SPC Nickel Corp.
Management Discussion & Analysis
For the Three Month Period Ended November 30, 2023

The following is management's discussion and analysis ("MD&A") of the financial condition and interim results of operations of SPC Nickel Corp. ("SPC" or the "Company") for the three months ended November 30, 2023. This discussion and analysis should be read in conjunction with the Company's November 30, 2023 interim financial statements and attached notes, as well as the financial statements, notes, and MD&A for the year ended August 31, 2023, including the section on risks. This MD&A was prepared as of January 18, 2024.

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

INTERNAL QUALIFIED PERSON AND QUALITY CONTROL/QUALITY ASSURANCE

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

OVERVIEW OF THE COMPANY

SPC is a mineral exploration company that is focused on exploring for nickel ("Ni"), copper ("Cu") and platinum group metals ("PGMs"). The Company has spent in excess of $15 million 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 2024, the Company announced the maiden Mineral Resource Estimate ("MRE") for the West Graham Project, part of the Company's large-scale Ni-Cu Lockerby East Property in the southwest corner of the Sudbury Basin. The Mineral Resources at West Graham were estimated by SGS Geological Services and include near surface mineralization with potential for open-pit mining, as well as higher grade mineralization amenable to conventional underground mining methods The full technical report, which is being prepared in accordance with National Instrument 43-101 will be available on SEDAR (www.sedar.com) under the Company's issuer profile within 45 days from the January 17, 2024 news release announcing the MRE.

The MRE shows "In-Pit" Indicated Resources of 19.3 Mt @ 0.42% Ni, 0.28% Cu and an Inferred Resource of 3.3 Mt @ 0.37% Ni, and 0.28% Cu as well as an "Out-of-Pit" Indicated Resource of 3.2 Mt @ 0.63% Ni, 0.47% Cu and an Inferred Resource of 3.9 Mt @ 3.9 Mt @ 0.69% Ni, 0.43% Cu.

The West Graham MRE was developed following the Company's execution of an agreement (the "Vale Agreement") in January 2023 with Vale Canada Limited ("Vale") that was designed to consolidate and unlock the full potential of the two companies' adjacent and contiguous deposits comprising 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 Vale portion of the West Graham Deposit 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.

In December 2023, the Company and Bathurst Metals Corp agreed to an amendment to the Bathurst Option Agreement whereby the March 2024 Option payment, originally for $300,000, was reduced to $50,000 and the remaining $250,000 was deferred to March 21, 2025. All other cash Option payments were deferred by one year. All other terms of the agreement remained the same. The amended Option Payment schedules is as follows:

- $300,000 upon execution of this Agreement (paid)
- $ 50,000 on or before March 21, 2024
- $250,000 on or before March 21, 2025
- $350,000 on or before March 21, 2026
- $400,000 on or before March 21, 2027

LOCKERBY EAST 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 LKE Deposit (formerly known as the Lockerby East Deposit) and 100% of the West Graham Deposit, the latter of which is subject to a 1% NSR to the previous owner of the West Graham portion of the Property.

The Lockerby East Property also includes the Company's 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 Deposit, in consideration for a future 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 ($84,000 paid) and an additional $155,000 in shares ($60,500 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 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.

<u>EXPLORATION HIGHLIGHTS</u>

LOCKERBY EAST PROPERTY – WEST GRAHAM/CREAN HILL 3

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.

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.

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.

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.

In January 2024, the Company released the maiden Mineral Resource Estimate for the West Graham Project. The Mineral Resources at West Graham were estimated by SGS Geological Services and are summarized in the tables below, including sensitivities to cut-off grade and contained metal content. Mineral Resources include near surface mineralization with potential for open-pit mining, as well as higher grade mineralization amenable to conventional underground mining methods (Figure 1).

West Graham Project Maiden Mineral Resource Estimate effective December 4, 2023
(Please see Mineral Resource Estimate Notes below)

Area	Category	NiEq Cuttoff[1]	Tonnes	Ni %	Cu %	Co %	Pt g/t	Pd g/t	Au g/t	Ag g/t	NiEq %[2]
West Graham In-Pit Resource											
In-Pit	Indicated	**0.3**	19,326,000	0.42	0.28	0.01	0.06	0.02	0.02	1.47	0.57
In-Pit	Inferred	**0.3**	3,283,000	0.37	0.28	0.01	0.10	0.03	0.03	1.24	0.53
West Graham Out-of-Pit Resource											
Out-of-Pit	Indicated	**0.7**	3,238,000	0.63	0.47	0.02	0.24	0.06	0.07	2.64	0.92
Out-of-Pit	Inferred	**0.7**	3,867,000	0.69	0.43	0.03	0.22	0.06	0.06	2.20	0.97

(1) *NiEq cutoff grades consider metal prices of $9.50/lb Ni, $3.50/lb Cu, $22.00/lb Co, $1000/oz Pt, $1,800/oz Pd and $1,700/oz Au and consider metal recoveries of 90% for Ni, 90% for Cu, 56% for Co, 69% for Pt, 68% for Pd and 68% for Au. Ag is not used.*

(2) *NiEq grades are calculated using this formula: Ni (%) + [Cu (%) * 0.369] + [Co (%) * 2.318] + [Pt / 31.1 * 4.779] + [Pd / 31.1 * 8.602] + [Au / 31.1 * 8.124] with price assumptions of $9.50/lb Ni, $3.50/lb Cu, $22.00/lb Co, $1000/oz Pt, $1,800/oz Pd and $1,700/oz Au. Ag is not used.*

West Graham Mineral Resource - Sensitivity to cut-off grade (In-Pit Resource and Out-of-Pit Resource)

NiEq Cutoff[1]	Tonnes	Ni %	Cu %	Co %	Pt g/t	Pd g/t	Au g/t	Ag g/t	NiEq %[2]
West Graham In-Pit Indicated Resource									
0.2	20,800,000	0.40	0.27	0.01	0.06	0.02	0.02	1.42	0.55
0.3	**19,326,000**	**0.42**	**0.28**	**0.01**	**0.06**	**0.02**	**0.02**	**1.47**	**0.57**
0.4	15,508,000	0.46	0.31	0.01	0.07	0.02	0.03	1.54	0.63
0.5	10,330,000	0.53	0.34	0.01	0.08	0.02	0.03	1.66	0.72
0.6	6,534,000	0.61	0.38	0.02	0.09	0.02	0.03	1.77	0.82
0.7	4,085,000	0.69	0.41	0.02	0.10	0.03	0.03	1.85	0.92
0.8	2,618,000	0.78	0.44	0.02	0.10	0.03	0.03	1.93	1.02
0.9	1,641,000	0.87	0.47	0.02	0.11	0.03	0.04	2.02	1.12
1.0	1,044,000	0.95	0.48	0.02	0.11	0.03	0.04	2.11	1.22
West Graham In-Pit Inferred Resource									
0.2	3,350,000	0.37	0.28	0.01	0.10	0.03	0.03	1.22	0.53
0.3	**3,283,000**	**0.37**	**0.28**	**0.01**	**0.10**	**0.03**	**0.03**	**1.24**	**0.53**
0.4	2,857,000	0.39	0.30	0.01	0.10	0.03	0.03	1.29	0.56
0.5	1,723,000	0.43	0.33	0.01	0.12	0.03	0.04	1.38	0.62
0.6	758,000	0.51	0.37	0.02	0.14	0.03	0.04	1.46	0.72
0.7	341,000	0.59	0.40	0.02	0.15	0.04	0.04	1.60	0.82
0.8	151,000	0.65	0.46	0.02	0.16	0.04	0.05	1.69	0.91
0.9	68,000	0.71	0.52	0.02	0.17	0.04	0.05	1.98	1.00
1.0	24,000	0.80	0.55	0.02	0.17	0.04	0.05	2.61	1.11

NiEq Cutoff[1]	Tonnes	Ni %	Cu %	Co %	Pt g/t	Pd g/t	Au g/t	Ag g/t	NiEq %[2]
West Graham Out-of-Pit Indicated Resource									
0.6	5,184,000	0.55	0.42	0.02	0.22	0.06	0.05	2.29	0.81
0.7	**3,238,000**	**0.63**	**0.47**	**0.02**	**0.24**	**0.06**	**0.07**	**2.64**	**0.92**
0.8	1,982,000	0.72	0.52	0.02	0.25	0.06	0.06	2.95	1.04
0.9	1,240,000	0.81	0.56	0.02	0.25	0.08	0.08	3.14	1.16
1.0	794,000	0.92	0.60	0.03	0.27	0.08	0.08	3.29	1.29
1.1	596,000	0.99	0.63	0.03	0.26	0.05	0.05	3.44	1.37
1.2	451,000	1.05	0.66	0.03	0.21	0.10	0.14	3.59	1.45
West Graham Out-of-Pit Inferred Resource									
0.6	6,152,000	0.59	0.39	0.02	0.20	0.06	0.05	2.01	0.85
0.7	**3,867,000**	**0.69**	**0.43**	**0.03**	**0.22**	**0.06**	**0.06**	**2.20**	**0.97**
0.8	2,627,000	0.78	0.44	0.03	0.24	0.07	0.05	2.26	1.08
0.9	1,728,000	0.90	0.45	0.03	0.24	0.07	0.05	2.18	1.21
1.0	1,298,000	0.99	0.45	0.03	0.26	0.07	0.05	2.08	1.30
1.1	993,000	1.08	0.44	0.04	0.25	0.06	0.03	1.97	1.39
1.2	756,000	1.16	0.42	0.04	0.25	0.08	0.04	1.77	1.47

(1) *NiEq cutoff grades consider metal prices of $9.50/lb Ni, $3.50/lb Cu, $22.00/lb Co, $1000/oz Pt, $1,800/oz Pd and $1,700/oz Au and consider metal recoveries of 90% for Ni, 90% for Cu, 56% for Co, 69% for Pt, 68% for Pd and 68% for Au. Ag is not used.*

(2) *NiEq grades are calculated using this formula: Ni (%) + [Cu (%) * 0.369] + [Co (%) * 2.318] + [Pt / 31.1 * 4.779] + [Pd / 31.1 * 8.602] + [Au / 31.1 * 8.124] with price assumptions of $9.50/lb Ni, $3.50/lb Cu, $22.00/lb Co, $1000/oz Pt, $1,800/oz Pd and $1,700/oz Au. Ag is not used.*

West Graham Mineral Resource - Contained Metal (In-Pit Resource and Out-of-Pit Resource)

NiEq Cutoff[1]	Category	Tonnes	Ni lbs (Millions)	Cu lbs (Millions)	Co lbs (Millions)	Pt (ozs)	Pd (ozs)	Au (ozs)	Ag (ozs)
West Graham In-Pit Contained Metals									
0.3	Indicated	19,326,000	179.1	121.0	5.1	39,000	12,000	15,000	911,000
0.3	Inferred	3,283,000	26.7	20.6	0.8	10,000	3,000	3,000	131,000
West Graham Out-of-Pit Contained Metals									
0.7	Indicated	3,238,000	45.7	34.0	1.5	25,000	6,000	7,000	275,000
0.7	Inferred	3,867,000	59.5	36.9	2.4	27,000	7,600	7,000	273,000

(1) *NiEq cutoff grades consider metal prices of $9.50/lb Ni, $3.50/lb Cu, $22.00/lb Co, $1000/oz Pt, $1,800/oz Pd and $1,700/oz Au and consider metal recoveries of 90% for Ni, 90% for Cu, 56% for Co, 69% for Pt, 68% for Pd and 68% for Au. Ag is not used.*

Mineral Resource Estimate Notes:

(1) *The Mineral Resource Estimate was estimated by Allan Armitage, Ph.D., P. Geo. of SGS Geological Services and is an independent Qualified Person as defined by NI 43-101. Dr Armitage conducted a site visit to the Lockerby East Property on July 24, 2023.*

(2) *The classification of the current Mineral Resource Estimates for the West Graham Deposit into Indicated and Inferred is consistent with current 2014 CIM Definition Standards - For Mineral Resources and Mineral Reserves.*

(3) *All figures are rounded to reflect the relative accuracy of the estimate and numbers may not add due to rounding.*

(4) *All mineral resources are presented undiluted and in situ, constrained by continuous 3D wireframe models (the constraining volumes), and are considered to have reasonable prospects for eventual economic extraction.*

(5) *Mineral resources which are not mineral reserves do not have demonstrated economic viability. 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. It is reasonably expected that most of the Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.*

(6) *The validated database for the West Graham Deposit provided by SPC Nickel for the MRE includes data for 560 surface and underground diamond drill holes and 26 surface rock channels totalling 182,936 m. The database totals 20,294 assay intervals representing 27,388 m of drilling and channeling. The database includes data for 85 drill holes completed by SPC totalling 19,393 m and including 7,093 assay samples. The average assay sample length of all drilling is 1.35 m.*

(7) *The West Graham resource model is based on 256 mineralized intercepts from 236 drill holes and 17 rock channels, including mineralized intercepts from all 85 drill holes completed by SPC. The mineralized database included 7,953 assay samples Average length of 1.30) and 7,119 1.5 m composites.*

(8) *The West Graham Mineral Resource Estimate is based on a three-dimensional ("3D") resource model, constructed in GEOVIA GEMS version 6.8.3 software ("GEMS").*

(9) *Grades for nickel, copper, cobalt, platinum, palladium, gold and silver were estimated were interpolated into a block model, with block dimensions of 10 (x) x 5 (y) x 5 (z) m, using 1.5 m capped composites assigned to that model. To generate grade within the blocks, the inverse distance squared (ID^2) interpolation method was used. The resource estimate search parameters are based on drill hole spacing, and size, shape and orientation of the resource domain. The classification of resource into Inferred and Indicated is based primarily on drill hole spacing.*

(10) *An average density value for the West Graham Deposit was assigned based on a database of 6,295 mineralized samples. A value of 2.92 is used for West Graham. Values ranging from 2.85 to 3.00 are used for waste. Waste densities are based on a database of 7,039 samples.*

(11) *The West Graham Deposit mineralization is considered amenable to open-pit and underground extraction.*

(12) *It is envisioned that parts of the West Graham Deposit may be mined using open pit mining methods. In-pit mineral resources for the West Graham Deposit are reported at a base case cut-off grade of 0.3 % NiEq within a conceptual pit shell. Whittle™ pit optimization software (GEOVIA Whittle 2022) was used for pit optimization. The results from the pit optimization are used solely for the purpose of testing the "reasonable prospects for economic extraction" by an open-pit and do not represent an attempt to estimate mineral reserves. There are no mineral*

reserves on the Property. The results are used as a guide to assist in the preparation of a Mineral Resource statement and to select an appropriate resource reporting cut-off grade. The West Graham in-pit Mineral Resource grade blocks are quantified above the base case cut-off grade, above the constraining pit shell, below topography and within the constraining mineralized domain (the constraining volumes).

(13) *Underground Mineral Resources for the West Graham Deposit are estimated from out of the pit shell and are reported at a base case cut-off grade of 0.7 % NiEq. The West Graham underground resource grade blocks were quantified above the base case cut-off grade, out of the constraining pit shell and within the constraining mineralized domain (the constraining volume).*

(14) *Based on the size, shape and orientation of the deposit, it is envisioned that the West Graham underground resource may be mined using the longhole open stoping mining method (a bulk mining method that has long been utilized in the Sudbury region).*

(15) *NiEq cutoff grades consider metal prices of $9.50/lb Ni, $3.50/lb Cu, $22.00/lb Co, $1000/oz Pt, $1,800/oz Pd and $1,700/oz Au and consider metal recoveries of 90% for Ni, 90% for copper, 56% for Co, 69% for Pt, 68% for Pd and 68% for Au. Silver is not used.*

(16) *NiEq grades are calculated using this formula: Ni (%) + [Cu (%) * 0.369] + [Co (%) * 2.318] + [Pt / 31.1 * 4.779] + [Pd / 31.1 * 8.602] + [Au / 31.1 * 8.124] with price assumptions of $9.50/lb Ni, $3.50/lb Cu, $22.00/lb Co, $1000/oz Pt, $1,800/oz Pd and $1,700/oz Au. Silver is not used.*

(17) *For the West Graham Deposit, pit optimization and the in-pit base case cut-off grade of 0.3% NiEq considers a mining cost of US$2.50/t rock and processing, treatment and refining, transportation and G&A cost of US$38.00/t mineralized material, and an overall pit slope of 55 degrees, metal prices and process recoveries. The underground base case cut-off grade of 0.7 % NiEq considers a mining cost of US$45.00/t rock and processing, treatment and refining, transportation, G&A cost of US$42.50/t mineralized material and process recoveries.*

(18) *The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.*

LOCKERBY EAST PROPERTY – LKE DEPOSIT (FORMERLY LOCKERBY EAST DEPOSIT)

In addition to the West Graham Deposit, the property also hosts the 100% owned high-grade LKE Deposit (formerly called the Lockerby East Deposit). Located 200 metres down-dip of the West Graham Resource **(Figure 1),** the deposit is comprised of a lens of high-grade Ni-Cu-PGM massive sulphide where historical drilling returned values as high as 5.60% Ni and 1.26% Cu over a core length of 10.0 metres *(see reference section)*. In 2009, First Nickel Inc. published a historical resource for the LKE Deposit, that contained 0.18 Mt at 2.32% Ni, 0.78% Cu in the indicated category and 0.04 Mt at 2.90% Ni, 0.80% Cu in the inferred category *(see reference section).* SGS Geological Services is currently updating the historical resource to current standards based on a validated historical database and a revised resource model and will incorporate this resource estimate update in the full technical report.

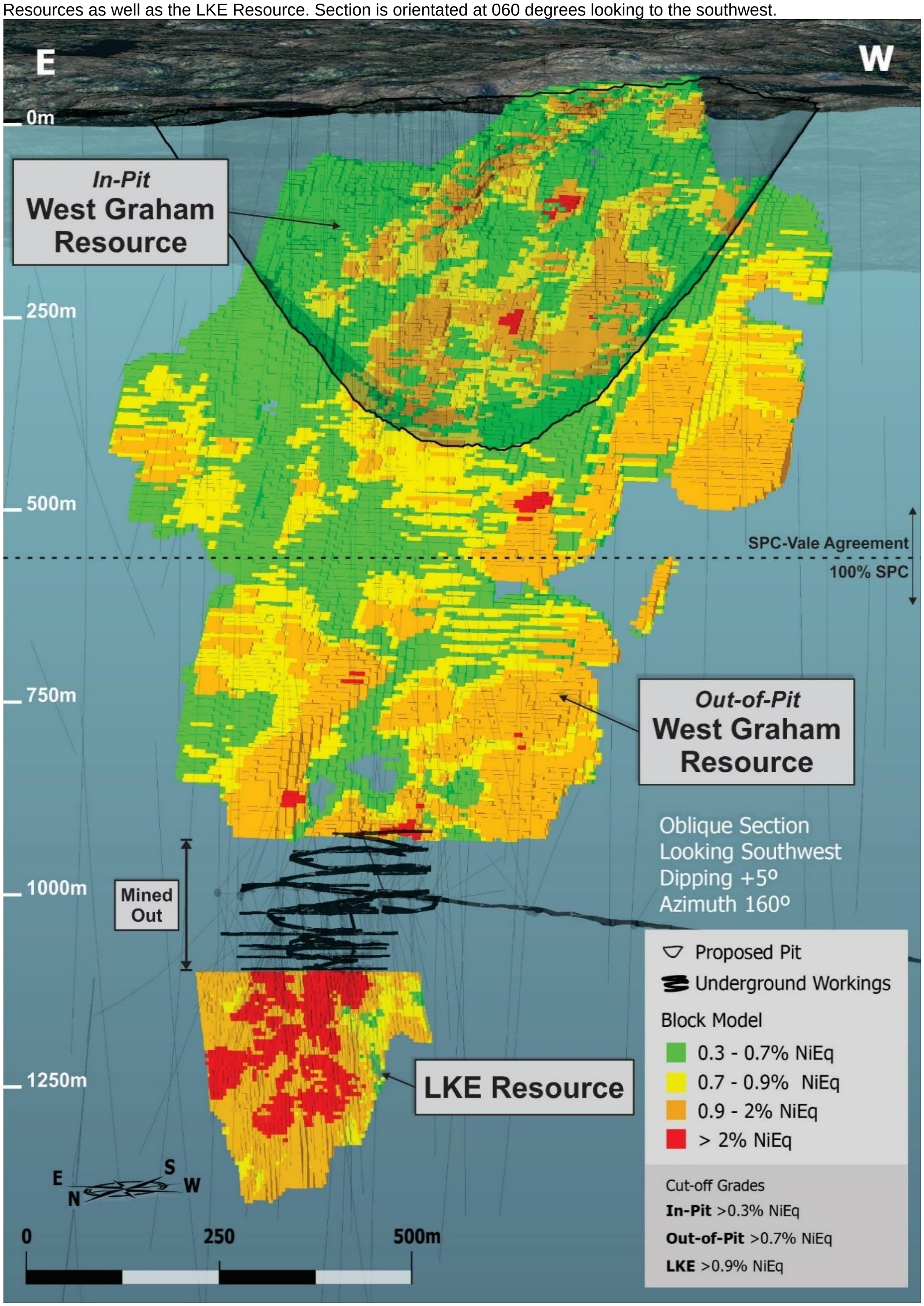
The Company considers the LKE Deposit to be a historic mineral resource for the purposes of NI 43-101. Neither the Company nor a qualified person on behalf of the Company have done sufficient work to classify the historical estimate as current mineral resources and the Company is not treating such historical 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.

Reference

Technical Report on the 2009 Resource Estimate for the Depth, East and Upper West Zones, Lockerby Mine, Sudbury, Ontario, prepared by First Nickel Inc., February 23, 2009.

News Release, First Nickel Reports: 10 Metres Of 5.60% Ni and 1.26% Cu Hosted in Footwall from Lockerby East Zone, February 7th, 2006.

Figure 1: Oblique long section of the Lockerby East Property showing the location of the West Graham (In-Pit and Out-of-Pit) Resources as well as the LKE Resource. Section is orientated at 060 degrees looking to the southwest.



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, 2023 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.

The Company is anticipating a 1-2 week field program in 2024.

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 work was completed in 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. No addition work was completed in 2023.

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 three months ended November 30, 2023							
Balance August 31, 2023	**12,466,215**	**5,932**	**4,291,238**	**1,123,123**	**846,368**	**79,644**	**18,812,520**
Assays logging, and sampling	-	-	139,064	-	-	-	139,064
Travel, accommodation, and meals	-	-	52	-	-	-	52
Drilling	-	-	135,297	-	-	-	135,297
Environmental	-	-	220	-	-	-	220
Equipment Rental	-	-	22,926	51	-	-	22,977
Field supplies and consumables	-	-	607	20	2,300	-	2,927
Payroll and Project Management	(643)	-	120,998	8,677	6,707	-	135,739
Surveys and line cutting	-	-	-	-	157	-	157
Vehicles	-	-	2,470	-	-	-	2,470
Cost recoveries	-	-	(22,731)	-	-	-	(22,731)
Exploration expenditures for the period	(643)	-	398,903	8,748	9,164	-	416,172
Balance November 30, 2023	**12,465,572**	**5,932**	**4,690,141**	**1,131,871**	**855,532**	**79,644**	**19,228,692**
November 30, 2023 balance consists of							
Acquisition costs	2,370,005	3,947	641,498	321,953	434,266	8,296	3,779,965
Exploration expenditures	10,095,567	1,985	4,048,643	809,918	421,267	71,347	15,448,727
	12,465,572	**5,932**	**4,690,141**	**1,131,871**	**855,532**	**79,644**	**19,228,692**

	Aer-Kidd	Owen	Lockerby East	Janes	Muskox	Project Generation	Total
Continuity of project expenditures for the three months ended November 30, 2022							
Balance August 31, 2022	**12,363,119**	**4,970**	**1,853,911**	**757,480**	**402,729**	**76,187**	**15,458,397**
Option Payments	-	-	-	-	-	-	-
Other acquisition and holding costs	-	-	342	-	-	-	342
Total acquisition costs for the period	-	-	342	-	-	-	342
Assays logging, and sampling	-	-	110,919	-	10,422	-	121,341
Travel, accommodation, and meals	-	-	420	29	11	-	460
Drilling	-	-	-	203,078	-	-	203,078
Equipment Rental	-	-	6,607	11,357	1,323	-	19,287
Field supplies and consumables	-	-	581	615	643	-	1,839
Field office	(375)	-	(1,500)	-	-	-	(1,875)
Payroll and Project Management	478	-	41,847	30,716	13,930	1,663	88,634
Surveys and line cutting	-	-	-	14,041	-	-	14,041
Vehicles	77	-	1,199	1,200	77	77	2,630
Exploration expenditures for the period	180	-	160,073	261,034	16,407	1,740	449,434
Balance November 30, 2022	**12,363,299**	**4,970**	**2,014,326**	**1,018,514**	**429,136**	**77,927**	**15,908,173**
November 30, 2022 balance consists of							
Acquisition costs	2,267,666	3,560	628,524	75,225	66,330	8,176	3,049,482
Exploration expenditures	10,095,633	1,410	1,385,802	943,289	362,806	69,751	12,858,691
	12,363,299	**4,970**	**2,014,326**	**1,018,514**	**429,136**	**77,927**	**15,908,173**

DISCUSSION OF OPERATIONS

SELECTED QUARTERLY FINANCIAL INFORMATION

Expenses for the three month period ended November 30, 2023 were $554,263, compared to $600,663 for the three month period ended November 30, 2022. This $46,400 decrease was attributable to a $33,262 decrease in exploration expenditures, a $30,702 decrease in office expenditures, an $25,118 decrease in professional fees and a $29,424 decrease in investor relations expenditures, with such decreases being partially offset by a $66,700 increase in consultant expenditures. The majority of the consultant expenditures incurred in the three month period ended November 30, 2023 were of a non-recurring nature.

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

Three Months Ending (Unaudited)	November 30, 2023	August 31, 2023	May 31, 2023	February 28, 2023
Operating Expenses	(554,263)	(1,413,250)	(1,917,197)	(500,214)
Loss from Operations	(554,263)	(1,413,250)	(1,917,197)	(500,214)
Loss for the period	(494,453)	(1,336,398)	(1,917,197)	(500,083)
(Loss) per share – basic and fully diluted	Nil	(0.01)	(0.02)	Nil
Total Assets	1,690,959	2,725,497	1,911,464	3,124,895
Total Liabilities	317,728	857,456	773,758	257,492

Three Months Ending (Unaudited)	November 30, 2022	August 31, 2022	May 31, 2022	February 28, 2022
Operating Expenses	(600,663)	(990,143)	(1,400,951)	(917,593)
Loss from Operations	(600,663)	(990,143)	(1,400,951)	(917,593)
Loss for the period	(600,340)	(1,003,871)	(1,393,314)	(913,576)
(Loss) per share – basic and fully diluted	Nil	(0.01)	(0.01)	(0.01)
Total Assets	3,528,022	4,202,500	5,434,346	3,102,370
Total Liabilities	322,536	396,674	650,397	407,388

LIQUIDITY AND CAPITAL RESOURCES

As at November 30, 2023, the Company had cash balances of $1,208,333 compared with $2,076,414 as at August 31, 2023. The Company had current assets of $1,583,504 and current liabilities of $271,050, for net working capital of $1,312,454 as at November 30, 2023.

At present, the Company's 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 health of the resource market, 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 DATA

As at January 18, 2024, 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

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

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

Credit Risk

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

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company maintains sufficient cash balances to meet current working capital requirements. The Company is considered to be in the exploration and evaluation stage, thus, it is dependent on obtaining regular financings in order to continue its exploration and evaluation programs. Despite previous success in acquiring these financings, there is no guarantee of obtaining future financings. The Company's cash is available on demand for the Company's programs and is not invested in any asset-backed commercial paper. The Company believes it has sufficient cash resources to pay its obligations associated with its financial liabilities as at November 30, 2023.

Interest Rate Risk

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

Price Risk

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

OFF-BALANCE SHEET ARRANGEMENTS

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

RISKS AND UNCERTAINTIES

Exploration for mineral resources involves a high degree of risk. The cost of conducting programs may be substantial and the likelihood of success is difficult to assess. In addition to exploration risk, the Company is faced with a number of other risk factors. See "Risk Factors" below, as well as the discussion regarding risks and uncertainties in the Company's most recent annual Management Discussion and Analysis for the year ended August 31, 2023.

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.

Pursuant to 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 three-month periods ended November 30, 2023 and November 30, 2022 was as follows:

	2023	2022
Short term benefits - consulting fees and salaries	$ 63,984	$ 65,781

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

Included in accounts payable and accrued liabilities as at November 30, 2023, is $1,695 (August 31, 2023 - $9,983) owing to management and a company that is related by significant influence. The amounts are unsecured, non-interest bearing, and are due on demand.

During the three-month period ended November 30, 2023, the Company incurred a $60,000 (November 30, 2022 – $Nil) expense related to fees charged by a financial advisory firm in respect of which one of the directors of the Company is a partner.

COMMITMENTS AND CONTINGENCIES

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

Flow-through Expenditures
In 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 commitment. As at November 30, 2023, the Company had fulfilled this expenditure commitment.

In connection with a flow through financing 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 November 30, 2023, the Company had incurred approximately $954,000 of this expenditure commitment. The Company anticipates that it will satisfy its full commitment prior to December 31, 2024.

RISKS FACTORS

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

Outlook

The Company will continue to explore and develop its Sudbury properties with a primary near term focus on the Lockerby East Property. The Company will also be advancing the Janes and Muskox properties, while continuing to pursue other Ni-Cu-PGM opportunities in Canada. The vision of the company is to build a publicly listed energy metals company focused on nickel and PGM opportunities in Canada.

Responsibility for financial statements

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

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.

Additional Information

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

CAUTIONARY STATEMENT REGARDING FORWARD LOOKING INFORMATION

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