NICKEL 28 CAPITAL CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JANUARY 31, 2024

(EXPRESSED IN UNITED STATES DOLLARS)

Introduction

The following Management's Discussion & Analysis ("MD&A") of the financial condition and results of the operations of Nickel 28 Capital Corp. (the "Company" or "Nickel 28") constitutes management's review of the factors that affected the Company's financial and operating performance for the year ended January 31, 2024. This MD&A was written to comply with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the audited consolidated financial statements of the Company for the year ended January 31, 2024 and 2023, together with the notes thereto. Results are reported in United States dollars, unless otherwise noted. The Company's consolidated financial statements and the financial information contained in this MD&A, unless otherwise indicated, are prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee. Information contained herein is presented as of June 28, 2024, unless otherwise indicated.

For the purposes of preparing this MD&A, management, in conjunction with the Audit Committee (the "**Audit Committee**") of the Board of Directors (the "**Board**"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of Nickel 28's common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Audit Committee, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Information about the Company and its operations can be obtained from the offices of the Company or on the System for Electronic Documents Analysis and Retrieval ("**SEDAR+**") and is available for review under the Company's profile on the SEDAR+ website (**www.sedarplus.ca**).

Description of Business

Nickel 28 was incorporated pursuant to the Business Corporations Act (British Columbia) on June 25, 2019, as "Nickel 28 Capital Corp." and changed its name to "Conic Metals Corp." on October 21, 2019, and then back to "Nickel 28 Capital Corp." on March 10, 2021. The head office and registered office of the Company is 666 Burrard Street, Suite 1700, Vancouver, British Columbia, Canada.

Nickel 28 is a base metals company offering direct exposure to nickel and cobalt, both being critical elements of electric vehicles and energy storage systems. Nickel 28 currently holds an 8.56% joint-venture interest in the producing, long-life and world-class Ramu Nickel-Cobalt Operation ("**Ramu**" or the "**Ramu Nickel Mine**") located in Papua New Guinea ("**PNG**") which provides Nickel 28 with significant attributable nickel and cobalt production. In addition, Nickel 28 manages a portfolio of ten nickel and cobalt royalties in Canada, Australia, and PNG on seven exploration stage, one pre-feasibility stage, and two advanced / development stage projects. These royalties include a 1.75% net smelter return ("**NSR**") royalty in the fully permitted Dumont nickel project in Quebec and a 2.0% NSR royalty in the Turnagain nickel project in British Columbia. Nickel 28 intends to invest in a battery metals-focused portfolio of streams, royalties and direct interests in mineral properties containing battery metals.

On November 15, 2019, the Company commenced trading on the TSX Venture Exchange (the "**TSXV**") under the symbol "NKL".

Company Highlights

During the twelve months ended January 31, 2024, The Company received $14.5M in cash-distributions from Ramu and repaid $14.4M of the non-recourse Construction Debt.

On May 9, 2023, the TSXV granted approval of the Company's application to implement a normal course issuer bid ("**NCIB**") to purchase, for cancellation, up to 7,224,516 of its common shares, representing approximately 7.9% of the common shares (calculated in accordance with the rules of the TSXV as of May 4, 2023) over a twelve-month period commencing on May 11, 2023. All purchases made pursuant to the NCIB would be made through the facilities of the TSXV or alternative Canadian trading systems, in open market transactions or by such other means as may be permitted under applicable securities laws. The price that the Company will pay for common shares in open market transactions will be equal to the market price at the time of purchase. The actual number of common shares which may be purchased, and the timing of such purchases, will be determined by Nickel 28 based on market conditions, share price, best use of available cash, and other factors. The Company may elect in the future to implement further NCIBs to purchase its common shares, any of which NCIBs would be on substantially the same terms and conditions. As of the date of this MD&A, the Company has not made any purchases of common shares under the NCIB.

On August 14, 2023, the Company announced the reconstitution of its Board in accordance with the recommendations of an independent review committee of the Board (the "**IRC**") established for the purposes of, among other things, considering whether the resignations previously tendered by five of the Company's directors following the Company's 2023 Annual General Meeting pursuant to Nickel 28's majority voting policy (the "**Policy**") should be accepted. The resignations of Justin Cochrane, Lance Frericks and Philip Williams as directors were accepted. Edward (Ned) Collery, Brett A. Richards and Christopher S. Wallace were appointed to the Board to fill the vacancies created by these resignations, and C. Ian Ross, who was appointed on June 16, 2023, as an independent director and the Chair and sole member of the IRC, also continued on the Board as its new, non-executive Chair of the Board. After giving effect to the foregoing changes, the Board was at the time comprised of the following six directors: (i) Ned Collery, (ii) Anthony Milewski, (iii) Brett Richards, (iv) C. Ian Ross, (v) Maurice Swan and (vi) Chris Wallace.

On October 7, 2023, PNG experienced a 6.7 magnitude earthquake with an epicenter approximately 5km to the south of Ramu Mine's Basamuk HPAL plant. Immediately following the earthquake, Ramu Mine personnel initiated a controlled plant shutdown in order to address any issues and to ascertain the extent of any damage that may have occurred as a result of the incident. No casualties or serious injuries were reported, and all operations maintained integrity throughout the incident and there was no impact to the mining operations. On October 25, 2023, the Company successfully resumed full production.

Events Subsequent to January 31, 2024

(i) On May 6, 2024, the Company announced that Mr. Anthony Milewski, former Chief Executive Officer of the Company, Mr. Justin Cochrane, former President of the Company, and Mr. Conor Kearns, former Chief Financial Officer of the Company, were terminated for cause with immediate effect after the Company found evidence of serious misconduct, breach of duties and obligations, repeated lack of judgment, care and diligence and non-compliance with various of Nickel 28's policies and procedures. None of the Company's findings have been proven in court.

The Board appointed Mr. Christopher S. Wallace as Interim Chief Executive Officer ("CEO") with immediate effect. Mr. Brett Richards, also a current member of the Board will provide certain transition consultancy services to the Company to support the Company's ongoing business and operations until the vacant leadership roles have been filled.

On May 16, 2024, the Board appointed Mr. Craig Lennon, current Head of Asia Pacific of the Company, as Interim Chief Financial Officer ("CFO") with immediate effect.

In connection with the termination of the officers, the Company cancelled 850,000 stock options with an exercise price of $0.87 and 1,549,999 RSUs.

On June 13, 2024, the Board appointed Christopher S. Wallace as President and CEO and appointed Craig Lennon as CFO, elevating their previous status from interim to full time.

On June 18, 2024, the Company entered into a settlement agreement with Black Vulcan Resources LLC and its principal, Anthony Milewski ("Milewski", and collectively with Black Vulcan, the "Milewski Parties") in connection with the termination of the Milewski Parties' consulting arrangement.

Nickel 28 and the Milewski Parties entered into the settlement which includes a full and final mutual release of any claims between the parties, as well as a customary two-year standstill by the Milewski Parties. Pursuant to the settlement, the Milewski Parties will return to the Company 4,965,222 common shares of Nickel 28 for nil consideration; no compensation or other amounts will be paid by the Company to the Milewski Parties. The shares will be returned to treasury and cancelled, which will result in a decrease in the Company's issued and outstanding common shares. In connection with the Settlement, Milewski has resigned from the Board with immediate effect.

(ii) On June 3, 2024, the Ontario Securities Commission granted the Company a management cease trade order in response to the Company's voluntary application in respect of its delay in filing its audited annual financial statements, management's discussion and analysis, and related certifications, all for the year ended January 31, 2024 (collectively, the "Annual Filings").

Overview and Plan of Operations

Nickel 28 is an innovative battery metals investment vehicle offering exposure to nickel and cobalt, materials integral to key technologies of the electric vehicle ("**EV**") and energy storage systems ("**ESS**") markets. The Company's strategy is to build a battery metals supply chain to meet current and future demand by financing or otherwise obtaining exposure to nickel-cobalt production in geopolitically secure mining jurisdictions through the acquisition of metals streams, royalties, and direct interests.

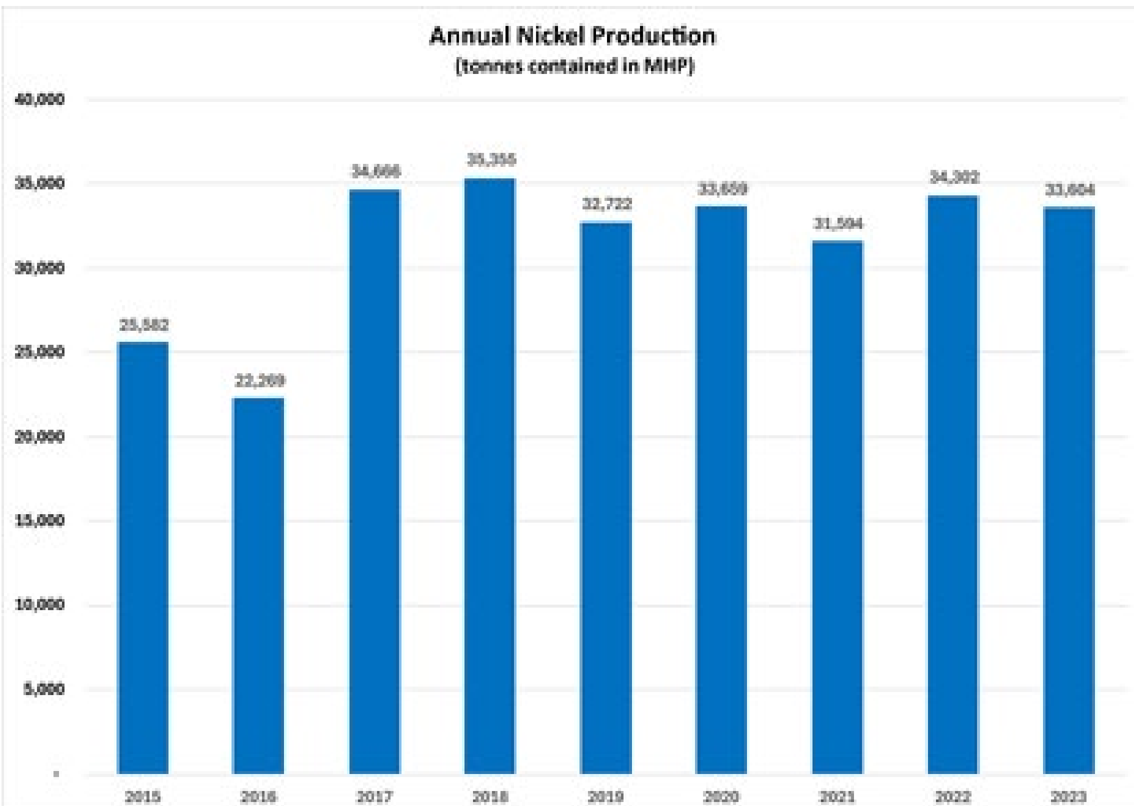
The Company applies a disciplined investing and operating approach to execute its business plan and enhance its exposure to nickel and cobalt through the acquisition of new or existing streams and royalties in producing mines, development projects and exploration properties located in conflict-free jurisdictions. Nickel 28's primary focus is on streaming opportunities that could provide shareholders near-term cash flow, and royalties on production and exploration-stage nickel and/or cobalt properties that could provide longer-term optionality on the price of nickel and cobalt. In the future, Nickel 28 may consider acquisitions of streams, royalties, or direct interests in other minerals properties. At the present time, the Company's intention is to fund working capital through existing cash on hand and cash flow generated from its joint venture interest in the Ramu Nickel Mine.

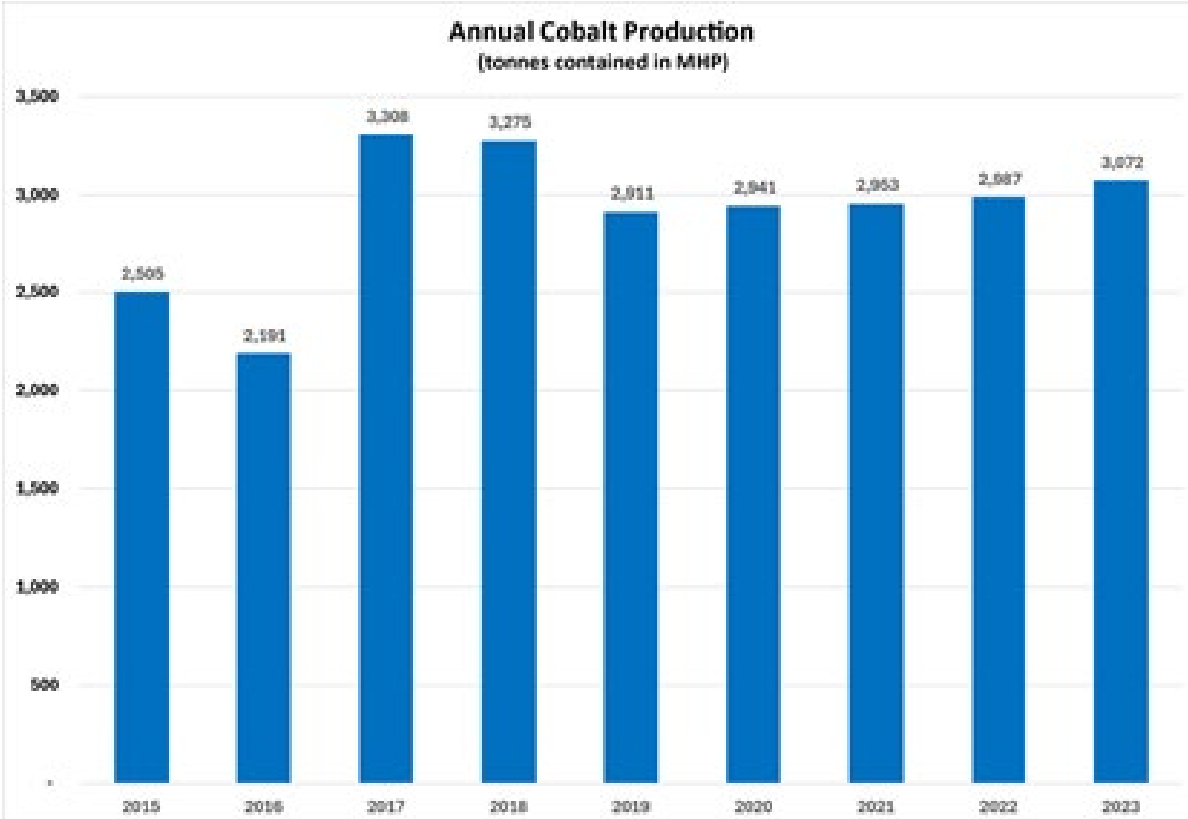
Ramu Nickel Mine

Operating Results

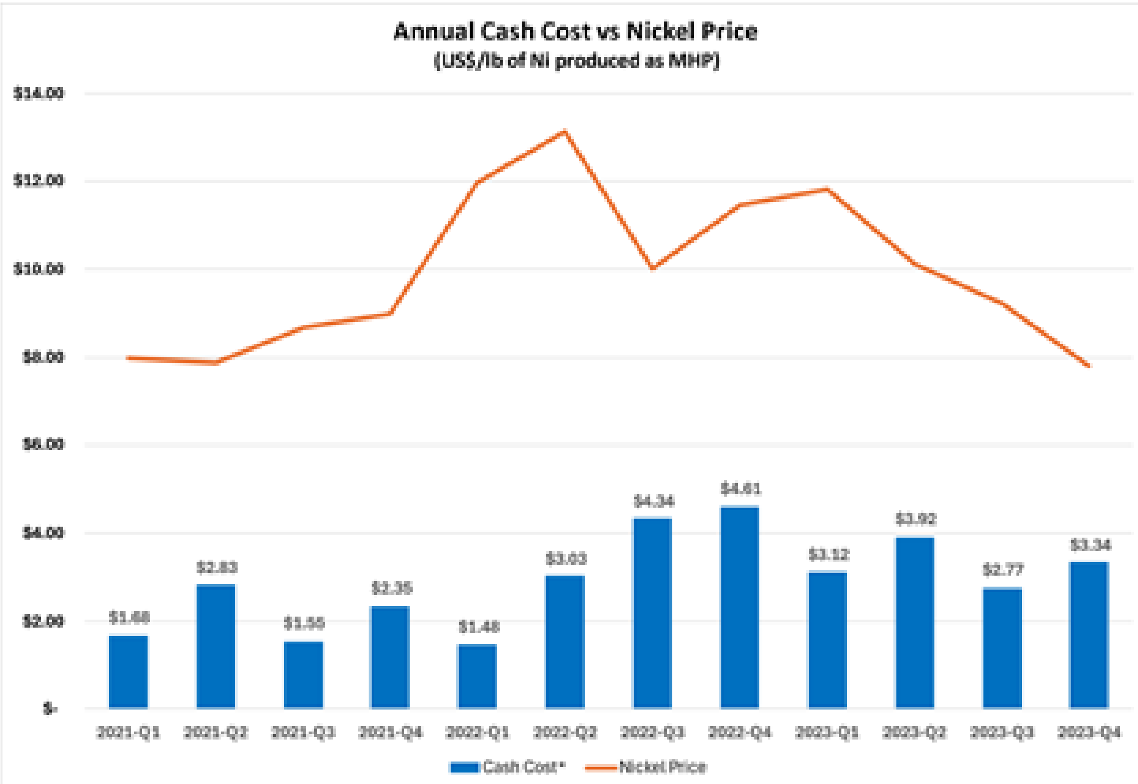
Nickel 28 currently holds an 8.56% joint venture interest in the producing Ramu Nickel Mine, a long-life, low- cost nickel-cobalt operation located 75 km west of the provincial capital of Madang on the north coast of PNG. The Ramu Nickel Mine was financed, constructed, and commissioned in 2012, by majority-owner and operator Metallurgical Corporation of China Limited (the ultimate parent company of Ramu NiCo Management (MCC) Limited ("MCC Ramu"), the operator of the Ramu Nickel Mine), for US$2.1 billion which at the time was China's largest overseas mining investment.

The Ramu Nickel Mine, which has operated at or exceeded design production capacity for the seventh consecutive year, produced 33,604 tonnes of nickel in mixed hydroxide precipitate (MHP) for the 12 months ended December 31, 2023. Annual cobalt production for the project for the same 12-month period was 3,072 tonnes. MCC Ramu estimates that nickel production at Ramu is expected to be approximately 30,000 tonnes in calendar year 2024. The reduction is due to a planned 30 day shutdown in September to undertake some capital improvement projects, which are expected to increase Ramu's production capacity in 2025.




Annual Cobalt Production
(tonnes contained in MHP)
3,500
3,000
2,500
2,000
1,500
1,000
500
-
2,505
2,191
3,308
3,275
2,911
2,941
2,953
2,987
3,072
2015
2016
2017
2018
2019
2020
2021
2022
2023

The Ramu Mine, which continues to remain one of the lowest cost integrated nickel mines in the world, recorded the following actual cash costs, net of byproduct credits.



* Cash costs are actual operating costs to produce one pound of contained nickel in MHP. Byproduct credits include cobalt and chromium.

Actual cash costs were $3.34 per pound of nickel produced in calendar Q4 2023, and $3.26 per pound of nickel produced for the twelve months ending December 31, 2023. This compared to $3.37 per pound of nickel produced for the twelve months ending December 31, 2022. According to Wood Mackenzie, Ramu remains one of the lowest-cost nickel producers consistently ranking in the bottom quartile of the global nickel cash cost curve.

Joint Venture Debt

The Company holds its 8.56% joint venture interest in the Ramu Nickel Mine through its indirect wholly owned subsidiary, Ramu Nickel Limited ("**RNL**"). RNL is party to two principal agreements in respect of its interest in the Ramu Project: the Ramu Nickel Project Master Agreement dated March 30, 2005, as amended, among China Metallurgical Construction (Group) Corporation, RNL, Mineral Resources Ramu Limited (a government entity) ("**MRRL**") and Mineral Resources Madang Limited (a landowner entity) ("**MRML**", together with MRRL, "**MRDC**"); and the Ramu Nickel Joint Venture Agreement (the "**Joint Venture Agreement**") dated October 20, 2005, as amended, among MCC Ramu, RNL, MRRL and MRML, as joint venturers, and MCC Ramu, as manager. The joint venture is an unincorporated joint venture among MCC Ramu (currently 85% individual share), RNL (currently 8.56% individual share), MRRL (currently 3.94% individual share) and MRML (currently 2.5% individual share).

As part of the Joint Venture Agreement with MCC Ramu, MCC Ramu provided financing for construction and development of the Ramu Nickel Mine. This resulted in borrowing, on a non-recourse basis, to finance the original construction of the mine ("**Construction Debt**") and borrowing an additional amount, on a non-recourse basis, to finance the ramp up and early operating expenses of the mine ("**Operating Debt**"). As part of the Joint Venture Agreement, the Construction Debt and Operating Debt are to be repaid out of the Company's share of the Ramu Nickel Mine's operating surpluses (sales revenue less operating costs and ongoing capital expenditures).

Effective July 1, 2021, the Company fully repaid its attributable portion of the non-recourse Operating Debt (and related interest thereon) to MCC Ramu, which triggered a cashflow event for the Company. Following the repayment of the Operating Debt, the Company began to receive a cash distribution of 35% of its attributable share of the operating surpluses of the Ramu Nickel Mine joint venture, with the remaining 65% used to repay the remaining non-recourse Construction Debt (and related interest thereon). Furthermore, once the Company's remaining attributable portion of the non-recourse Construction Debt is repaid, the Company's participatory share in the Ramu Nickel Mine joint venture will automatically increase from 8.56% to 11.3%. Additionally, when the Company has repaid the Construction Debt, the Company will have the option to purchase an additional 9.25% interest in the Ramu Nickel Mine at then market value, which if exercised would take the Company's interest to 20.55%.

The borrowings in respect of Construction Debt and Operating Debt represent the Company's 8.56% share of principal repayments (capped to a specified development threshold of $2.1 billion) and interest repayments made by MCC Ramu to third party lenders on behalf of the Company, plus accumulated interest charged by MCC Ramu. The Construction Debt has no prescribed repayment obligations; rather, the amount classified as current represents that portion of the loan estimated to become repayable within 12 months from the Company's share of operating surpluses. The remaining borrowings under the Construction Debt bear interest at a rate of 5.05% annually.

At January 31, 2024, the non-recourse debt balances consisted of the following:

	Current Portion*	Long-term Portion	Total
Non-recourse construction debt	$9,000,000	$35,094,791	$44,094,791

* The amount classified as current represents the portion of the loan estimated to become repayable within 12 months

The continuity schedule of the non-recourse debt balance between Operating Debt and Construction Debt is as follows:

	Operating Debt			Construction Debt			Total Joint
Period Ended	Interest ($)	Repayment ($)	Balance ($)	Interest ($)	Repayment ($)	Balance ($)	Venture Debt ($)
January 1, 2018			**45,510,845**			**70,210,825**	**115,721,670**
December 31, 2018	2,251,688	(3,940,855)	**43,821,678**	3,628,876	-	**73,839,701**	**117,661,379**
December 31, 2019	2,264,942	-	**46,086,620**	3,816,436	-	**77,656,137**	**123,742,757**
December 31, 2020	1,354,688	(22,057,591)	**25,383,717**	4,013,573	-	**81,669,710**	**107,053,427**
January 31, 2022	253,916	(25,637,633)	-	4,070,595	(12,342,281)	**73,398,024**	**73,398,024**
January 31, 2023	-	-	-	3,711,406	(21,292,379)	**55,817,051**	**55,817,051**
January 31, 2024	-	-	-	2,658,369	(14,380,629)*	**44,094,791**	**44,094,791**

* The non-recourse Construction Debt repayment of $14,380,629 made during the period ended January 31, 2024, represents the debt-repayment portion of the attributable operating surplus generated at Ramu for the 12-month period ended December 31, 2023. The Company's total attributable operating surplus for the 12-month period ended December 31, 2023, was $22,124,033, with the remaining $7,743,404 to be received as cash distributions by the Company.

Royalty and Streaming

The Company holds a portfolio of ten nickel and cobalt royalties in Canada, Australia and Papua New Guinea in seven exploration stage, one pre-feasibility stage, and two advanced / development stage projects. At present, the Company does not hold any streaming interests. Streaming and royalty opportunities will continue to be the Company's primary focus that could potentially provide the Company with material near-term cash flow, exposure to long life and low-cost operating mines and direct leverage to the nickel and cobalt price with exploration and production upside. The Company believes its current portfolio of ten royalties provide shareholders with long-term optionality on the price of nickel and cobalt. Investors are cautioned that in respect of the Company's ten royalties there is no guarantee that (i) the applicable mineral properties will ever be placed into production or (ii) that material quantities of cobalt or nickel will be contained in product extracted from the property.

Current Royalties

As at the date of this MD&A, the Company's royalties consisted of the following:

Royalty Name	Owner	Property Location	Stage	Primary Metal(s)	Royalty Type and %	Stream ROFR
Dumont [(1)]	Waterton Global Res. Mgmt	Quebec	Advanced/ Development	Ni-Co	1.75% NSR	No
Turnagain [(2)]	85% Giga Metals Corporation 15% Mitsubishi Corporation	British Columbia	Pre-Feasibility	Ni-Co	2.0% NSR	Yes
Flemington [(3)]	Australian Mines Ltd.	Australia	Exploration	Ni-Co-Sc	1.5% GRR	No
Nyngan [(4)]	Scandium International Mining Corp.	Australia	Advanced/ Development	Sc-Ni-Co	1.7% GRR	No
North Canol [(5)]	Fireweed Metals	Yukon	Exploration	Ag-Pb-Zn-Co	2% Co NSR	Yes
Sunset Mineral	Three Individuals	British Columbia	Exploration	Cu-Zn-Co	2% Co NSR	Yes
Sewa Bay	Queensland Pacific Metals	Papua New Guinea	Exploration	Ni-Co	5% FOB GRR	No
Professor & Waldman [(5)]	70% Golden Deeps 30% New Found Gold Corp.	Ontario	Exploration	Co-Ag	2% Co NSR	Yes

(1) Dumont - Strategically located in the established Abitibi mining camp, Dumont is a shovel-ready open pit mine and contains one of the largest undeveloped nickel and cobalt reserves. An updated feasibility study released by Dumont's prior operator (RNC Minerals) in June 2019 envisions a 30-year life-of-mine initially producing 33,000 tonnes per annum ("tpa") of nickel and ramping up to 50,000 tpa of nickel by year 8 with life-of-mine C1 cash costs of $3.22/lb. Dumont is fully permitted and is in close proximity to roads, rail, airport and a low-cost power supply. The Dumont Nickel-Cobalt Royalty is a life-of-mine 1.75% NSR royalty.

(2) Turnagain - Located in British Columbia, Canada, Turnagain is a nickel-cobalt deposit which is 85% owned by Giga Metals Corporation and 15% owned by Mitsubishi Corporation of Japan and is among the world's largest undeveloped nickel-cobalt sulphide deposits. Turnagain's ore is ideally suited to be refined into cobalt and nickel required by battery manufacturers globally. Pre-feasibility and engineering studies are underway with a goal of having the project shovel-ready by 2028. The Turnagain Royalty is a 2.0% NSR royalty on all future contained metal production from the Turnagain Nickel-Cobalt Project.

(3) Flemington - Located 370 km west of Sydney, New South Wales, Australia, Flemington is in a politically stable and mining-friendly jurisdiction. The large-scale nickel cobalt deposit represents an important undeveloped source of cobalt and nickel. The project is currently under option by Australian Mines Ltd. The Flemington Royalty is a life-of-mine 1.5% GRR.

(4) Nyngan - Located 500 km north-west of Sydney, New South Wales, Australia, Nyngan is in a politically stable and mining-friendly jurisdiction. Nyngan is fully permitted and construction ready and is the world's first scandium-only mine development project. It is 100% owned by Scandium International Mining. The Nyngan Royalty is a life-of-mine 1.7% GRR.

(5) Two separate mineral properties to which a Co NSR applies.

Selected Annual Financial Information

	For the Year Ended January 31, 2024	For the Year Ended January 31, 2023	For the 13 Months Ended January 31, 2022
Total Revenue	$nil	$nil	$nil
Net Income (Loss)	($6,184,235)	$6,110,818	$11,174,545
Basic Income (Loss) per share	($0.07)	$0.07	$0.13
Diluted Income (Loss) per share	($0.07)	$0.07	$0.13
	As at January 31, 2024	**As at January 31, 2023**	**As at January 31, 2022**
Total Assets	$141,736,871	$154,719,739	$ 160,126,786
Non-Current Liabilities	$45,631,543	$42,312,093	$63,303,993
Distributions declared per share	$nil	$nil	$nil

A summary of selected information for each of the eight most recent quarters prepared in accordance with IFRS is as follows:

			Net Income or (Loss)		
Three Months Ended	Total Assets ($)	Net Revenues ($)	Total ($)	Per Share - Basic ($)	Per Share - Diluted ($)
2024-January 31	141,736,871	-	(8,433,406)	(0.09)	(0.09)
2023-October 31	152,331,052	-	1,121,387	0.01	0.01
2023-July 31	159,084,773	-	628,286	0.01	0.01
2023-April 30	157,883,826	-	499,498	0.01	0.01
2023-January 31	154,719,739	-	(1,681,609)	(0.01)	(0.01)
2022-October 31	168,082,938	-	7,617,711	0.08	0.08
2022-July 31	161,965,899	-	2,981,225	0.03	0.03
2022-April 30	158,436,881	-	(2,806,509)	(0.03)	(0.03)

Results of Operations

For the three months ended January 31, 2024, compared to the three months ended January 31, 2023

The Company incurred a net loss of $8,433,406 during the three months ended January 31, 2024, compared to a net loss of $1,681,609 during the three months ended January 31, 2023. The increase in net loss of $6,751,797 is primarily attributable to the following:

- During the three months ended January 31, 2024, the Company recognized $2,874,334 for its share of operating loss from the Ramu Mine compared to profit of $8,201,650 for the comparative period which is the result of lower nickel and cobalt prices.

- During the three months ended January 31, 2024, the Company had deferred tax expense of $2,802,412 compared to $4,971,329 for the 2023 comparative period.

- During the three months ended January 31, 2024, the Company recorded a decrease of $856,777 in share-based compensation over the comparative period. Stock-based compensation expense will vary from period to period depending upon the number of options and RSUs granted and vested during a period and the fair value of the options and RSUs calculated as at the grant date.

- Professional fees increased by $687,666 during the three months ended January 31, 2024, compared to the three months ended January 31, 2023, the difference being attributable to legal and professional advisors engaged to assist the independent special committee of the Board to conduct an independent investigation.

- Salaries and fees decreased by $1,439,017 during the three months ended January 31, 2024, compared to the comparative period, the difference being attributable to bonuses awarded to senior management.

For the year ended January 31, 2024, compared to the year ended January 31, 2023

The Company realized net loss of $6,184,235 during the year ended January 31, 2024, compared to net income $6,110,818 for the year ended January 31, 2023. The increase in net loss of $12,295,053 is primarily attributable to the following:

- During the year ended January 31, 2024, the Company recognized $10,426,179 for its share of operating profit from the Ramu Mine compared to $22,700,102 for the comparative period. The year-over-year decrease is due to lower nickel and cobalt prices.

- During the year ended January 31, 2024, the Company had deferred tax expense of $2,802,412 compared to $4,971,329 for the 2023 comparative period.

- During the year ended January 31, 2024, the Company recorded an increase of $320,172 of share-based compensation over the comparative period. Stock-based compensation expense will vary from period to period depending upon the number of options and RSUs granted and vested during a period and the fair value of the options and RSUs calculated as at the grant date.

- Professional fees increased by $3,129,752 during the year ended January 31, 2024, compared to the year ended January 31, 2023, the difference being attributable to legal and professional advisors engaged to defend the Company against shareholder actions and to assist the independent special committee of the Board to conduct an independent investigation.

- During the year ended January 31, 2024, financing costs totaled $2,658,369 compared to $3,711,406 for the comparative period. The financing costs related mainly to interest charges related to the Ramu Mine non-recourse debt. The decrease in financing cost is due to the decrease in the underlying liability.

Liquidity and Financial Position

As of January 31, 2024, the Company had working capital of $1,621,768, which includes cash and cash equivalents of $7,833,594, amounts receivable and other assets of $3,264,415, marketable securities of $29,857, accounts payable and accrued liabilities of $473,753, lease liability of $32,345, and current portion of non-recourse debt of $9,000,000. The current portion of non-recourse debt represents the expected operating surplus less interest and less the Company's 35% cash share of operating surplus that is expected to be applied to repay the non-recourse debt over the next year. Given the impact of the non-recourse debt on working capital, the Company prefers to use an adjusted working capital measure. The Company's adjusted working capital as at January 31, 2024, was $10,621,768 (January 31, 2023 – $12,009,722). Please see "Non-IFRS Measures" for more details.

The Company's ability to meet its obligations and execute its business strategy depends on its ability to generate cash flow through its share of operating surpluses from the Ramu Mine, the issuance of common shares pursuant to private placements, public offerings of its shares, the exercise of stock options and short-term or long-term loans.

There is no assurance that the Company will be able to access equity funding at the times and in the amounts required to meet the Company's obligations and fund activities. There is no assurance that the Ramu Mine will continue to generate operating surpluses. The outlook for the world economy remains uncertain and vulnerable to various events that could adversely affect the Company's ability to raise additional funding going forward.

Cash flows

Operating Activities

Cash used in operating activities was $8,367,823 for the year ended January 31, 2024 and resulted from operating expenses incurred during the normal course of business, an increase in amounts receivable and other assets and an increase in accounts payable.

Investing Activities

Cash provided by investing activities was $14,511,324 for the year ended January 31, 2024, related to the distribution of operating surpluses from the Ramu Mine.

Financing Activities

Cash used in financing activities was $678,196 for the year ended January 31, 2024, related to the cash settlement of RSUs and share awards, partially offset by cash received from the exercise of stock options.

Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties include key management personnel and may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions are recorded at the exchange amount, being the amount agreed to between the related parties.

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and members of the Board.

Remuneration of key management personnel of the Company was as follows:

	Year Ended January 31, 2024 ($)	Year Ended January 31, 2023 ($)
Salaries and fees (1)(2)	3,382,915	2,681,649
Share based compensation	2,531,235	2,230,471
Change in share award liability	75,178	94,068
Total	**5,989,328**	**5,006,188**

(1) Management fees and salaries paid to the executive officers and directors for their services.

(2) Included in accounts payable and accrued liabilities are fees owing to officers and directors of $74,917 as at January 31, 2024 (January 31, 2023 - $86,660).

Share Capital

As of the date of this MD&A, the Company has 95,108,944 common shares outstanding.

As of the date of this MD&A, the Company has the following equity instruments outstanding: 1,120,000 stock options and 699,998 RSUs.

Off-Balance Sheet Arrangements

As at the date of this MD&A, the Company did not have any off-balance sheet arrangements.

Financial Instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value, by reference to the reliability of the inputs used to estimate the fair values.

Level 1: Valuations based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;

Level 2: Valuations based on directly or indirectly observable inputs for the asset or liability, other than quoted Level 1 prices, such as quoted interest rates or currency exchange rates; and

Level 3: Valuations based on significant inputs that are not observable, such as discounted cash flow methodologies based on internal cash flow forecasts.

As of January 31, 2024, the Company's financial instruments consist of cash and cash equivalents, amounts receivable, marketable securities, accounts payable and accrued liabilities and non-recourse debt. Marketable securities are measured at fair value and classified within Level 1. The fair values of cash and cash equivalents, amounts receivable, and accounts payable and accrued liabilities approximate their carrying amounts because of the short-term nature of these instruments. The non-recourse debt is stated at amortized cost, the fair value is not materially different to the carrying amounts, as the interest payable is close to current market rates.

Financial risks

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit Risk

Credit risk is the risk of loss due to a counter-party's inability to meet its obligations under a financial instrument or contractual agreement that will result in a financial loss to the Company. The Company's credit risk exposure includes the carrying amounts of cash and cash equivalents and amounts receivable. To limit the credit risk exposure on its cash and cash equivalents, the Company holds all its cash and cash equivalents in credit worthy financial institutions. The Company believes no impairment is necessary in respect of amounts receivable and other assets as balances are monitored on a regular basis with the result that exposure to credit losses is insignificant. The Company's exposure to and management of credit risk has not changed materially from that of the prior year.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Financial liquidity represents the Company's ability to fund future operating activities. The Company may generate cash from the Ramu Mine's operating surpluses, the sale of additional equity securities, as well as through debt financing. The Company plans to fund its ongoing operations with its existing cash and cash equivalents balance. Although the Company may enter into commitments to acquire royalties and direct interests in mineral properties those commitments are normally funded by use of the Company's available cash and cash equivalents and are contingent on its ability to raise funds through the sale of additional equity securities or debt financing. The Company's accounts payable and accrued liabilities are due within the next 12 months. The non-recourse debt is estimated to be due as follows: $9,000,000 within the next 12 months and $35,094,791 after 12 months, however this loan is repayable from the Company's share of the Ramu Mine's operating surplus. Management believes there were no changes in liquidity risk during the year. The Company's exposure to and management of liquidity risk has not changed materially from that of the prior year.

Market risk

Market risk is the risk to the Company that the fair value or future cash flows of financial instruments will fluctuate due to changes in market prices. Market risk comprises interest rate risk, currency risk and other price risk. The Company's exposure to and management of market risk has not changed materially from that of the prior year.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate fluctuations as a result of its cash deposits and borrowings.

Cash deposits, which in turn earn interest income, are subject to the movement of interest rates and the Company does not enter into long-term deposits. The Company has AUD$116,644 on deposit at rates ranging between 3.64% and 4.54%.

The rate of the Company's long-term borrowings is 5.05%. As at January 31, 2024, the Company has estimated that for a 1% decrease or increase in the interest rate, all other variables remaining constant, the result would be a decrease or increase in net loss before taxes of approximately $300,000.

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows from the Company's financial instruments will fluctuate because of changes in foreign exchange rates. Foreign currency risk arises from transactions and recognized assets and liabilities denominated in a currency that is not the Company's functional currency. The Company's functional currency is United States dollars. The Company incurs expenses in Canadian dollars, Australian dollars and Papua New Guinea Kina. As at January 31, 2024, the Company had approximately CAD$970,500, AUD$294,000 and PGK$677,000 of net assets. As at January 31, 2024, the Company has estimated that a 10% decrease or increase in the value of the Canadian dollar, Australian dollars and Papua New Guinea Kina, all other variables remaining constant, the result would be a decrease or increase in net loss before taxes of approximately $103,000.

(c) Other price risk

The Company is exposed to commodity price risk. This arises from the sale of nickel and cobalt that is priced on, or benchmarked to, open market exchanges. The products are sold by MCC Ramu Nico Limited at prevailing market prices such as the London Metal Exchange (LME) and Metal Bulletin (MB). The products, predominantly nickel and cobalt, are provisionally priced, that is the selling price is determined preceding the month of shipment followed by an adjustment using the average price of the month of shipment after delivery to the customers. Derivative commodity contracts may be used to align realized prices to manage risk exposure although at the year end date there were no derivative commodity contracts being used.

Key Sources of Estimation Uncertainty and Critical Accounting Judgments

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In particular, the areas which require management to make significant judgments, estimates and assumptions in determining carrying amounts are:

Carrying amount of the Ramu Nickel Mine

The Company, on each reporting date, considers whether there is any objective evidence that its net investment in the Ramu Nickel Mine has suffered any impairment as a result of one or more events that have occurred after initial recognition of the net investment and have an impact on the estimated cash flows of the investment that can be reliably estimated. In addition, management may elect to perform an assessment of the recoverable value in the absence of any specific indicators of impairment where other macro-economic factors are occurring. The assessment of recoverable value requires estimates and assumptions such as discount rates, exchange rates, commodity prices, operating costs, capital costs and production rates.

Carrying amount of royalty contracts

At the end of each reporting period the Company assesses whether there are any indicators that give rise to the requirement to conduct an impairment test for the recoverability of a royalty contract. Indicators which could trigger a test for recoverability include, but are not limited to, a significant change in operator reserve and resource estimates, industry or economic trends, current or forecast commodity prices, and other relevant operator information with respect to the underlying mineral resource properties.

Non-recourse debt

The Company, on each reporting date, reclassifies a portion of its non-recourse debt as current. As the Company's non-recourse debt is to be repaid by Ramu Nickel Limited out of its share of operating surpluses, less ongoing capital expenditure requirements, the amount classified as current represents the expected operating surplus less interest that is expected to be applied to repay the non-recourse debt over the next twelve months.

Deferred taxes

The Company recognizes the deferred tax benefit related to tax assets and tax losses to the extent recovery is probable. Assessing the recoverability of deferred tax assets requires management to make significant estimates of future taxable profit and expected timing of reversals of existing temporary differences. In addition, future changes in tax laws could limit the ability of the Company to obtain tax deductions in future periods from tax assets and tax losses.

Disclosure of Internal Controls

Management has established processes to provide it with sufficient knowledge to support representations that it has exercised reasonable diligence to ensure that (i) the consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the consolidated financial statements, and (ii) the consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flow of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 - Certification of Disclosure in Issuers' Annual and Interim Filings ("**NI 52-109**"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("**DC&P**") and internal control over financial reporting ("**ICFR**"), as defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of:

(i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with the issuer's GAAP (IFRS).

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Non-IFRS Measures

The terms "adjusted working capital" and "adjusted net income (loss)" in this MD&A are not standardized financial measures under IFRS and therefore may not be comparable to similar measures presented by other companies where similar terminology is used. These non - IFRS measures should not be considered in isolation or as a substitute for measures of performance or cash flows as prepared in accordance with IFRS. Management believes that these non - IFRS measures, together with measures prepared in accordance with IFRS, provide useful information to investors and shareholders in assessing the Company's liquidity and overall performance.

Adjusted Working Capital

Given the impact of non-recourse debt on working capital, the Company prefers to use an 'adjusted working capital' measure. Adjusted working capital is calculated as current assets, less current liabilities, and adjusted for non-recourse debt which the Company views as having a significant impact on the Company's working capital calculation. The amount classified as current non-recourse debt represents the expected operating surplus less interest and less the Company's 35% cash share of operating surplus that is expected to be applied to repay the non-recourse debt over the next twelve months. Adjusted working capital is used by the Company to monitor its capital structure, liquidity, and its ability to fund current operations. Adjusted working capital is not a standardized financial measure under IFRS and therefore may not be comparable to similar financial measures presented by other companies.

The following table reconciles current assets and liabilities to adjusted working capital:

	As at	
	Jan 31, 2024	**Jan 31, 2023**
Current assets	$ 11,127,866	$ 12,376,408
Current liabilities	9,506,098	21,659,544
Working capital (deficit)	1,621,768	(9,283,136)
Adjustment for select items:		
Non-recourse debt	9,000,000	21,292,858
Adjusted working capital	**$ 10,621,768**	**$ 12,009,722**

Risk Factors

Overview

There are a number of risks that may have a material and adverse impact on the future operating and financial performance of the Company and could cause the Company's operating and financial performance to differ materially from the estimates described in forward-looking statements related to the Company. These include widespread risks associated with any form of business and specific risks associated with Nickel 28's business. An investment in the Company's shares, as well as Nickel 28's prospects, should be considered highly speculative due to the nature of the Company's business. Investments in companies involved in commodities, such as the Company, involve a significant degree of risk, and commodities prices are also subject to significant volatility, which affects the economic viability of the Company. We have a short history of earnings, a limited business history, have not paid dividends, and are unlikely to pay dividends in the immediate or near future. Anyone investing in the Company must rely on the ability, expertise, judgment, discretion, integrity and good faith of the management of the Company.

This MD&A also contains forward-looking statements that involve risks and uncertainties. The Company's actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including the risks described below and elsewhere in this MD&A. See "Cautionary Note Regarding Forward-Looking Statements."

Risks Relating to the Company's Business

Commodity Price Risks

The Company's revenue and financial condition depend largely upon the market prices for nickel, cobalt and other commodities, which are volatile. Fluctuations in the price of nickel or cobalt may materially adversely affect Nickel 28's financial performance and results of operations. Commodity prices, including nickel and cobalt, fluctuate on a daily basis and are affected by numerous factors beyond the control of Nickel 28, including levels of supply and demand (including, without limitation, related to the quantity of available supply, industrial development levels, inflation and the level of interest rates), speculative activities, international trade dynamics and disputes, the strength of the U.S. dollar, global conflicts and hostilities and geopolitical events in significant nickel or cobalt producing countries. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments. The prices for commodities have fluctuated widely in recent years. Forecasts of commodity prices can prove to be inaccurate as factors such as supply and demand fundamentals (including the potential growth in the EV market), speculative market participation by financial entities, and structural and economic changes may not behave as predicted.

In addition, the operation of the Ramu Nickel Mine is dependent upon commodity inputs such as natural gas, sulphur, sulphuric acid, electricity, fuel oil, diesel, and materials that are subject to prevailing commodity prices. Costs and earnings from the use of these products are sensitive to changes in market prices over which there is no control. All commodities, by their nature, are subject to wide price fluctuations and future material price declines will result in a decrease in the value of the commodity held, and/or revenue or, in the case of severe declines that cause a suspension or termination of production by relevant operators, a complete cessation of revenue from streams, royalties or interests in mineral properties applicable to the relevant commodities. Moreover, the broader nickel and cobalt markets tend to be cyclical, and a general downturn in overall nickel or cobalt prices could result in a significant decrease in Nickel 28's overall revenue. Any such price decline may result in a material and adverse effect on Nickel 28's business, financial condition, results of operations or prospects.

Risks Related to Changes in Technology and Future Demand for Nickel and Cobalt

Currently nickel and cobalt are two of the key metals used in batteries for EVs, ESSs and other devices. However, the technology pertaining to batteries, EVs, ESSs and energy creation and storage is changing rapidly, and there is no assurance nickel and/or cobalt will continue to be used to the same degree as they are now, or that they will be used at all. Growth in this area is dependent upon the continued adoption by consumers of EVs, the rate of development and adoption of next generation nickel and/or cobalt battery technologies in EV segments. If the market for EVs does not develop as we expect, or develops more slowly than we expect, our business, financial condition, results of operations and prospects will be affected. The market for EVs is relatively new, rapidly evolving, and could be affected by numerous factors, such as: potential bottlenecks in the EV supply chain, battery materials, semiconductor chips, or otherwise, causing less EV adoption and market penetration, and resulting in weaker nickel and/or cobalt demand; government regulations and automakers' responses (including fleet electrification roadmaps and battery technology choices) to those regulations; tax and economic incentives; rates of consumer adoption, which is driven in part by perceptions about electric vehicle features (including range per charge), quality and reliability, safety, performance, cost and charging infrastructure; competition, including from other types of alternative fuel vehicles, hybrid vehicles, plug-in hybrid electric vehicles, and high fuel-economy internal combustion engine vehicles; and volatility in the cost of battery materials, oil and gasoline. Any decline in the use of nickel and/or cobalt in batteries or technologies utilizing nickel and/or cobalt based batteries may result in a material and adverse effect on Nickel 28's business, financial condition, results of operations or prospects.

Market Events and General Economic Conditions Risks

Adverse events in global financial markets can have profound impacts on the global economy. Many industries, including the mining industry, are impacted by these market conditions. Some of the key impacts of the financial market turmoil include contraction in credit markets resulting in a widening of credit risk, devaluations, high volatility in global equity, commodity, foreign exchange and precious metal markets and a lack of market liquidity. A slowdown in the financial markets or other economic conditions, including but not limited to, consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates and tax rates, may adversely affect our growth and valuation. Specifically, global credit/liquidity crises could impact the cost and availability of financing and our overall liquidity; the volatility of nickel, cobalt and other metal prices would impact our revenues, profits, losses and cash flow; continued recessionary pressures could adversely impact demand for the Company's assets; the devaluation and volatility of global stock markets would impact the valuation of our equity and other securities. These factors could have a material adverse effect on our business, financial condition, results of operations or prospects.

Political Instability and Economic and Legal Uncertainty in PNG

Nickel 28's interest in the Ramu Nickel Mine, which is located in PNG, may be affected by varying degrees of social and political instability. These risks and uncertainties include political, labour and civil unrest and violence, fluctuations in currency exchange rates, inflation, hostage taking and expropriation. Any changes in regulations or shifts in political conditions are beyond Nickel 28's control and may adversely affect its business and/or its holdings. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property, environmental legislation and safety factors.

Nickel 28's present and future operations in PNG entail governmental, economic, social, medical and other risk factors common to all developing countries. The status of PNG as a developing country may make it more difficult for Nickel 28 to obtain any required financing because of the investment risks associated with these countries. Moreover, Nickel 28 may experience economic uncertainty from its operations in PNG as there can be no assurance that any governmental action to control inflationary or deflationary situations will be effective in ensuring economic stability, or that future governmental actions will not trigger inflationary or deflationary cycles. Additionally, changes in inflation rates or deflation and governmental actions taken in response to such changes can also affect currency values in such countries, which could have a material adverse effect on Nickel 28's results of operations and financial condition.

Financial turmoil in any important emerging market country may materially and adversely affect prices in stock markets and prices for debt securities of issuers in other emerging market countries as investors move their money to more stable, developed markets. An increase in the perceived risks associated with investing in emerging markets could dampen capital flows to PNG and materially and adversely affect the PNG economy in general. The Company cannot provide assurance that an investors' interest in PNG will not be materially and adversely affected by events in other emerging markets or the global economy in general.

In addition, the legal system in PNG has inherent uncertainties that could limit the legal protections available to the Company, any of which such uncertainties could have a material adverse effect on the Company's business, financial condition, results of operations or prospects. In addition, the Company may become subject to legislation and regulations implemented after the date hereof for which limited legal recourse may be available in PNG. Furthermore, the Company may experience the risk that the PNG judicial system has difficulty enforcing laws and regulations that currently exist, which in turn could lead to a degree of uncertainty as to the outcome of any litigation. It may similarly be difficult to obtain swift and equitable enforcement of a PNG judgment or to obtain enforcement of a judgment by a court of another jurisdiction, which could have a material adverse effect on Nickel 28's business, financial condition, and results of operations or prospects. Failure to ensure strict compliance with legislated requirements, as well as unknown or unanticipated changes in legislative requirements, could have unexpected or disproportionate results which could have a material adverse effect on the Company's business, financial condition, results of operations or prospects.

Concentration Risk

The Company has no revenue other than revenue from mining operations at the Ramu Nickel Mine in PNG that is recognized within the Ramu Nickel Mine joint venture. As a result, any adverse change to the project itself (including the risks inherently associated with mining), or the PNG (including political, financial, tax and similar risks as well as political instability, significant and unpredictable changes in government policies and laws, lack of law enforcement and labour/civil unrest) may result in significant reductions in the Company's share of profits from mining operations resulting in a materially adverse impact to the Company's business, financial condition, results of operations and prospects. In addition, any suspension of operations or production at the Ramu Nickel Mine for any cause or reason (whether temporary or permanent) will negatively impact the Company's financial condition, results of operations and prospects.

In addition, the business of the Company is to invest in streams, royalties or interests in mineral properties containing nickel and/or cobalt with producers, developers or persons holding mineral property interests. Given the concentration of the Company's exposure to nickel and cobalt, the Company's business will be more susceptible to adverse economic or regulatory occurrences affecting nickel, cobalt and associated commodities markets than other more diversified companies or an investment fund that holds a diversified portfolio of securities. Unless and until further diversification is achieved, the Company will continue to have a significant portion of its assets dedicated to a select number of projects and businesses related to nickel and cobalt and associated commodities markets.

Dependence on Joint Venture Partners and Other Third Parties

Nickel 28 currently holds an 8.56% joint-venture interest in the Ramu Nickel Mine, with the remaining interest being held directly and indirectly by the Metallurgical Corporation of China Limited. Accordingly, the Company's interest in the Ramu Nickel Mine is subject to the risks normally associated with the conduct of joint ventures and other joint operations. The existence or occurrence of one or more of the following circumstances and events could have a material adverse effect on Company's financial performance or the viability of its interests held through joint operations, which could have a material adverse effect on the Company's business, financial condition, results of operations or prospects: (i) lack of control over the joint operations and disagreement with MCC Ramu on how to explore, develop or operate the Ramu Nickel Mine efficiently; (ii) inability to exert influence over certain strategic decisions made in respect of the Ramu Nickel Mine; (iii) inability of partners to meet their obligations to the joint operation or third parties; (iv) litigation between joint venture partners regarding joint operation matters; and (v) liability that might accrue to partners as a result of the failure of the joint venture or general partnership to satisfy its obligations. The Company may enter into additional joint ventures or partnerships other than in respect of the Ramu Nickel Mine in the future that may also be subject to the foregoing risks.

Given that the Company is not the operator of the Ramu Nickel Mine joint venture, the Company is dependent on MCC Ramu, in its capacity as operator, for the timing of activities related to these properties and the Company is largely unable to direct or control the activities of MCC Ramu. The Company is also subject to decisions made by MCC Ramu regarding activities at the Ramu Nickel Mine, and has to rely on MCC Ramu for accurate information about the Ramu Nickel Mine and its associated operations. Although the Company expects that MCC Ramu (and/or any of the other operators properties in which it owns a joint venture interest from time to time) will continue to operate in accordance with industry standards and in accordance with applicable operating agreements, there can be no assurance that all decisions of MCC Ramu will achieve the Company's expected goals. Each of the foregoing factors could have a material adverse effect on our business, financial condition, results of operations or prospects.

In addition, there can be no assurance that the producers, developers or persons holding mineral property interests from whom the Company currently holds (or subsequently acquires) any streams, royalties or interests in mineral properties containing nickel and/or cobalt, as owners, developers and/or operators of such projects, will have the financial, technical or operational resources to complete the development of such projects in accordance with the Company's expectations, or at all. It is also possible that such persons will require additional financing or capital in order for their projects to be successfully developed at all. Any such financial difficulties encountered by the owners, developers and/or operators of projects in respect of which the Company has a stream, royalty or interest could have a material adverse effect on Nickel 28's business, financial condition, results of operations or prospects.

Production and Operational Risks

Mining and metals processing activities at the Ramu Nickel Mine involve significant production and operational risks and hazards typical for companies engaged in the mining industry, some of which are outside of our control, including but not limited to the following: unanticipated ground and water conditions; shortages of water for processing activities; adjacent or adverse land or mineral ownership that results in constraints on current or future mine operations; geological problems, including earthquakes and other natural disasters; wildfires; flood; metallurgical and other processing problems; unusual or unexpected mineralogy or rock formations; ground or slope failures; pit flooding; deep-sea tailings placement design or operational issues; structural cave-ins, wall failures or rock-slides; flooding or fires; equipment failures or performance problems; periodic interruptions due to inclement or hazardous weather conditions or operating conditions and other force majeure events; lower than expected mineralized material grades or recovery rates; accidents; delays in the receipt of, or failure to receive, necessary government permits; delays in transportation of people, supplies, and product to and from the mine sites (as applicable), including any trucks, rail and/or ocean carriers used to delivery our attributable product (MHP) to refineries or customers; interruption of energy supply; labour disputes, including any disputes of third parties which may impact our operations; physical and transition risks from climate change; inability to obtain satisfactory insurance coverage; the availability of drilling and related equipment and supplies in the area where mining operations will be conducted; and the failure of equipment or processes to operate in accordance with specifications or expectations.

These risks could result in damage to, or destruction of, the Company's joint venture interest in the Ramu Nickel Mine, resulting in partial or complete permanent shutdowns, sterilization of mineral reserves, personal injury or death, environmental or other damage to our properties or the properties of others, delays in mining, reduced production, monetary losses and potential legal liability. Processing operations are subject to hazards, such as equipment failure or failure of retaining dams around tailings disposal areas that may result in personal injury or death, environmental pollution and consequential liabilities. These factors could have a material adverse effect on our business, financial condition, results of operations or prospects.

Environmental Risks and Liabilities

The Company's joint venture interest in the Ramu Nickel Mine is subject to risks related to environmental liability, including liability for reclamation costs and related liabilities, deep-sea tailings placement issues and toxic gas releases. Mining, like many other extractive natural resource industries, is subject to potential risks and liabilities associated with the effects on the environment resulting from mineral development and production. Environmental regulation and increasing environmental awareness is broadening the scope of environmental stewardship responsibilities. Although the Company's interest in the Ramu Nickel Mine is a joint venture interest and the Company is not the operator of the Ramu Nickel Mine, the Company may be held responsible for the costs of addressing contamination at, or arising from, current or former activities. The costs associated with such responsibilities and liabilities may be substantial. The payment of such liabilities would reduce funds otherwise available and could have a material adverse effect on the Company. Additionally, the Company recognizes that material non-compliances would likely impact its social license to operate, the costs of which are indefinable, but may be significant in scope.

Risks Related to the Ramu Joint Venture Agreement

The failure of the Company's indirect wholly owned subsidiary, RNL, in the future to repay the outstanding loan in respect of the Construction Debt or any other costs payable to MCC Ramu under the terms of the Joint Venture Agreements would constitute a default by RNL under the Joint Venture Agreements, the consequence of which could include, among other things, the acquisition of RNL's interest in the Ramu Nickel Mine by the other joint venturers for fair market value less outstanding amounts owing to the Ramu Nickel Mine, which could have a material adverse effect on Nickel 28's business, financial condition, results of operations or prospects.

In addition, under the Joint Venture Agreement, RNL has the option to increase its effective interest in the Ramu Nickel Mine by 2.74% to 11.3% by repaying the outstanding loan balance owing to MCC Ramu as described above. MCC Ramu also has the ability under the Joint Venture Agreement to implement a significant expansion to the Ramu Project. In order to either repay the outstanding loan balance in respect of the Construction Debt owing to MCC Ramu and/or participate in any expansion of the Ramu Nickel Mine under the terms of the Joint Venture Agreement, Nickel 28 would require substantial additional financing and cannot assure that any such financing will be available, given that Nickel 28 has limited and finite financial resources. Accordingly, there can be no assurance that Nickel 28 (through its indirect wholly-owned subsidiary RNL) will ever be able to make (or otherwise finance) any payments necessary under the Joint Venture Agreement required to acquire an additional interest in the Ramu Nickel Mine; furthermore, in the event that MCC Ramu makes the determination to institute a significant expansion to the Ramu Nickel Mine on terms and conditions that Nickel 28 is unwilling (or unable) to finance or accept, such expansion transaction could, under the terms of the Joint Venture Agreement, result in a significant dilution of Nickel 28's effective interest in the Ramu Nickel Mine. Any of the foregoing eventualities could have a material adverse effect on the business, financial condition, results of operations or prospects of Nickel 28.

Risks Associated with Mineral Reserve and Mineral Resource Estimates

There is no certainty that the mineral reserves or mineral resources attributable to the Company's joint venture interest in the Ramu Nickel Mine or those in respect of any projects over which the Company holds a stream, royalty or other interest will be realized. There is a degree of uncertainty in the estimation of mineral reserves or mineral resources. Until mineral reserves or mineral resources are mined and processed, the quantity of mineral reserves or mineral resources and related grades must be considered as estimates only. Estimation of mineral reserves or mineral resources is a subjective process that relies on the judgement of the persons preparing the estimates. The process relies on the quantity and quality of available data and is based on knowledge, mining experience, analysis of drilling results and industry practice. Valid estimates made at a given time may change significantly in the future when new information becomes available. While the Company believes that its previously disclosed mineral reserves and mineral resources estimates were well established, by their nature mineral reserves and mineral resources estimates are imprecise and depend, to a certain extent, upon the analysis of drilling results and statistical inferences that may ultimately prove to be inaccurate. In addition, estimates of mineral reserves and mineral resources may have to be recalculated based on fluctuations in copper, nickel and/or other commodity prices, results of drilling, metallurgical testing and production, including dilution, and the evaluation of mine plans after the date of any estimates. Any material change in the quantity of mineral reserves, mineral resources or the related grades may affect the economic viability of the Company's projects and could have a material adverse effect on the Company's business, financial condition, results of operations or prospects.

Other Foreign Operations and Political Risks

Should Nickel 28 acquire any streams, royalties or interests in mineral properties containing nickel and/or cobalt from producers, developers or persons holding mineral property interests in politically and civilly unstable countries, Nickel 28 will be exposed to additional risks associated with carrying on business in such jurisdictions. Some notable risks of investing in such countries include, labour and civil unrest, invalidation of governmental orders and permits, corruption, uncertain political and economic environments, sovereign risk, war (including within or with other countries), civil disturbances and terrorist actions, arbitrary changes in laws or policies, the failure of foreign parties to honour contractual relations with little or no recourse to local courts, challenges to or reviews of legal and contractual rights, reviews of taxation of foreign companies, changing tax and royalty regimes, delays in obtaining or the inability to obtain, or the cancelation of, necessary governmental permits, limitations on foreign ownership, limitations on the repatriation of earnings, limitations on mineral exports, price controls, review of taxes on foreign investment, instability due to economic under-development, inadequate infrastructure and increased financing costs. As a result, if Nickel 28 invests in production from, or streams, royalties or mineral properties in such countries, it may be subject to various increased economic, political, operational and other risks, any one or more of which could have a material adverse effect on Nickel 28's business, financial condition, results of operations or prospects.

International Conflicts Risks

International conflicts and other geopolitical tensions and events, including war, military action, terrorism, trade disputes, and international responses thereto have historically led to, and may in the future lead to, uncertainty or volatility in global financial markets. Russia's invasion of Ukraine has led to sanctions being levied against Russia by the international community and may continue to result in additional sanctions or other international action, any of which may have a destabilizing effect on commodity prices and global economies more broadly. Volatility in commodity prices caused by such events may adversely affect our business, financial condition, results of operations or prospects.

Regulatory Change

The Company may be affected by changes in regulatory requirements, customs, duties or other taxes in the jurisdictions in which it operates or has assets. Such changes could, depending on their nature, benefit or adversely affect the Company. The costs associated with legal compliance may be substantial. In addition, possible future laws and regulations, changes to existing laws and regulations (including the imposition of higher taxes which have been, or may be, implemented or threatened) or more stringent enforcement of current laws and regulations by governmental authorities, could cause additional expense, capital expenditures, restrictions on or suspension of mining projects. Failure to comply with laws and regulations by the Company or by the operators of projects could lead to financial restatements, fines, penalties, loss, reduction or expropriation of entitlements, the imposition of additional local or foreign parties as joint venture partners with carried or other interests and other material negative impacts.

Liquidity Concerns and Future Financing Requirements

We may require additional financing in order to fund our business plan. Our ability to arrange such financing in the future will depend in part upon prevailing capital market conditions, as well as our business success. There can be no assurance that we will be successful in our efforts to arrange additional financing on terms satisfactory to us, or at all. If additional financing is raised by the issuance of shares from treasury, control of the Company may change, and shareholders may suffer additional dilution. If adequate funds are not available, or are not available on acceptable terms, we may not be able to operate our businesses at their maximum potential, to expand, to take advantage of other opportunities, or otherwise remain in business.

Failure to obtain such additional financing could result in delay or indefinite postponement of further business activities and may result in a material and adverse effect on Nickel 28's profitability, results of operation and financial condition. Nickel 28 will require new capital to grow its business and there are no assurances that capital will be available when needed, if at all. It is likely that such additional capital will be raised through the issuance of additional equity, which will result in dilution to Nickel 28's shareholders.

Leverage Risks

Nickel 28 may use financial leverage by borrowing funds against the assets of Nickel 28. The use of leverage increases the risk to Nickel 28 and subjects Nickel 28 to higher current expenses. Also, if the value of Nickel 28's assets drops to the loan value or less, Nickel 28 shareholders could sustain a total loss of their investment.

Litigation Risks

The Company may from time to time be involved in various claims, legal proceedings and disputes arising in the ordinary course of business. If such disputes arise and we are unable to resolve these disputes favourably, it may have a material and adverse effect on the Company's business, financial condition, results of operations or prospects.

Risks Related to Opposition to Resource Development

There is an increasing level of public awareness relating to the effects of exploration and mining production activities on their surroundings, communities and environment. Certain non-governmental organizations, public interest groups and reporting organizations ("**NGOs**"), who oppose globalization and resource development and who may not be bound to codes of ethical reporting, can be vocal critics of the mining industry. In addition, there have been many instances in which local community groups have opposed resource extraction activities, which have resulted in disruption and delays to the relevant operation. While the Company seeks to operate (and ensure its partners seek to operate) in a socially responsible manner, NGOs or local community organizations could direct adverse publicity and/or disrupt the operations of the

Company in respect of one or more of its properties, regardless of its successful compliance with social and environmental best practices, due to political factors, activities of unrelated third parties on lands in which the Company has an interest or the Company's operations specifically. 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 Nickel 28's business, financial condition, results of operations or prospects.

Management Experience and Dependence on Key Personnel and Employees

The Company is dependent upon the continued availability and commitment of its key management, whose contributions to the immediate and future operations of the Company are of significant importance. The loss of any such members could negatively affect business operations. From time to time, the Company will also need to identify and retain additional skilled management and specialized technical personnel to efficiently operate its business. The number of persons skilled in the acquisition of metals, royalties, streams and interests in the metals industry is limited, and competition for such persons can be intense. Recruiting and retaining qualified personnel is critical to the Company's success and there can be no assurance of such success. If the Company is not successful in attracting and training qualified personnel, the Company's ability to execute its business model and growth strategy could be affected, which could have a material adverse impact on its profitability, results of operations and financial condition. The Company does not maintain "key man" insurance for any members of its management.

Infectious Diseases (COVID-19)

The Company's operations are subject to the risk of emerging infectious diseases or the threat of outbreaks of viruses or other contagions or epidemic diseases, including the novel coronavirus diseases (COVID-19) pandemic. We are currently monitoring and regularly assessing the short and medium-term impacts of the COVID-19 virus, including for example supply-chain, mobility, workforce, market and trade flow impacts, as well as the resilience of global financial markets to support recovery. Any longer-term impacts are also being considered and monitored, as appropriate. However, the impact of this pandemic continues to evolve and its effects on our own operations are uncertain. It is possible that in the future operations may be temporarily shut down or suspended for indeterminate amounts of time, any of which may, individually or in the aggregate, have a material and adverse impact on our business, financial condition, results of operations or prospects. The extent to which COVID-19 may impact the Company's business and operations will depend on future developments that are highly uncertain and cannot be accurately predicted, including new information which may emerge concerning the severity of and the actions required to contain COVID-19 or remedy its impact.

The global response to the COVID-19 pandemic has resulted in, among other things, border closures, severe travel restrictions, as well as quarantine, self-isolation and other emergency measures imposed by various governments. Additional government or regulatory actions or inactions around the world in jurisdictions where the Company operates may also have potentially significant economic and social impacts. If the business operations of the Company are disrupted or suspended as a result of these or other measures, it may have a material adverse effect on the Company's business, financial condition, results of operations or prospects. There are potentially significant adverse impacts of COVID-19 which may include decreased demand or the inability to sell nickel or cobalt or declines in the price of nickel and cobalt or other unknown but potentially significant impacts. The coronavirus and efforts to contain it may have a significant effect on commodity prices, and the possibility of a prolonged global economic downturn may further impact commodity demand and prices.

Anti-Corruption and Bribery Laws

Our business is governed by, and involve interactions with, various levels of government in foreign countries. Pursuant to our contractual obligations, we are required to comply with anti-corruption and anti-bribery laws, including the *Corruption of Foreign Public Officials Act* (Canada) ("**CFPOA**") and similar laws in the applicable project jurisdiction. These laws generally prohibit companies and company employees from engaging in bribery or other prohibited payments to foreign officials for the purpose of obtaining or retaining business. Because the Company may pursue investments in other foreign countries, there is a heightened risk of potential CFPOA violations. In recent years, there has been a general increase in both the frequency of enforcement and the severity of penalties under such laws, resulting in greater scrutiny and punishment to companies convicted of violating anti-corruption and anti-bribery laws. A company may be found liable for violations by not only its employees, but also by its contractors and third-party agents. Our internal procedures and programs may not always be effective in ensuring that we, our employees, contractors or third-party agents will comply strictly with all such applicable laws. If we become subject to an enforcement action or we are found to be in violation of such laws, this may have a material adverse effect on our reputation and may possibly result in significant penalties or sanctions and may have a material adverse effect on our business, financial condition, results of operations or prospects.

Cyber-Security Threats

The Company and its joint venture partners and project operators utilize various information technology systems to operate their respective businesses and could be adversely affected by network disruptions from a variety of sources, including, without limitation, computer viruses, security breaches, cyber-attacks, natural disasters and defects in design. These businesses are also dependent on the timely maintenance, upgrade and replacement of networks, equipment, information technology systems and software, as well as pre-emptive expenses to mitigate the risk of failure. There can also be no assurance that critical systems will not be inadvertently or intentionally breached and compromised. This may result in business interruption losses, equipment damage, or loss of critical or sensitive information. Given the unpredictability of the timing, nature and scope of information technology disruptions, we could potentially be subject to operational delays, destruction or corruption of data, any of which could have a material adverse effect on the Company's business, financial condition, results of operations or prospects.

The Forward-Looking Statements May Prove to be Inaccurate

This MD&A contains forward-looking statements, including, without limitation, the forward-looking statements listed in "Cautionary Note Regarding Forward-Looking Statements". By their nature, forward-looking statements involve numerous assumptions, known and unknown risk and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking statements or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. The factors discussed in this section and the section entitled "Cautionary Note Regarding Forward-Looking Statements" should therefore be weighed carefully and prospective investors should not place undue reliance on the forward-looking statements provided in this MD&A.

Risks Related to Securities of the Company

Volatility of Share Price

Securities markets have a high level of price and volume volatility, and the market price of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. Factors unrelated to the financial performance or prospects of the Company include global macroeconomic developments, and market perceptions of the attractiveness of particular industries. There can be no assurance that continued fluctuations in the price of nickel or cobalt will not occur. As a result of any of these factors, the market price of the shares at any given point in time may not accurately reflect the long-term value of the Company.

In the past, following periods of volatility in the market price of a company's securities, shareholders have instituted class action securities litigation against those companies. Such litigation, if instituted, could result in substantial cost and diversion of management attention and resources, which could significantly harm profitability and the reputation of the Company.

Prospect of Dividends

Nickel 28 is currently using its earnings, if any, and other cash resources for the operation and development of its business. Any future determinations to pay dividends on the common shares of Nickel 28 will be at the sole discretion of the board of directors of Nickel 28 after considering a variety of factors and conditions existing from time to time, including current and future commodity prices, production levels, capital expenditure requirements, debt service requirements, operating costs, royalty burdens, and foreign exchange rates. As a result, a holder of Nickel 28 common shares may not receive any return on an investment in Nickel 28 common shares.

Market for Nickel 28 Common Shares

There can be no assurance that an active market for the common shares of Nickel 28 will be sustained. If an active public market for the common shares of Nickel 28 is not sustained, the liquidity of a purchaser's investment may be limited and the share price may decline.

Cautionary Note Regarding Forward-Looking Statements

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "**forward-looking statements**"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement. The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements. In particular, this MD&A contains forward-looking statements pertaining to the following:

- future debt levels, financial capacity, liquidity and capital resources;
- anticipated repayment of the Company's Construction Debt (and the timing thereof);
- anticipated future sources of funds to meet working capital requirements;
- future capital expenditures and contractual commitments;
- Ramu's actual and anticipated GHG intensity;
- expectations respecting future production and financial results;
- expectations regarding benefits of certain transactions and capital investments;
- the Company's objectives, strategies and competitive strengths;
- future development activities, including acquiring streams, royalties, and direct interests in mineral properties containing nickel and cobalt;
- the Company's growth strategy;
- expectations with respect to future opportunities;
- expectations with respect to the Company's financial position;
- the Company's capital expenditure programs and future capital requirements;
- capital resources and the Company's ability to raise capital; and
- industry conditions pertaining to the EV, nickel and cobalt industry generally and in the industries in which nickel and cobalt are used.

With respect to forward-looking statements contained in this MD&A, assumptions have been made regarding, among other things:

- market prices of nickel and cobalt;
- future global economic and financial conditions;
- future commodity prices, demand for nickel and cobalt and the product mix of such demand and levels of activity in the battery metals industry and in such other areas in which the Company may operate, and supply of nickel and cobalt and the product mix of such supply; and
- the accuracy and veracity of information and projections sourced from third parties respecting, among other things, future industry conditions and demand for nickel and cobalt.

Actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and included elsewhere in this MD&A, including:

- risks associated with new diseases, epidemics and pandemics, including the effects and potential effects of the global COVID-19 pandemic;

- risks associated with potential claims, legal proceedings and/or disputes involving the Company;
- volatility in market prices and demand for nickel and cobalt;
- effects of competition and pricing pressures;
- risks related to interest rate fluctuations and foreign exchange rate fluctuations;
- changes in general economic, financial, market and business conditions in the industries in which nickel and cobalt are used;
- changes in the technologies pertaining to the use of nickel and cobalt;
- alternatives to and changing demand for nickel and cobalt;
- potential conflicts of interests;
- actual production and financial results differing materially from management estimates and assumptions;
- commodity price hedging instruments; and
- the other factors discussed under "*Risk Factors*".

This list of factors should not be construed as exhaustive.

Additional Information

Additional information with respect to the Company has been filed with Canadian securities regulatory authorities and is available on SEDAR+ at **www.sedarplus.ca** and on the Company's website at **www.nickel28.com.** Information contained in or otherwise accessible through the Company's website does not form a part of this MD&A and is not incorporated by reference into this MD&A.