in 40 holes. The combined Phase 1 and 2 programs consisted of 14,180 metres in 67 holes.

Complete assay results from the Phase 2 drill program are presented in the table below.

Hole ID	From (m)	To (m)	Length (m)	Ni (%)	Cu (%)	Co (%)	Pt (g/t)	Pd (g/t)	Au (g/t)	Ag (g/t)	Estimated True Width %
WG-23-046	381.55	402.35	20.80	0.46	0.58	0.01	0.32	0.04	0.14	4.03	65
including	381.55	387.30	5.75	0.51	0.59	0.01	0.76	0.08	0.07	3.79	65
Including	395.30	402.35	7.05	0.89	1.09	0.02	0.29	0.06	0.35	7.63	65
WG-23-047	221.00	271.00	50.00	0.70	0.32	0.02	0.14	0.03	0.04	1.57	80
including	245.00	263.00	18.00	1.27	0.47	0.04	0.20	0.05	0.04	2.16	80
WG-23-048	196.00	229.10	33.10	0.54	0.38	0.02	0.09	0.03	0.03	1.98	85
including	216.00	230.00	14.00	0.76	0.60	0.02	0.14	0.06	0.05	3.03	85
WG-23-049	271.00	302.00	31.00	0.46	0.38	0.01	0.12	0.03	0.04	1.78	70
including	289.00	299.00	10.00	0.69	0.47	0.02	0.16	0.04	0.05	2.10	70
WG-23-050	118.00	143.00	25.00	0.53	0.34	0.02	0.07	0.02	0.03	1.82	85
including	130.00	141.00	11.00	0.76	0.48	0.02	0.10	0.03	0.04	2.56	85
WG-23-051	86.00	111.05	25.05	0.28	0.23	0.01	0.04	0.02	0.02	1.11	100
WG-23-052	174.00	228.00	54.00	0.55	0.29	0.02	0.07	0.02	0.03	1.45	60
including	184.60	208.00	23.40	0.78	0.35	0.02	0.07	0.02	0.02	1.63	60
including	202.50	206.15	3.65	1.24	0.21	0.04	0.11	0.03	0.02	0.92	60
WG-23-053	256.00	259.85	3.85	0.41	0.35	0.01	0.04	0.02	0.02	2.09	90
and	276.75	281.00	4.25	0.49	0.29	0.02	0.08	0.02	0.03	1.62	90

Hole ID	From (m)	To (m)	Length (m)	Ni (%)	Cu (%)	Co (%)	Pt (g/t)	Pd (g/t)	Au (g/t)	Ag (g/t)	Estimated True Width %
and	294.00	299.00	5.00	0.52	0.35	0.01	0.30	0.06	0.05	2.10	90
WG-23-054	339.00	384.15	45.15	0.38	0.28	0.01	0.18	0.06	0.05	1.74	85
including	348.70	369.00	20.30	0.55	0.38	0.01	0.17	0.04	0.06	2.30	85
WG-23-055	335.00	354.30	19.30	0.36	0.22	0.01	0.09	0.02	0.03	1.00	75
and	382.5	394.00	11.50	0.35	0.25	0.01	0.19	0.03	0.05	0.92	75
WG-23-056	455.00	480.75	25.75	0.47	0.36	0.02	0.15	0.03	0.04	2.01	65
and	485.35	492.00	6.65	0.56	0.46	0.02	0.17	0.04	0.06	2.49	65
WG-23-057	409.00	428.00	19.00	0.41	0.33	0.01	0.09	0.03	0.03	1.67	95
and	447.00	462.00	15.00	0.39	0.28	0.01	0.34	0.07	0.06	0.63	95
and	467.00	468.05	1.05	1.47	0.17	0.04	0.46	0.58	0.09	0.70	95
WG-23-058	327.00	358.00	31.00	0.52	0.37	0.02	0.16	0.03	0.05	2.11	90
WG-23-059	23.00	37.00	14.00	0.53	0.37	0.02	0.04	0.02	0.03	1.95	100
WG-23-060	12.00	42.00	30.00	0.32	0.20	0.01	0.02	0.01	0.01	1.49	100
WG-23-061	14.00	48.00	34.00	0.48	0.24	0.02	0.03	0.01	0.02	1.57	90
including	14.00	26.00	12.50	0.66	0.26	0.02	0.03	0.02	0.01	1.58	90
including	15.60	16.75	1.15	2.07	0.15	0.07	0.03	0.03	0.01	2.17	90
WG-23-062	1.00	21.00	20.00	0.87	0.41	0.03	0.07	0.03	0.05	2.45	90
including	6.50	19.00	12.50	1.07	0.44	0.04	0.08	0.03	0.04	2.20	90
WG-23-063	2.00	61.00	59.00	0.71	0.38	0.02	0.06	0.02	0.02	1.94	50
including	12.00	29.00	17.00	1.01	0.53	0.04	0.06	0.03	0.02	2.39	50
including	40.00	47.00	7.00	1.10	0.49	0.03	0.08	0.03	0.02	2.53	50
WG-23-064	7.00	20.00	13.00	0.35	0.33	0.01	0.06	0.02	0.02	1.90	95
Including	14.20	18.00	3.80	0.77	0.72	0.02	0.14	0.05	0.03	3.66	95
WG-23-065	3.00	15.00	12.0	0.34	0.23	0.01	0.04	0.01	0.02	1.84	70
and	21.40	26.00	4.60	0.31	0.34	0.01	0.09	0.01	0.02	2.44	70
WG-23-066	2.70	16.00	13.30	0.42	0.28	0.01	0.05	0.02	0.02	1.55	95
WG-23-067	3.20	20.00	16.80	0.48	0.30	0.01	0.07	0.02	0.02	1.95	100
including	23.00	26.00	3.00	0.51	0.91	0.02	0.15	0.07	0.10	4.50	100
WG-23-068	23.00	62.00	39.00	0.42	0.33	0.01	0.05	0.02	0.04	1.94	85
including	41.00	46.00	5.00	0.77	0.48	0.03	0.08	0.04	0.04	3.12	85
WG-23-069	112.00	142.00	30.00	0.31	0.24	0.01	0.06	0.02	0.02	1.38	100
WG-23-070	155.00	171.15	16.15	0.37	0.25	0.01	0.06	0.02	0.03	1.31	80
WG-23-071	220.00	250.00	30.00	0.62	0.56	0.02	0.18	0.04	0.06	2.98	80
including	225.00	242.00	17.00	0.82	0.75	0.02	0.20	0.04	0.07	3.94	80
including	237.50	242.00	4.50	1.20	1.75	0.03	0.41	0.08	0.13	9.51	80
WG-23-072	21.00	45.00	24.00	0.53	0.42	0.02	0.06	0.03	0.03	2.27	100
WG-23-073	54.00	151.00	97.00	0.38	0.27	0.01	0.06	0.02	0.03	1.52	50
including	108.00	138.00	30.00	0.53	0.37	0.02	0.09	0.03	0.04	2.03	50
WG-23-074	No significant mineralization										

Hole ID	From (m)	To (m)	Length (m)	Ni (%)	Cu (%)	Co (%)	Pt (g/t)	Pd (g/t)	Au (g/t)	Ag (g/t)	Estimated True Width %
WG-23-075	136.00	150.00	14.00	0.58	0.47	0.02	0.13	0.03	0.05	3.08	60
WG-23-076	224.00	228.00	4.00	0.82	0.28	0.02	0.05	0.02	0.01	8.22	60
WG-23-077	20.70	39.00	18.30	0.29	0.23	0.01	0.02	0.01	0.01	1.24	100
WG-23-078 including	20.00	49.70	29.70	0.39	0.22	0.02	0.02	0.02	0.01	1.16	85
	35.00	49.00	14.00	0.47	0.28	0.02	0.03	0.02	0.02	1.46	85
WG-23-079 and	50.50	57.50	7.00	0.25	0.18	0.01	0.02	0.02	0.01	1.31	100
	92.00	96.20	4.20	0.29	0.19	0.01	0.02	0.01	0.01	1.02	100
WG-23-080 and and and	36.00	40.00	4.00	0.28	0.30	0.01	0.02	0.02	0.02	1.60	90
	56.00	61.00	5.00	0.29	0.24	0.01	0.02	0.02	0.01	1.53	90
	67.00	69.85	2.85	0.40	0.28	0.01	0.04	0.02	0.02	2.00	90
	97.30	98.30	1.00	2.72	0.14	0.12	0.02	0.05	0.01	0.50	90
WG-23-081	185.00	190.00	5.00	0.54	0.38	0.02	0.06	0.09	0.01	2.54	100
WG-23-082 and	129.00	132.00	3.00	0.43	0.37	0.02	0.03	0.02	0.03	2.43	85
	168.00	173.00	5.00	0.34	0.25	0.01	0.04	0.02	0.02	1.86	85
WG-23-083	2.35	52.00	49.65	0.60	0.22	0.02	0.05	0.02	0.01	0.94	75
including	12.70	18.20	5.50	1.26	0.20	0.05	0.02	0.02	0.00	0.82	75
including	37.00	52.00	15.00	0.82	0.32	0.02	0.10	0.02	0.02	1.45	75
WG-23-084	52.00	61.00	9.00	0.24	0.17	0.01	0.02	0.01	0.01	0.82	85
WG-23-085	142.00	152.00	10.00	0.50	0.15	0.01	0.05	0.02	0.01	2.29	80

Notes: Length refers to downhole length. Estimated True Width is expressed as a percentage of downhole length. Bold intervals are based on a Ni% grade multiplied by downhole length greater than 15.

The successful completion of SPC Nickel's 2023 resource definition drill program at the West Graham Project capped off a pivotal year, which positioned the Company to announce an anticipated maiden Mineral Resource Estimate for the Project during Q1 2024. Program highlights include:

- Completion of 67 drill holes for a total of 14,180 metres.
- Drilling returned thick intervals of 'West Graham' style mineralization and identified new zones of high-grade massive sulphide mineralization.
- Highlight intersections from the program include:
 - **WG-23-026: 2.48% Ni, 0.64% Cu over 7.80 metres**
 - **WG-23-042: 1.71% Ni, 0.46% Cu over 20.00 metres**
 - **WG-23-063: 0.71% Ni, 0.38% Cu over 59.00 metres**
- All but one of the holes encountered mineralization. Seventy percent of holes returned mineralized intersections equal to or better than the historical West Graham indicated resource.
- Results demonstrated the potential for future development at West Graham to be amenable to open-pit mining methods.
- SPC Nickel's drill program at West Graham achieved all of its goals:
 - to confirm the extension of the historical West Graham mineral resource across the adjacent Crean Hill 3 Property, currently under option from Vale Canada,
 - to discover zones of higher-grade mineralization, and
 - to connect the known surface mineralization with the subsurface historical mineral resource.

Details of drill holes completed during the Phase 1 and 2 programs are presented in the table below.

Hole Number	Easting	Northing	Elevation	Final Depth	Azimuth	Dip	Start Date	Finish Date
WG-23-019	476345	5142595	289	157.5	180	-90.0	03/04/2023	03/08/2023
WG-23-020	476345	5142595	289	129	180	-67.7	03/08/2023	03/09/2023
WG-23-021	476320	5142544	289	105	180	-90.0	03/09/2023	03/10/2023
WG-23-022	476345	5142520	294	108	180	-45.0	03/11/2023	03/12/2023
WG-23-023	476345	5142520	294	132	180	-90.0	03/12/2023	03/14/2023
WG-23-024	476320	5142494	294	135	180	-45.0	03/14/2023	03/16/2023
WG-23-025	476320	5142494	294	96	180	-90.0	03/16/2023	03/17/2023
WG-23-026	476353	5142586	289	237	270	-45.0	03/18/2023	03/21/2023
WG-23-027	476353	5142586	289	207	270	-65.9	03/21/2023	03/23/2023
WG-23-028	476353	5142586	289	330	288	-52.3	03/23/2023	03/28/2023
WG-23-029	476353	5142586	289	201	311	-68.6	03/28/2023	03/30/2023
WG-23-030	476270	5142505	293	126	360	-65.0	03/30/2023	04/01/2023
WG-23-031	476270	5142505	292	102	180	-90	4/1/2023	4/2/2023
WG-23-032	476220	5142510	293	93	180	-90	4/2/2023	4/3/2023
WG-23-033	476170	5142496	303	90	180	-90	4/4/2023	4/4/2023
WG-23-034	476170	5142525	299	111	180	-90	4/4/2023	4/5/2023
WG-23-035	476207	5142568	290	105	156.6	-54	4/6/2023	4/7/2023
WG-23-036	476207	5142568	290	150	156.6	-90	4/8/2023	4/9/2023
WG-23-037	476162	5142625	292	219	172.8	-90	4/9/2023	4/12/2023
WG-23-038	476400	5142685	284	222	236.7	-60.7	4/13/2023	4/14/2023
WG-23-039	476400	5142685	284	282	251.3	-47.5	4/15/2023	4/17/2023
WG-23-040	476400	5142685	284	264	254	-67	4/17/2023	4/19/2023
WG-23-041	476400	5142685	284	300	262.1	-56.1	4/20/2023	4/27/2023
WG-23-042	476400	5142685	284	360	272.6	-61.7	4/27/2023	5/1/2023
WG-23-043	476400	5142685	284	324	274.3	-71.7	5/1/2023	5/4/2023
WG-23-044	476074	5142736	310	411	180	-90	5/6/2023	5/8/2023
WG-23-045	476074	5142736	310	330	183.3	-76.1	5/9/2023	5/12/2023
WG-23-046	475970	5142706	301	430	180	-90	5/13/2023	5/17/2023
WG-23-047	476160	5142710	294	291	160.3	-83.3	5/18/2023	5/23/2023
WG-23-048	476160	5142710	294	270	170	-75	5/23/2023	5/26/2023
WG-23-049	476160	5142710	294	357	170	-90	5/26/2023	5/29/2023
WG-23-050	476162	5142625	292	198	172.8	-77.33	5/30/2023	6/1/2023
WG-23-051	476162	5142625	292	165	172.8	-55.7	6/1/2023	6/3/2023

Hole Number	Easting	Northing	Elevation	Final Depth	Azimuth	Dip	Start Date	Finish Date
WG-23-052	476162	5142625	292	303	56.8	-71.1	6/4/2023	6/8/2023
WG-23-053	476110	5142750	305	348	118.6	-61.1	6/13/2023	6/16/2023
WG-23-054	476110	5142750	305	399	91.6	-72	6/17/2023	6/21/2023
WG-23-055	476110	5142750	305	416	98.4	-54.6	6/21/2023	6/27/2023
WG-23-056	476336	5142879	280	555	235.5	-87.7	6/27/2023	7/5/2023
WG-23-057	476334	5142882	280	501	236.8	-70.9	7/4/2023	7/11/2023
WG-23-058	476335	5142881	280	402	188.3	-72.6	7/11/2023	7/16/2023
WG-23-059	476275	5142418	304	55.7	195	-45	7/17/2023	7/18/2023
WG-23-060	476287	5142407	303	123	140	-45	7/19/2023	7/20/2023
WG-23-061	476277	5142413	304	117	90	-48	7/20/2023	7/21/2023
WG-23-062	476263	5142426	304	57	360	-90	7/21/2023	7/22/2023
WG-23-063	476263	5142428	304	96	360	-50	7/22/2023	7/24/2023
WG-23-064	476212	5142445	304	54	360	-90	7/24/2023	7/25/2023
WG-23-065	476212	5142446	304	88	360	-60	7/25/2023	7/26/2023
WG-23-066	476169	5142439	307	60	360	-90	7/26/2023	7/27/2023
WG-23-067	476168	5142438	307	45	195	-45	7/27/2023	7/27/2023
WG-23-068	476126	5142481	306	96	360	-90	7/28/2023	7/30/2023
WG-23-069	476164	5142620	290	200	117.8	-73.2	7/30/2023	8/1/2023
WG-23-070	476116	5142633	292	229	169	-80.2	8/1/2023	8/3/2023
WG-23-071	476120	5142687	298	285	170.5	-80	8/4/2023	8/7/2023
WG-23-072	476126	5142479	306	69	180	-45	8/8/2023	8/8/2023
WG-23-073	476127	5142482	306	220	360	-65.4	8/9/2023	8/12/2023
WG-23-074	476009	5142546	304	138	180	-45	8/12/2023	8/14/2023
WG-23-075	476009	5142548	304	180	180	-90	8/12/2023	8/14/2023
WG-23-076	475970	5142605	299	565	150.9	-87	8/16/2023	8/24/2023
WG-23-077	476366	5142420	283	100	190	-45	8/25/2023	8/26/2023
WG-23-078	476366	5142421	283	100	190	-90	8/25/2023	8/26/2023
WG-23-079	476477	5142540	282	168	190	-65	8/27/2023	8/30/2023
WG-23-080	476477	5142541	282	150	190	-90	8/30/2023	9/1/2023
WG-23-081	476587	5142658	284	258	160	-65	9/2/2023	9/5/2023
WG-23-082	476586	5142658	284	264	160	-90	9/6/2023	9/9/2023
WG-23-083	476267	5142467	296	207	90	-65	9/9/2023	9/12/2023
WG-23-084	476400	5142437	282	120	180	-90	9/12/2023	9/13/2023
WG-23-085	475893	5142525	298	180	180	-90	9/14/2023	9/17/2023

Note: Hole coordinates are in NAD83 Zone 17. All distance measurements are in metres.

During the 2023 drill program borehole electromagnetic (“EM”) surveys were completed on a series of holes including: WG-23-027, WG-23-028, WG-23-037, WG-23-042, WG-23-044, WG-23-045, WG-23-046 and WG-23-076. Results from the surveys were incorporated into the model and used for targeting.

Geophysical surveys were conducted by Lamontagne Geophysics.

Summary of borehole EM surveys completed during the 2023 drill programs.

Hole	Depth (m)	Loops	Frequency	Anomaly
WG-23-027	207	2301, 2302	31 Hz	120m by 200m @ 400Siemens (S) 50m by 210m @ 350S
WG-23-028	330	2301, 2302	31 Hz	200m by 100m @ 530S
WG-23-037	219	2301, 2302	31 Hz	150m by 100m @ 430S
WG-23-042	360	2301, 2302	31 Hz	70m by 200m @ 500S
WG-23-044	390	2301, 2302	30 Hz	In hole anomaly: 180m X 470m @ 780S
WG-23-045	315	2301, 2302	30 Hz	Off hole anomaly: 200m X 500m @ 1000S
WG-23-046	415	2301, 2302	30 Hz	Edge anomaly: 180m X 450m @ 1000S
WG-23-076	565	2301, 2302	31 Hz	Contact anomalies: 200m X 280m @ 525S, 700m X 200m @ 100S

In June, SPC Nickel contracted Canadian Exploration Services Limited (CXS) to develop a 6.5 kilometre ground grid on the property in preparation for a ground electromagnetic geophysical survey. Grid lines were orientated north to south at 100 metres spacings with pickets installed at 25 metres spacings and lines ranging in length from 425 metres to 1,025 metres. The locations of all grid pickets were later surveyed with a DGPS.

In July, Lamontagne Geophysics completed a 6.5 kilometre ground UTEM electromagnetic survey across the Crean Hill 3 Property. The survey was intended to help determine the extent of the mineralization, potentially locate higher-grade zones and also to screen the footwall for potential sulphide mineralization. The results of the survey identified a broad EM conductor associated with the known contact mineralization as well as an extensive footwall anomaly, sub-parallel to the SIC and located 200 to 500 metres below the contact.

The Company considers the West Graham, Crean Hill 3, and Lockerby East resource estimates to be historic mineral resources for the purposes of NI 43-101. Neither the Company nor a qualified person on behalf of the Company have done sufficient work to classify the historical estimates as current mineral resources and the Company is not treating such historical estimates as current mineral resources. The Company considers the historic mineral resource estimates to be relevant to an understanding of the West Graham Project but has not done any work to validate the estimates.

MUSKOX PROPERTY

No significant field work has been completed on the MuskoX Property since the 2022 field program. Using the proprietary database, the technical team continues to advance the understanding of the MuskoX Intrusion, while also generating exciting new base and precious metals targets, as SPC Nickel develop a strategy to advance this Project with an aim to making a significant discovery.

A two-week field program scheduled for late August was cancelled due to the Yellowknife evacuation orders. All flights in and out of Yellowknife were cancelled as a result of the extreme forest fire conditions.

AER-KIDD PROPERTY

No significant work has been completed on the Aer-Kidd Property since the 2021 drill program where SPC completed 14 holes for a total of 14,111 metres. No additional work is planned for 2023.

JANES PROPERTY

In August, SPC Nickel completed physical property surveys on three drill holes completed during the recent 2022 program. Wireline Services Group collected the physical properties data, including magnetics, resistivity and IP data, on holes JP-22-019, JP-22-020 and JP-22-022. The objective of the survey was to

determine physical properties of the intersected lithologies and how those values compared to the regional IP survey completed 2022. Results from the physical properties surveys will be incorporated into the geological model and used for potential targeting in 2024. At this point no additional work is planned for 2023.

DISCUSSION OF OPERATIONS

SELECTED QUARTERLY FINANCIAL INFORMATION

Expenses for the year ended August 31, 2023, were \$4,431,324, compared to \$4,508,082, for the year ended August 31, 2022. This decrease was primarily due to a \$330,987 reduction in stock based compensation, which decreased from \$547,987 in 2022 to \$217,000 in 2023. This decrease was partially offset by increases in exploration and evaluation expenditures, which increased by \$131,324 from \$3,222,799 during the August 2022 fiscal year, to \$3,354,123 in the August 2023 fiscal year.

Expenses incurred during the three-month period ended August 31, 2023 were higher than the comparative prior year period, with current three month expenditures totalling \$1,413,250, as compared to \$990,143 of expenditures incurred during the fourth quarter of the prior fiscal year. The higher expenditures for the most recent quarter were primarily attributable to quarterly exploration expenditures increasing by \$280,715, from \$900,971 during the fourth quarter of 2022, to \$1,181,686 during the fourth quarter of 2023.

A summary of selected quarterly financial information for the past eight quarters is presented as follows:

	August 31, 2023	May 31, 2023	February 29, 2023	November 30, 2022
Operating Expenses	(1,413,250)	(1,917,197)	(500,214)	(600,663)
(Loss) from Operations	(1,413,250)	(1,917,197)	(500,214)	(600,663)
Net (Loss) for the period	(1,336,398)	(1,917,197)	(500,083)	(600,340)
(Loss) per share – basic and fully diluted	(0.01)	(0.02)	Nil	Nil
Total Assets	2,725,497	1,911,464	3,124,895	3,528,022
Total Liabilities	857,456	773,758	257,492	322,356

	August 31, 2022	May 31, 2022	February 28, 2022	November 30, 2021
Operating Expenses	(990,143)	(1,400,951)	(917,593)	(1,199,395)
(Loss) from Operations	(990,143)	(1,400,951)	(917,593)	(1,199,395)
Net (Loss) for the period	(1,003,871)	(1,393,314)	(913,576)	(1,194,199)
(Loss) per share – basic and fully diluted	(0.01)	(0.01)	(0.01)	(0.01)
Total Assets	4,202,500	5,434,346	3,102,370	4,142,492
Total Liabilities	396,674	650,397	407,388	533,934

A summary of selected annual information is presented as follows:

	August 31, 2023	August 31, 2022	August 31, 2021
Total revenue	Nil	Nil	Nil
Loss from continuing operations	(4,354,018)	(4,504,960)	(4,310,163)
Loss	(4,354,018)	(4,504,960)	(4,310,163)
Loss per share – basic and fully diluted	(0.03)	(0.04)	(0.05)
Total assets	2,725,497	4,202,500	6,084,383
Total non-current financial liabilities	54,997	86,277	113,745

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

	AER Kidd	Owen	Lockerby East	Janes	Muskox	Project Generation	Total
Continuity of project expenditures for the year ended August 31, 2023							
Balance August 31, 2022	12,363,119	4,970	1,853,911	757,480	402,730	76,187	15,458,397
Option Payments	100,000	-	-	246,214	375,000	-	721,214
Other acquisition and holding costs	2,339	387	13,316	514	(7,065)	120	9,611
Total acquisition costs for the period	102,339	387	13,316	246,728	367,935	120	730,825
Assays logging, and sampling	-	-	473,442	38,041	10,422	-	521,905
Travel, accommodation, and meals	-	-	1128	29	88	-	1,245
Drilling	-	-	1,575,116	203,078	-	-	1,778,194
Health, Safety, and Environmental	4	4	425	4	4	-	441
Equipment Rental	139	139	205,742	14,097	4,521	-	224,638
Field supplies and consumables	216	216	8,995	949	16,477	-	26,853
Field office	(375)	-	(1,125)	-	-	-	(1,500)
Payroll and Project Management	481	-	298,796	47,261	43,888	3,260	393,686
Surveys and line cutting	-	-	82,212	14,040	10	-	96,262
Vehicles	292	216	9,588	1,416	293	77	11,882
Cost recoveries	-	-	(230,308)	(200,000)	-	-	(430,308)
Exploration and evaluation expenditures for the period	757	575	2,424,011	118,915	75,703	3,337	2,623,298
Balance August 31, 2023	12,466,215	5,932	4,291,238	1,123,123	846,368	79,644	18,812,520
August 31, 2023 balance consists of							
Acquisition costs	2,370,005	3,947	641,498	321,953	434,266	8,296	3,779,965
Exploration expenditures	10,096,210	1,985	3,649,740	801,170	412,102	71,348	15,032,555
	12,466,215	5,932	4,291,238	1,123,123	846,368	79,644	18,812,520
	AER Kidd	Owen	Lockerby East	Janes	Muskox	Project Generation	Total
Continuity of project expenditures for the year ended August 31, 2022							
Balance August 31, 2021	10,847,626	4,776	832,889	493,068	-	57,239	12,235,598
Option Payments	100,000	-	-	37,000	18,000	-	155,000
Other acquisition and holding costs	5,433	194	9,826	125	48,330	170	64,078
Total acquisition costs for the period	105,433	194	9,826	37,125	66,330	170	219,078
Assays logging, and sampling	51,967	-	142,158	6,849	6,977	-	207,951
Travel, accommodation, and meals	605	-	776	-	88,708	2	90,091
Drilling	1,191,461	-	713,935	-	-	-	1,905,396
Environmental	(4,900)	-	-	-	160	120	(4,620)
Equipment Rental	72,343	-	44,838	4,523	3,956	-	125,660
Field supplies and consumables	2,721	-	3,259	1,433	13,434	55	20,902
Field office	3,000	-	1,500	-	-	-	4,500
Payroll and Project Management	87,026	-	100,426	54,438	103,134	18,524	363,548
Surveys and line cutting	1,662	-	449	158,397	116,864	-	277,372
Vehicles	4,175	-	3,855	1,647	3,167	77	12,921
Exploration and evaluation expenditures for the period	1,410,060	-	1,011,196	227,287	336,400	18,778	3,003,721
Balance August 31, 2022	12,363,119	4,970	1,853,911	757,480	402,730	76,187	15,458,397
August 31, 2022 balance consists of							
Acquisition costs	2,267,666	3,560	628,182	75,225	66,330	8,176	3,049,139
Exploration expenditures	10,095,453	1,410	1,225,729	682,255	336,400	68,011	12,409,258
	12,363,119	4,970	1,853,911	757,480	402,730	76,187	15,458,397

LIQUIDITY AND CAPITAL RESOURCES

As at August 31, 2023, the Company has a cash balance of \$2,076,414 compared with \$3,810,177 as at August 31, 2022. The Company has current assets of \$2,607,545 and current liabilities of \$802,459, for net working capital of \$1,805,086 as at August 31, 2023.

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

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

OUTSTANDING SHARE, WARRANT AND OPTION DATA

As at December 18, 2023 the Company had the following securities outstanding:

• Common Shares	150,319,626
• Options	9,240,000
• Warrants	1,039,180
• Restricted Share Units	800,000
• Deferred Share Units	300,000

RISKS AND UNCERTAINTIES

The business and operations of the Company are subject to a number of risks. The Company considers the risks set out below to be the most significant operating risks facing the Company. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the Company is currently unaware actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects are likely to be materially and adversely affected.

Going Concern

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they become due. Accordingly, they do not give effect to the adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its obligations and commitments in other than the normal course of business.

The business of mining and exploration for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company's continued existence is dependent upon the preservation of its interests in the underlying properties, the achievement of profitable operations, or the ability of the Company to raise additional financing as necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis.

The Company has raised capital for working capital and the planned exploration and development of its mineral properties. The Company's continuation as a going concern is dependent upon successful results from its planned exploration and evaluation activities, its ability to attain profitable operations to generate funds and its ability to raise equity capital or borrowings sufficient to meet its current obligations and fund future operations. Although the Company has been successful in raising funds to date there is no assurance that it will be able to do so in the future. These matters represent material uncertainties that cast significant doubt about the Company's ability to continue as a going concern.

Title Risks

Although the Company has taken steps to verify title to the properties on which it will conduct exploration and in which it has an interest in accordance with industry standards to the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing, requirements, or regulations, unregistered prior agreements, unregistered claims, first nations' claims and non-compliance with regulatory requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contacts and political uncertainties.

Exploration and Mining Risks

Resource exploration and development and mining operations are highly speculative and characterized by a number of significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate, including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits, but from finding mineral deposits which, though present, are insufficient in quantity and quality to be mined profitably. Few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and development programs will result in any discoveries of bodies of commercial mineralization. There is also no assurance that even if commercial quantities of mineralization are discovered, a mineral property will be brought into commercial production. The Company will continue to rely upon the advice and work of consultants and others for exploration, development, construction, and operating expertise.

Substantial expenditures are required to establish and upgrade mineral resources, to establish mineral reserves, to develop metallurgical processes to extract metals from mineral resources and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. No assurance can be given that the funds required for development can be obtained on a timely basis. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size and grade; metal prices which are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. Unsuccessful exploration and development programs could have a material adverse impact on the Company's operations and financial condition.

Reliance on Independent Contractors

The Company's success depends to an extent on the performance and continued service of certain independent contractors. The Company has or will be contracting the services of professional drillers and others for exploration, environmental, engineering, and other services. Poor performance by such contractors or the loss of such services could have a material and adverse effect on the Company, its business and results of operations and result in the Company failing to meet its business objectives.

Factors beyond the Company's Control

The mining exploration business is subject to several factors beyond the Company's control including changes in economic conditions, intense industry competition, variability in operating costs, changes in government and in rules and regulations of various regulatory authorities. An adverse change in any one of such factors would have a material adverse effect on the Company, its business and results of operations which might result in the Company not identifying a body of economic mineralization, completing the development of a mine according to specifications in a timely, cost-effective manner or successfully developing mining activities on a profitable basis.

Additional Funding Required

Exploration and development of the Company's mineral properties will require significant additional financing. Accordingly, the continuing development of the Company's mineral properties will depend upon the Company's ability to obtain financing through equity financing, debt financing, the joint venturing of projects or other external sources. Failure to obtain sufficient financing may result in a delay or an indefinite postponement of exploration, development, or production on any or all of the Company's mineral properties, or even a loss of property interest, or have a material adverse impact on the Company's future cash flows, earnings, results of operations and financial condition or result in the substantial dilution of its interests in its mineral properties. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favorable to the Company. If the Company was required to arrange for debt financing it could be exposed to the risk of leverage, while equity financing may cause existing shareholders to suffer dilution. There can be no assurance that the Company will be successful in overcoming these risks or any other problems encountered in connection with such financings. Failure to raise capital when needed would have a material adverse effect on the Company's business, financial condition, and results of operations.

The Company has and will continue to have negative operating cash flow from operations until its mineral properties commence commercial production should exploration and development efforts demonstrate that commercial production from such mineral properties is feasible.

Fluctuating Mineral Prices

The Company's revenues in the future, if any, are expected to be in large part derived from the extraction and sale of precious and base minerals and metals, which in turn depend on the results of the Company's exploration on these properties and whether development will be commercially viable or even possible. Factors beyond the control of the Company may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years, partially due to the significant market reaction to COVID-19. Consequently, the economic viability of any of the Company's exploration projects cannot be accurately predicted and may be adversely affected by fluctuations in mineral prices.

Competition

The mining industry is intensely competitive in all its phases. The Company competes for the acquisition of mineral properties, claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees with many companies possessing greater financial resources and technical facilities than the Company. The competition in the mineral exploration and development business could have an adverse effect on the Company's ability to hire or maintain experienced and expert personnel or acquire suitable properties or prospects for mineral exploration in the future.

Community Groups

There is an ongoing level of public concern relating to the effects of mining on the natural landscape, on communities and on the environment. Certain non-governmental organizations, public interest groups and reporting organizations ("NGOs") who oppose resource development can be vocal critics of the mining industry. Any such actions and the resulting media coverage could have an adverse effect on the reputation and financial condition of the Company or its relationships with the communities in which it operates, which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Credit risk

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

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or matters specific to the Company. The Company generates cash flow primarily from its financing activities. As at August 31, 2023 the Company had working capital of \$1,805,086 and has sufficient cash to meet its obligations as at August 31, 2023.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

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

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

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

The remuneration of directors and key management of the Company for the periods ended August 31, 2023 and August 31, 2022 was as follows:

	<u>2023</u>	<u>2022</u>
Short term benefits	\$ 346,215	\$ 289,455
Stock based compensation	154,000	472,054
	<u>\$ 500,215</u>	<u>\$ 761,509</u>

Short term benefits are included in office and general, consultant fees, and exploration and evaluation expenditures.

Included in accounts payable and accrued liabilities as at August 31, 2023, is \$9,983 (August 31, 2022 - \$12,406) owing to management and related companies. These amounts are unsecured, non-interest bearing, and are due on demand.

During the year, the Company incurred at \$30,000 prepayment to a financial advisory firm in respect of which one of the directors of the Company is a partner. This \$30,000 is included in prepaid expense as at August 31, 2023 (August 31, 2022 – \$Nil).

COMMITMENTS AND CONTINGENCIES

Environmental Contingencies

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

The Company, through its interest in the Aer Kidd property (Note 10(a)), may be subject to certain statutory rehabilitation and closure obligations imposed by the Ontario Mining Act related to historical reclamation, restoration and abandonment obligations. Management does not believe that the Company has a material obligation at August 31, 2023 and 2022.

Flow-through Expenditures

In connection with flow through financings completed in March 2022, the Company has committed to incur qualifying Canadian Exploration Expenditures totaling \$3,168,507 by December 31, 2023. The Company has indemnified subscribers for any tax related amounts that become payable by the subscriber in the event that the Company does not fulfill its expenditure commitments. As at August 31, 2023, the Company had fulfilled this expenditure commitment.

In connection with flow through financings completed in June 2023, the Company has committed to incur qualifying Canadian Exploration Expenditures totaling \$1,788,146 by December 31, 2024. The Company has indemnified subscribers for any tax related amounts that become payable by the subscriber in the event that the Company does not fulfill its expenditure commitment. As at August 31, 2023, the Company had incurred approximately \$538,000 of this expenditure commitment. The Company anticipates that it will satisfy its full commitment prior to December 31, 2024.

Outlook

With the increasing global demand for energy metals, the vision for the Company is to become an energy metals company focused on nickel and PGM opportunities in Canada. The Company will continue to explore and develop its Sudbury portfolio and will also pursue other Ni-Cu-PGM properties across Canada.

Responsibility for financial statements

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

As part of the oversight role of the Board of Directors to ensure the Company's disclosures contain no misrepresentations, the Board as a whole reviews the interim and annual financial statements and MD&A prepared by management before approving them.

INTERNAL QUALIFIED PERSON AND QUALITY CONTROL/QUALITY ASSURANCE

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

Additional Information

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

CAUTIONARY STATEMENT REGARDING FORWARD LOOKING INFORMATION

Except for statements of historical fact relating to SPC, certain information contained herein constitutes forward-looking information under Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to the Company's proposed acquisitions and strategy, development potential and timetable of the Company's properties; the Company's ability to raise required funds; future mineral prices; mineralization projections; conclusions of economic evaluation; the timing and amount of estimated future exploration and development; costs of development; capital expenditures; success of exploration activities; mining or processing issues; currency exchange rates; government regulation of mining operations; and environmental risks. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate",

or “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”. Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made. Estimates regarding the anticipated timing, amount and cost of exploration activities are based on previous industry experience and regional political and economic stability. Capital and operating cost estimates are based on extensive research of the Company, recent estimates of exploration costs and other factors that are set out herein. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements, including but not limited to risks related to: unexpected events and delays during exploration and development; acquisition risks; regulatory risks; revocation of government approvals; timing and availability of external financing on acceptable terms; actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of minerals; accidents, labour disputes and other risks of the mining industry. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements, except in accordance with applicable securities laws.