



Canada Nickel Company Inc.

Management's Discussion & Analysis

For the Three and Nine Months Ended July 31, 2025

(Expressed in Canadian Dollars, unless otherwise noted)

September 26, 2025

Canada Nickel Company Inc.
Management's Discussion & Analysis
For the Three and Nine Months Ended July 31, 2025

Introduction

The following interim management's discussion and analysis (Interim MD&A) of Canada Nickel Company Inc. (the "Company" or "Canada Nickel") for the three and nine months ended July 31, 2025 has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its last annual management's discussion and analysis, being the management's discussion and analysis for the year ended October 31, 2024 (Annual MD&A). This Interim MD&A does not reflect any non-material events since the date of the Annual MD&A.

For the purposes of preparing this Interim MD&A, management, in conjunction with the board of directors of the Company (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 the Company'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 Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

This discussion should be read in conjunction with the Company's Annual MD&A, audited annual consolidated financial statements for the years ended October 31, 2024 and 2023, together with the notes thereto, and unaudited condensed interim consolidated financial statements for the three and nine months ended July 31, 2025 and 2024, together with the notes thereto.

Results are reported in Canadian dollars, unless otherwise noted. The Company's unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations of the IFRS Interpretations Committee (IFRIC). The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting.

This Interim MD&A has been prepared with reference to the MD&A disclosure requirements established under National Instrument 51-102 Continuous Disclosure Obligations (NI 51-102) of the Canadian Securities Administrators. Additional information regarding Canada Nickel is available on its website at www.canadanickel.com or through the Company's SEDAR+ profile available at www.sedarplus.ca, which also includes the Company's Annual Information Form for the year ended October 31, 2022. This Interim MD&A has been prepared as of September 26, 2025.

Caution Regarding Forward-Looking Statements

This Interim MD&A contains or incorporates 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, objectives, goals, strategies, beliefs, intentions, plans, estimates, projections and outlook, or estimates or predictions of actions of customers, suppliers, partners, distributors, competitors or regulatory authorities. 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 state 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 may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this Interim MD&A speak only as of the date of this Interim MD&A or as of the date specified in such statement.

Canada Nickel Company Inc.
Management's Discussion & Analysis
For the Three and Nine Months Ended July 31, 2025

Forward looking information includes, but is not limited to, the receipt and timing of all regulatory approvals, the construction of processing facilities, the ability of the Company to deliver nickel required to feed the high growth electric vehicle and stainless-steel markets, and the development of processes to allow the production of net zero carbon nickel, cobalt, and iron products. There are no assurances that Crawford will be placed into production. Factors that could affect the outcome include, among others: inability to repay the loan or convertible note; the actual results of development activities; project delays; inability to raise the funds necessary to complete development; general business, economic, competitive, political and social uncertainties; future prices of metals or project costs could differ substantially and make any commercialization uneconomic; availability of alternative nickel sources or substitutes; actual nickel recovery; conclusions of economic evaluations; changes in applicable laws; changes in project parameters as plans continue to be refined; accidents, labour disputes, the availability and productivity of skilled labour and other risks of the mining industry; political instability, terrorism, insurrection or war; delays in obtaining governmental approvals, necessary permitting or in the completion of development or construction activities; mineral resource estimates relating to Crawford could prove to be inaccurate for any reason whatsoever; additional but currently unforeseen work may be required to advance to the feasibility stage; and even if Crawford goes into production, there is no assurance that operations will be profitable.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. Please also refer to those risk factors set out in **Risk Factors**. Readers are cautioned that the list of risk factors that may affect the forward-looking statements is not exhaustive, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this Interim MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Scientific and Technical Information

Stephen Balch, (P.Geol.), Vice President Exploration of Canada Nickel, a Qualified Person as defined by NI 43-101, has reviewed and approved the scientific and technical content contained in this Interim MD&A.

Description of The Business

Canada Nickel was incorporated on October 11, 2019 under the laws of the Province of Ontario, Canada, and its head office is located at 130 King Street West, Suite 1900, Toronto, Ontario, M5X 1E3. On February 27, 2020, the Company's common shares commenced trading on the TSX Venture Exchange (TSX-V) under the symbol "CNC" and its common shares also trade on the OTCQX Best Market under the symbol "CNIKF".

Canada Nickel is engaged in the exploration and discovery of nickel sulphide assets to deliver future supply for the high growth electric vehicle, green energy and stainless steel and alloy markets. In 2020, the Company acquired 100 per cent of the Crawford Nickel Sulphide Project (Crawford or the Crawford Project), which is located adjacent to major infrastructure in the world class Timmins-Cochrane mining camp of northern Ontario, Canada. The Company also owns or holds options to own 25 additional nickel targets located near the Crawford Project.

On July 21, 2020, the Company incorporated a wholly-owned subsidiary, NetZero Metals Inc. ("NetZero

**Canada Nickel Company Inc.
Management's Discussion & Analysis
For the Three and Nine Months Ended July 31, 2025**

Metals") under the laws of the Province of Ontario. NetZero Metals is intended to develop a downstream nickel processing facility and a stainless steel and alloy facility in the Timmins region. On November 3, 2022, the Company incorporated a wholly-owned subsidiary, Central Timmins Nickel Company Inc.; also incorporated under the laws of the Province of Ontario. Central Timmins Nickel Company Inc. holds the interest in the Texmont property. On July 11, 2024, the Company incorporated NetZero Royalty Inc., a wholly owned subsidiary incorporated under the laws of the Province of Ontario. On January 24, 2025, East Timmins Nickel Ltd. was incorporated under the laws of the Province of Ontario, of which Canada Nickel holds an 80% ownership interest with Noble Mineral Exploration Inc. holding the remaining 20%.

Key Developments – Three Months ended July 31, 2025 and up to September 26, 2025

Advancing Crawford to a Construction Decision

Permitting, Indigenous Nations and Stakeholders' Engagement

The Company achieved a significant milestone with the submission of the Impact Statement for the Crawford Project with the Impact Assessment Agency of Canada (IAAC) on November 22, 2024. The Impact Statement was prepared by Stantec, a global leader in sustainable design and engineering. On December 10, 2024, the IAAC determined that the Impact Statement for the Crawford Project meets the necessary accessibility and formatting requirements and contains sufficient information to proceed into its next phase through a technical review and public comment period. The IAAC's decision marks a key milestone in the development of the Crawford Project, paving the way for further technical assessments and engagement. The 60-day public comment period on the summary of the Impact Statement began December 9, 2024 and closed on February 7, 2025. On May 30, 2025, the IAAC sent a series of comments on the Impact Statement aiming at filling information gaps or increasing clarity on some items required for them to conduct the impact assessment. Once the IAAC is satisfied that the Impact Statement contains all of the information and studies outlined in the Guidelines, a notice informing the public that the Impact Statement contains all the required information and studies will be posted on the Agency's registry, which will complete the second phase of the federal permitting process and initiate a review period of a maximum duration of 390 days.

Canada Nickel engaged early and often with Indigenous Nations, local communities, and stakeholders to ensure the Project reflects shared priorities and values.

Highlights of Engagement Efforts:

- Funding the potentially impacted Indigenous Nations to ensure authentic and meaningful participation, such as funding the Nations own Traditional Land Use and Socioeconomic studies to guide project planning.
- Hosting technical working group sessions, community open houses, and site visits with Indigenous leadership, local leaders, and regional stakeholders.
- Working jointly with the potentially impacted Indigenous Nation's to include chapters specifically tailored to address each of the Nation's comments and concerns in the Impact Statement.
- Organizing Environmental and Socioeconomic Committees inclusive of local multi-disciplinary subject matter experts to inform project planning as well as the Impact Assessment Process.

The Company will continue its extensive engagement program with Indigenous Nations, stakeholders and the general public in order to increase the level of understanding of the proposed project impacts and benefits, properly address comments and concerns, and define innovative collaboration pathways. This company led engagement program, coupled with consultation of the First Nations through a technical working group managed by the IAAC, supported the development of the Impact Statement and will continue to provide the Company with valuable feedback as it moves towards detailed engineering, construction and operations.

Canada Nickel Company Inc.
Management's Discussion & Analysis
For the Three and Nine Months Ended July 31, 2025

Financing

The Company has been engaged in discussions with a number of strategic and industry participants over the past two years. Deutsche Bank Securities Inc ("Deutsche Bank") and Scotiabank were retained in December 2022 as financial advisors for the equity component of the project financing for the Crawford Project. Both banks are jointly assisting the Company with the evaluation of strategic and financial alternatives for the equity portion of the project financing and Cutfield Freeman & Co are advising on the debt portion of the project financing.

With the completion of FEED, the Company alongside its' financial advisors plans to complete the funding package for Crawford by year-end 2025 to be positioned to make a construction decision once permits are received. The Company plans to utilize capital from this funding package for order placement of long-lead items and engineering activities. The Company is also pursuing a number of non-equity financing initiatives – including government funding – to provide the funding to complete the remaining permitting and engineering activities in 2025.

On May 9, 2025, the Company closed a US\$20 million bridge loan facilitated by Ber Tov Capital Corporation ("BT Capital"). The financing was used to repay the loan facility owing to Auramet International Inc. and for general working capital purposes. The loan was provided by BT Strategic Mineral Assets LP, whose anchor investor is Baronet Capital. It matures on February 9, 2026, carries interest at 1.00% per month, and includes a 2.5% arrangement fee. As part of the transaction, BT Strategic Mineral Assets LP received 5,000,000 one-year warrants. Each warrant entitles BT Capital to acquire one common share of the Company at a price of \$0.94 per share until May 9, 2026. These securities are subject to a four-month statutory hold period under applicable Canadian securities laws. The BT Capital loan includes customary positive and negative covenants for a transaction of this nature and holds security over all personal property and real property of the Company.

On December 16, 2024, Taykwa Tagamou Nation ("TTN") and Canada Nickel announced an investment reflecting a shared commitment to advancing the Crawford Project while fostering economic empowerment and long-term collaboration. The Convertible Note (the "Note") was signed on December 13, 2024 and closed on May 27, 2025. TTN invested \$20 million of its own capital in the Note that will be convertible into 16.67 million Canada Nickel common shares at a price of \$1.20 per share (represented a 7.9% equity interest in the Company based on Canada Nickel's outstanding share capital on the closing date). The Note will have a five-year term from closing, a variable coupon equal to its cost of borrowing plus 1% per annum paid quarterly prior to conversion (the interest rate was adjusted from 4.75% as originally announced to the variable coupon to reflect a change to TTN's financing cost). TTN will also have a right to one seat on the Company's Board of Directors for so long as it holds the Note or, after conversion, at least 5% of the Company's shares. The Note is secured by all personal property and real property of the Company, second to BT Capital's bridge loan.

On June 26, 2025, the Company closed a private placement (the "Brokered Offering") for gross proceeds of \$13,000,750. Under the Brokered Offering, the Company sold 15,295,000 units of the Company (the "Brokered Units") at a price of \$0.85 per Brokered Unit. Each Brokered Unit consists of one common share of the Company and one-half of one common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder to purchase one common share of the Company at a price of \$1.20 at any time on or before June 26, 2028.

Red Cloud Securities Inc. and Scotiabank acted as co-lead agents and joint bookrunners, on behalf of a syndicate of agents that included Cormark Securities Inc. and Haywood Securities Inc. (collectively, the "Agents") in connection with the Brokered Offering. As consideration for their services in the Brokered Offering, the Agents received a cash commission of \$649,527 and were issued 764,148 non-transferable common share purchase warrants (the "Broker Warrants"). Each Broker Warrant is exercisable into one common share of the Company at a price of \$0.85 per at any time on or before June 26, 2028. The Company

Canada Nickel Company Inc.
Management's Discussion & Analysis
For the Three and Nine Months Ended July 31, 2025

also paid a cash finders' fee of \$22,193 and issued an aggregate of 26,109 non-transferrable finders' warrants (the "Finder Warrants") to certain other eligible parties who introduced subscribers to the Brokered Offering. Each Finder Warrant is exercisable into one common share of the Company at a price of \$0.85 per at any time on or before June 26, 2028.

Also on June 26, Agnico Eagle Mines Limited ("Agnico Eagle") notified the Company that it intended to exercise its pro rata equity participation right pursuant to the investor rights agreement between Agnico Eagle and the Company dated December 29, 2023 and purchase 2,201,259 units of the Company (the "Non-Brokered Units") at a price of \$0.85 per Non-Brokered Unit under a non-brokered private placement (the "Non-Brokered Placement") for additional gross proceeds to the Company of \$1,871,070. Each Non-Brokered Unit will consist of one common share of the Company and one-half of one common share purchase warrant (each whole warrant, a "Non-Brokered Warrant"). The transaction was completed on July 7, 2025. Each Non-Brokered Warrant will entitle the holder to purchase one common share of the Company at a price of \$1.20 at any time on or before July 7, 2028.

On July 7, 2025, the Company completed a non-brokered private placement (the "Flow-Through Offering", and collectively with the Brokered Offering and Non-Brokered Placement, the "Offerings") for the sale of 4,245,750 common shares of the Company that qualify as "flow-through shares" (as defined in subsection 66(15) of the Income Tax Act (Canada)) (the "FT Shares", and collectively with the Brokered Units and Non-Brokered Units, the "Offered Securities") at a price of \$1.06 per FT Share for gross proceeds of \$4,500,495.

The aggregate gross proceeds to the Company from the Offerings was \$19,372,315. Following the closing of the Offerings – July 7, 2025 - Agnico Eagle held approximately 10.1% of the Company's issued and outstanding common shares on a non-diluted basis, and 13.3% on a partially-diluted basis (assuming exercise of all the warrants of the Company held by Agnico Eagle).

The Company plans to use the net proceeds of the Brokered Offering and the Non-Brokered Placement for the advancement of Crawford as well as for working capital and general corporate purposes. The gross proceeds from the Flow-Through Offering will be used by the Company to incur (or be deemed to incur) eligible resource exploration expenses that will qualify as (i) "Canadian exploration expenses" (as defined in the Income Tax Act (Canada)), (ii) "flow-through critical mineral mining expenditures" (as defined in subsection 127(9) of the Income Tax Act (Canada)), and (iii) "eligible Ontario critical mineral exploration expenditures" within the meaning of subsection 103(4.1) of the Taxation Act, 2007 (Ontario) (collectively, the "Qualifying Expenditures"). Qualifying Expenditures in an aggregate amount not less than the gross proceeds raised from the issuance of the FT Shares will be incurred (or deemed to be incurred) by the Company on or before December 31, 2026, and will be renounced by the Company to the initial purchasers of the FT Shares with an effective date no later than December 31, 2025.

The securities issued pursuant to the Offerings to purchasers in Canada are subject to a four-month hold period in Canada pursuant to applicable Canadian securities laws.

**Canada Nickel Company Inc.
Management's Discussion & Analysis
For the Three and Nine Months Ended July 31, 2025**

Governance

On May 28, 2025, the Company held its Annual and Special Meeting of Shareholders where the current slate of the Company's Board of Directors was re-elected along with one new member – Ms. Jackie Przybylowski. Her long career as an accomplished metals and mining analyst, her extensive institutional investor and industry network, and her experience as a metallurgical engineer and early career in the steel industry bring a wealth of sectoral knowledge and an experienced perspective.

On August 5, 2025, the Company released its 2024 Environmental, Social and Governance (ESG) Report, showcasing continued progress across carbon storage innovation, Indigenous partnerships, local economic development, health and safety, and environmental stewardship. The report underscores Canada Nickel's growing role in Ontario's Critical Minerals Corridor and outlines the Company's strategy to responsibly supply the materials essential to Canada's clean energy transition and defense resilience. The report can be found on the Company's website.

Unlocking Timmins Nickel District Exploration Potential

The Company has properties surrounding the Crawford Nickel Project, which are segmented into three regional areas, defined as:

- **Timmins South** – Sothman, Deloro, Texmont, Midlothian, Van Hise, Bannockburn and Playfair
- **Timmins East** (held by East Timmins Nickel Ltd.) – Stimson, Mortimer, Moody, McCool, Galna, Mann (North, West, Central and South), Newmarket, Reaume and Calder
- **Timmins Central** – Reid, MacDiarmid, Mahaffy, Nesbitt, Kingsmill and Dargavel.

Canada Nickel's properties are all located within 100 kilometres of Timmins and represent what the Company believes is an emerging nickel district where Canada Nickel will become a leader in the next generation of nickel supply through large, scalable, and low-carbon footprint projects. Each target has had some historical work suggesting that these targets contain similar serpentinitized dunite and/or peridotite that hosts the Crawford mineralization and have the potential to permanently sequester CO₂.

The Company has published mineral resources for six of its properties in the Timmins area, amounting to 9.2 million tonnes of Measured & Indicated nickel (3.9 billion tonnes at 0.24% nickel) and 9.5 million tonnes of Inferred nickel (4.2 billion tonnes at 0.22% nickel). With three more resources pending by end of year, the Company continues to show the potential of its property package in the Timmins Nickel District.

Regional Properties

Midlothian

The Midlothian property is located 70 kilometres south-southeast of Timmins, 25 kilometres west of Matachewan and is directly accessible by road all year round. Midlothian is a joint-venture between Canada Nickel and Canadian Gold Miner Corp. and Laurion Mineral Exploration Inc. and is in the final year of a four year agreement where Canada Nickel needs to make a final payment of \$400,000 and issue 140,000 shares to earn a 100% interest in the property. Six infill drillholes were completed during the summer of 2025. All six holes intersected long largely continuous intervals of mineralized dunite with the two holes collared on top of the mineralization intersecting it at shallow depths less than seven metres. The Company's news release dated September 25, 2025 contains assay information on three completed holes. Assays are still pending on the three remaining drillholes. With the combined dataset (2023,2024, 2025 drilling), the Company intends to produce an initial resource estimate at Midlothian by year end 2025.

**Canada Nickel Company Inc.
Management's Discussion & Analysis
For the Three and Nine Months Ended July 31, 2025**

Mann

The Mann Property is located 22 kilometres east of Crawford, 20 kilometres south of Cochrane, and 45 kilometres northeast of Timmins, covering Mann Township. The property hosts a series of ultramafic bodies that are thought to be folded and faulted along a near-continuous 21-kilometre strike length. The ultramafics continue to the southeast into Newmarket Township.

On July 28, 2025, the Company filed on its SEDAR+ (www.sedarplus.ca) company profile an independent technical report prepared in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”) supporting the initial mineral resource estimate for its Mann Nickel Sulphide Project (the “Mann Project”) which consists of the Mann West and Mann Central Properties and which contain the Mann West Ni-Co-Pd-Pt Deposit and the Mann Central Ni-Co-Pd-Pt Deposit – together the “Mann Deposits”.

Canada Nickel currently owns 80% of the Mann Project after successfully completing an earlier earn-in agreement with Noble. This property is included in the Eastern Timmins Nickel Ltd. subsidiary with Noble.

Mann West:

Mann West is approximately 3.5 kilometres long by up to 1.1 kilometres wide (covering 3.4 square kilometres). The drill program completed focused on the southern half of the target with drilling completed over a strike length of 1.7 kilometres and a width of at least 600 metres. All drillholes intersected long sections of well-serpentinized peridotite and minor dunite with disseminated and visible nickel sulphide mineralization consisting primarily of pentlandite and heazlewoodite. The Company has drilled a total of 39 holes to date of this Interim MD&A at Mann West, with 31 holes drilled during the 2024 program. The Company completed an initial resource estimate identifying 400 million tonnes at 0.24% nickel in the Indicated class and an additional 594 million tonnes at 0.22% nickel in the Inferred class. (refer to Canada Nickel news release dated June 9, 2025 for additional details).

Mann Central:

The target is approximately 4.5 kilometres long by up to 1.0 kilometres wide, with an overall area of 3.1 square kilometres. The company's drill program completed 33 drillholes on the eastern half of the target, focusing over a strike length of 1.9 kilometres and a width of approximately 600 metres. The ultramafic rocks intersected show varying degrees of mineralized peridotite and minor dunite. Assay results were presented in the news releases dated October 23, 2024, and December 11, 2024.

In the Company's news release dated July 17, 2025, an initial resource was announced for Mann Central showing similar scale to the initial Crawford Nickel Project Resource. The Company identified an Indicated Mineral Resource of 236.7 million tonnes grading 0.22% nickel containing 0.52 million tonnes of nickel, an Inferred Mineral Resource of 543.2 million tonnes grading 0.21% nickel containing 1.15 million tonnes of nickel and an Exploration Target of an additional 0.6-2.0 billion tonnes grading 0.19 – 0.21% nickel. The potential quantity and grade of the Exploration Target is conceptual in nature; there has been insufficient exploration to define a mineral resource; it is uncertain if further exploration will result in the target being delineated as a mineral resource.

Canada Nickel Company Inc.
Management's Discussion & Analysis
For the Three and Nine Months Ended July 31, 2025

Reid

The Reid Property is located just 16 kilometres southwest of Crawford and contains a geophysical target of 3.9 square kilometres nearly 2.4 times larger than Crawford. Reid's strategic importance is continuing to grow given its size, grade and shallower overburden compared to Crawford. On December 23, 2024 the Company announced an initial mineral resource (the "Mineral Resource Estimate") for Reid. The area of the geophysical target covered by the Reid resource represents approximately 55% of the total target area. Reid is accessible year-round by an exploration road constructed by Canada Nickel during the fall of 2024.

The Reid Mineral Resource Estimate was prepared by Caracle Creek International Consulting Inc. in accordance with CIM Estimation of Mineral Resources & Mineral Reserves Best Practice Guidelines (2019) and CIM Definition Standards for Mineral Resources & Mineral Reserves (2014). The full technical report dated February 5, 2025, with an effective date of December 5, 2024, is titled "National Instrument 43-101 Initial Mineral Resource Estimate for the Reid Nickel Deposit and Technical Report, Reid Nickel-Cobalt Sulphide Project." The Report can be found under the Company's issuer profile at www.sedarplus.ca and a summary of the results can be found in the Canada Nickel news release dated December 23, 2024.

Following the initial resource estimate, the Company continued in 2025 with an infill drilling campaign in order to upgrade resources to Measured, Indicated, and Inferred categories. Assays from nine additional holes are presented in a news release dated March 12, 2025 and assays from three additional holes are presented in a news release dated May 28, 2025.

Twenty-eight additional drillholes were completed in the spring of 2025 at Reid, with eight drillholes presented in a news release dated May 28, 2025. These holes all intersected long mineralized intervals comprised mainly of dunite and minor peridotite. REI24-59 and REI25-70 were both drilled in the western half of the geophysical target where it intersected higher grade nickel mineralization, confirming the continuity on strike of one higher grade horizon that is oriented west-northwest to east-southeast. Drilling through the Central Dyke Corridor encountered thick intervals of mineralization including REI25-68 which intersected 0.28% nickel over 471.6 metres. Results from the final twenty drillholes are included in a news release dated September 4, 2025. These last 20 holes all intersected long intervals of mineralized dunite and minor peridotite. REI25-82 and REI25-89 were both drilled in the western half of the geophysical target to test for shallow, higher grade nickel mineralization which was intersected immediately below overburden.

An updated mineral resource is expected by year-end 2025.

MacDiarmid

The MacDiarmid property is located 23 kilometres southwest of Crawford, 27 kilometres northwest of Timmins. The property hosts an arcuate ultramafic body that measures at least 3 kilometres in length and up to 600 metres in width (covering 1.1 square kilometres or similar in size to the Crawford Main Zone target). Drilling in the winter of 2025 focused on the central portion of the target, testing the width and length extension from the boundaries outlined in earlier exploration campaigns during 2021 and 2022. The drilling intersected predominantly long sections of serpentized dunite and minor peridotite with disseminated nickel sulphide mineralization consisting primarily of pentlandite and heazlewoodite. The Company has drilled a total of 12 holes at MacDiarmid, seven of which were drilled during the 2025 campaign. Assay results can be found in the press release dated July 7, 2025. The fault and electromagnetic anomalies at the property remain of interest to the Company.

Canada Nickel Company Inc.
Management's Discussion & Analysis
For the Three and Nine Months Ended July 31, 2025

Texmont

The Texmont Project, located about 36 kilometres south of Timmins, Ontario, is wholly owned by Canada Nickel through its wholly owned subsidiary, Central Timmins Nickel Ltd.

In the Company's news release dated July 17, 2025, an initial resource was announced for Texmont which identified a Measured & Indicated Mineral Resource of 37.8 million tonnes grading 0.29% nickel containing higher grade resource of 1.69 million tonnes at 0.71% nickel including 248,000 tonnes at 1.03% nickel. The NI 43-101 Technical Report was filed on the Company's profile at SEDAR+ (www.sedarplus.ca) on September 2, 2025.

2025 Outlook

The Company is advancing on three key fronts: advancing Crawford towards a construction decision by year-end 2025, delivering a total of eight additional nickel resources by year end 2025, six of which have been delivered, demonstrating the potential of the Company's Timmins Nickel District portfolio, and completing feasibility studies for the Company's downstream projects.

**Canada Nickel Company Inc.
Management's Discussion & Analysis
For the Three and Nine Months Ended July 31, 2025**

Review of Operations for the Three and Nine Months Ended July 31, 2025 and 2024

The following is a summary of Canada Nickel's statement of loss:

<i>(Canadian dollars)</i>	For the three months ended July 31		For the nine months ended July 31	
	2025	2024	2025	2024
	\$	\$	\$	\$
Expenses				
Salaries	557,012	479,536	1,945,493	1,593,870
Consulting and advisory	684,723	689,973	2,148,083	1,726,243
Professional fees	378,596	311,132	913,373	971,282
General and administrative costs	439,180	226,549	1,162,994	1,063,398
Promotion and communication	278,927	150,009	428,362	303,224
Investor relations and marketing	353,604	185,600	500,160	444,216
Incentive compensation	632,704	1,026,375	2,343,961	3,989,383
Travel and other	83,423	348,917	563,467	939,735
Foreign exchange gain and interest income	34,677	(162,276)	(66,929)	(981,364)
Transaction costs and interest expense	3,252,092	1,079,150	6,388,670	2,129,682
	6,694,938	4,334,965	16,327,634	12,179,669
Flow-through share premium	(102,329)	(3,013,555)	(1,794,157)	(5,135,845)
Net loss before tax	6,592,609	1,321,410	14,533,477	7,043,823
Income tax expense (recovery)	(1,759,654)	(844,798)	5,579,178	(1,604,688)
Net loss	4,832,955	476,612	20,112,655	5,439,135
Weighted average shares outstanding	201,492,786	181,209,453	191,047,606	167,326,278
Loss per share	\$0.02	\$0.00	\$0.11	\$0.03

Salaries

Salaries have increased between periods, reflecting an increase that commenced in the second half of 2024 to support significantly increased financing, permitting, engineering and community activities.

Consulting and advisory

Fees incurred are with respect to strategic consulting in the areas of feasibility study support, financing, business development, government relations and media. Costs in 2025 increased from the previous year as the Company required more advisory in the areas of government relations and advancement of the Company's downstream projects.

Professional fees

Professional fees include legal, accounting and audit-related fees, and subscriptions. Fees are consistent between periods.

General and administrative costs

General and administrative costs include general office expenses plus costs in relation to corporate governance requirements, filing and listing fees, and insurance.

Canada Nickel Company Inc.
Management's Discussion & Analysis
For the Three and Nine Months Ended July 31, 2025

Promotion and communication

Promotion and communication include costs related to website design and maintenance, advertising campaigns, social media and communication with shareholders.

Investor relations and marketing

Investor relations and marketing costs are for attendance at investor conferences, meetings and tradeshows, and were consistent between periods.

Incentive compensation

Incentive compensation includes cash-based incentive compensation and non-cash stock-based compensation related to stock options and RSUs. Variations between periods are a result of a cash incentive bonus expensed in the first quarter of 2024 and lower stock-based compensation in 2025 largely due to vesting provisions extending over three years rather than one year as done previously.

Travel and other

Travel activities are mostly for financing purposes and investor relations and marketing. The spending was lower in 2025 due to a reduction in corporate development traveling.

Foreign exchange gain and interest income

The foreign exchange gain is primarily due to the revaluation of US dollar cash balances to the Canadian dollar reporting currency, however, foreign exchange changes related to US dollar cash received from short-term loan facilities have been classified in transaction costs and interest expense as an offset to foreign exchange gains on the US dollar short-term loan. In addition, excess cash in 2024 was invested in guaranteed investment certificates accumulating interest at approximately 5%. The higher income in 2024 is largely due to the interest income on higher cash balances.

Transaction costs and interest expense

These costs are associated with the bridge loan facilities and convertible note (refer to *Cash provided from (used for) financing activities*) and in 2024 includes penalty interest charges of \$600,000 incurred on the unspent funds received from flow-through share offerings and in 2025 includes interest charges from vendors on overdue accounts (\$345,312 and \$881,112 for the three and nine months ended July 31, 2025, respectively). In addition, in the third quarter of 2025 approximately \$1 million was incurred for additional advisory services related to the multiple financings completed in that same quarter.

Flow-through share premium

This amount represents the extinguishment of the flow-through share premium liability from the flow-through share financings. As the Company incurs eligible expenditures as required under the flow-through share agreements, the proportionate amount of liability is recognized as income.

Income tax expense

These are deferred income taxes (non-cash) resulting from the timing differences between tax and accounting for the Company's resource pools and costs related to share issuances. For tax purposes the Company has less resource pools available to offset future income taxes because the tax benefits of the pools have been transferred to the owner of the shares. Share issuances are capitalized for accounting and amortized for tax purposes, resulting in a timing difference. Included in deferred income taxes are expenses resulting from the renunciation of flow through expenditures and tax recoveries related to operating losses.

In the three months ended January 31, 2024 the Company filed its tax returns to renunciate its flow through expenditures incurred in 2023 and recorded a \$1.3 million tax expense in the first quarter of 2024. 2025 flow-through expenditures incurred in calendar year 2024 of \$34.692 million were renounced in February 2025 resulting in a deferred tax expense and liability of \$9.2 million recorded in the second quarter of 2025. Tax recoveries from operating losses increased in the 2025 compared to 2024 which correlates to the increased losses year over year.

Canada Nickel Company Inc.
Management's Discussion & Analysis
For the Three and Nine Months Ended July 31, 2025

Spending in relation to exploration and advancement of Crawford and regional exploration are included as *Exploration and evaluation assets* capitalized on the consolidated statements of financial position.

Liquidity and Financial Condition

Cash flows

A summary of the Company's cash flow for the three and nine months ended July 31, 2025 and 2024 are as follows:

<i>(Canadian dollars)</i>	For the three months ended July 31		For the nine months ended July 31	
	2025	2024	2025	2024
	\$	\$	\$	\$
Cash used in operating activities:				
Before working capital changes	(4,199,698)	(3,006,949)	(9,548,360)	(7,893,971)
Working capital changes	(2,726,426)	(2,249,145)	7,764,463	(1,798,682)
	(6,926,124)	(5,256,094)	(1,783,897)	(9,692,653)
Cash used in investing activities:				
Exploration and evaluation expenditures	(28,364,376)	(24,027,237)	(41,705,127)	(41,174,865)
Purchase of equipment	(30,014)	(23,252)	(131,557)	(132,428)
	(28,394,390)	(24,050,489)	(41,836,684)	(41,307,293)
Cash provided from (used for) financing activities:				
Proceeds from share issuance, net of transaction costs	18,446,745	(701,222)	22,428,735	58,735,385
Proceeds from loan, net of issuance costs	26,960,768	19,901,859	26,960,768	19,901,859
Repayment of loan plus related interest	(23,195,746)	-	(23,195,746)	(17,335,860)
Proceeds from issue of convertible note	20,000,000	-	20,000,000	-
Repayment of lease obligations	(29,250)	(21,565)	(93,721)	(63,598)
Proceeds from exercise of warrants and stock options	-	-	237,703	756,167
	42,182,517	19,179,072	46,337,739	61,993,953
Change in cash and cash equivalents	6,862,003	(10,127,511)	2,717,158	10,994,007
Opening cash and cash equivalents	510,415	35,555,454	4,655,260	14,433,936
Closing cash and cash equivalents	7,372,418	25,427,943	7,372,418	25,427,943

Cash used in operating activities

Cash used in operating activities before working capital changes mainly includes cash used for expenses of the business as shown in the consolidated statements of loss, except for non-cash related items such as share-based compensation, flow-through share premium and income tax expense. Transaction and interest costs related to the short-term loan facilities are included in financing activities when paid. The changes in working capital largely reflect the timing of harmonized sales tax (HST) refunds and the timing of expense payments. The Company had \$8.0 million owing in HST refunds at October 31, 2024 representing six months of HST claims that were delayed being refunded while the tax authorities completed their audit. The Company received the refunds in December 2024.

Canada Nickel Company Inc.
Management's Discussion & Analysis
For the Three and Nine Months Ended July 31, 2025

Cash used in investing activities

Exploration and evaluation expenditures

Exploration and evaluation expenditures include costs related to exploration at Crawford and its regional properties, Crawford project advancement (feasibility study, FEED engineering) and permitting. Approximately \$23 million was spent in relation to advanced engineering work and permitting for the nine months ended July 31, 2025 (\$16 million for the three months ended July 31, 2025) compared to \$20 million spent for the same period in 2024 (\$10 million for the three months ended July 31, 2024). Approximately \$19 million was spent on regional exploration for the nine months ended July 31, 2025 (\$12 million for the three months ended July 31, 2025) and \$16 million for the same period in 2024 (\$9 million for the three months ended July 31, 2024).

Acquisition of properties

The regional properties were acquired through fiscal years 2022 to 2024. Most agreements include provisions that allow for each of the sellers to retain a net smelter royalty ("NSR") that ranges between 1% and 2%, with Canada Nickel having the right to re-purchase 50% of the royalty for \$500,000 (with respect to a 1% NSR) or \$1 million (with respect to a 2% NSR).

Option payments of \$860,000 and 145,000 Canada Nickel shares are due in fiscal year 2026 to maintain the acquisition or earn-in on two properties, including the Midlothian Property.

Cash provided from (used for) financing activities

Equity Financings 2025:

On June 26, 2025, the Company closed a private placement (the "Brokered Offering") for gross proceeds of \$13,000,750. Under the Brokered Offering, the Company sold 15,295,000 units of the Company (the "Brokered Units") at a price of \$0.85 per Brokered Unit. Each Brokered Unit consists of one common share of the Company and one-half of one common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder to purchase one common share of the Company at a price of \$1.20 at any time on or before June 26, 2028.

The Warrants issued were assigned an aggregate fair value of \$1,794,835 using the Black-Scholes valuation model with the following assumptions: dividend yield 0%, expected volatility 58%, risk-free rate of return 2.6% and expected three year life. The fair value of the Warrants and other transaction costs are shown as a reduction in the proceeds received on the Brokered Offering. These securities are subject to a four-month statutory hold period under applicable Canadian securities laws.

Red Cloud Securities Inc. and Scotiabank acted as co-lead agents and joint bookrunners, on behalf of a syndicate of agents that included Cormark Securities Inc. and Haywood Securities Inc. (collectively, the "Agents") in connection with the Brokered Offering. As consideration for their services in the Brokered Offering, the Agents received a cash commission of \$649,527 and were issued 764,148 non-transferable common share purchase warrants (the "Broker Warrants"). Each Broker Warrant is exercisable into one common share of the Company at a price of \$0.85 per at any time on or before June 26, 2028. The Company also paid a cash finders' fee of \$22,193 and issued an aggregate of 26,109 non-transferrable finders' warrants (the "Finder Warrants") to certain other eligible parties who introduced subscribers to the Brokered Offering. Each Finder Warrant is exercisable into one common share of the Company at a price of \$0.85 per at any time on or before June 26, 2028.

The Broker Warrants and the Finder Warrants issued were assigned an aggregate fair value of \$248,852 using the Black-Scholes valuation model with the following assumptions: dividend yield 0%, expected volatility 58%, risk-free rate of return 2.6% and an expected two year life. The fair value of the Broker Warrants and Finder Warrants are shown as a reduction in the proceeds received on the Brokered Offering.

Canada Nickel Company Inc.
Management's Discussion & Analysis
For the Three and Nine Months Ended July 31, 2025

These securities are subject to a four-month statutory hold period under applicable Canadian securities laws.

Also on June 26, Agnico Eagle Mines Limited ("Agnico Eagle") notified the Company that it intended to exercise its pro rata equity participation right pursuant to the investor rights agreement between Agnico Eagle and the Company dated December 29, 2023 and purchase 2,201,259 units of the Company (the "Non-Brokered Units") at a price of \$0.85 per Non-Brokered Unit under a non-brokered private placement (the "Non-Brokered Placement") for additional gross proceeds to the Company of \$1,871,070. Each Non-Brokered Unit consists of one common share of the Company and one-half of one common share purchase warrant (each whole warrant, a "Non-Brokered Warrant"). The transaction was completed on July 7, 2025. Each Non-Brokered Warrant will entitle the holder to purchase one common share of the Company at a price of \$1.20 at any time on or before July 7, 2028.

The Non-Brokered Warrants issued were assigned an aggregate fair value of \$255,943 using the Black-Scholes valuation model with the following assumptions: dividend yield 0%, expected volatility 58%, risk-free rate of return 2.7% and expected three year life. The fair value of the Non-Brokered Warrants and other transaction costs are shown as a reduction in the proceeds received on the Non-Brokered Offering. These securities are subject to a four-month statutory hold period under applicable Canadian securities laws.

On July 7, 2025, the Company completed a non-brokered private placement (the "July 2025 Flow-Through Offering") for the sale of 4,245,750 common shares of the Company that qualify as FT Shares at a price of \$1.06 per FT Share for gross proceeds of \$4,500,495. The gross proceeds from the July 2025 Flow-Through Offering will be used by the Company to incur Qualifying Expenditures. Qualifying Expenditures in an aggregate amount not less than the gross proceeds raised from the issuance of the FT Shares will be incurred (or deemed to be incurred) by the Company on or before December 31, 2026, and will be renounced by the Company to the initial purchasers of the FT Shares with an effective date no later than December 31, 2025. The securities issued or to be issued pursuant to the Offerings to purchasers in Canada are or will be subject to a four-month hold period in Canada pursuant to applicable Canadian securities laws.

The FT shares were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers and as a result the Company recorded a share premium liability of \$764,235 and has an obligation to incur \$4,500,495 in eligible CEE by December 31, 2026. The share capital value of \$4,475,495 includes the gross proceeds net of costs related to the issuance.

On December 30, 2024, Canada Nickel completed a non-brokered private placement of an aggregate of 3,480,000 common shares of the Company that will qualify as FT Shares, at an issue price of \$1.15 per FT Share, for aggregate proceeds of \$4,002,000 (the "December 2024 Flow-Through Offering"). The gross proceeds from the December 2024 Flow-Through Offering will be used by the Company to incur (or be deemed to incur) Qualifying Expenditures. Qualifying Expenditures in an aggregate amount not less than the gross proceeds raised from the issuance of the FT Shares will be incurred (or deemed to be incurred) by the Company on or before December 31, 2025, and will be renounced by the Company to the initial purchasers of the FT Shares with an effective date no later than December 31, 2024. All securities issued under the December 2024 Flow-Through Offering will be subject to a hold period expiring four months and one day from the closing date of the Offering in accordance with applicable Canadian securities laws.

The FT shares were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers and as a result the Company recorded a share premium liability of \$730,800 and has an obligation to incur \$4,002,000 in eligible CEE by December 31, 2025. The share capital value of \$3,981,990 includes the gross proceeds net of costs related to the issuance.

Canada Nickel Company Inc.
Management's Discussion & Analysis
For the Three and Nine Months Ended July 31, 2025

Equity Financings 2024:

On December 29, 2023 the Company completed a brokered private placement consisting of 19,600,000 units of the Company (the "Flow-Through Units") at a price of \$1.77 per Flow-Through Unit, with each unit consisting of one flow-through common share of the Company and 0.35 of one flow-through common share purchase Warrant (the "Warrant"), as more particularly described below, for aggregate gross proceeds of \$34,692,000 (the "December 2023 Flow-Through Offering"). Following closing of the December 2023 Flow-Through Offering, Agnico Eagle acquired the units from the initial purchasers and as a result Agnico Eagle, on that date, held approximately 12% of the Company's outstanding common shares.

Pursuant to the December 2023 Flow-Through Offering, each Flow-Through Unit consists of (i) one common share of the Company, each of which will qualify as a FT Share, and (ii) 0.35 of one purchase Warrant. Each whole Warrant shall entitle the holder thereof to acquire one Common Share of the Company (each, a "Warrant Share") at a price of \$1.77 per Warrant Share until the date that is 36 months from the closing date of the December 2023 Flow-Through Offering, subject to acceleration in certain circumstances. Beginning three months from the closing date of the December 2023 Flow-Through Offering, if the trading price of the common shares on the TSX Venture Exchange equals or exceeds \$2.65 per common share for at least 20 consecutive trading days, Canada Nickel shall have the right to accelerate, by notice to the holders of Warrants, the expiry date of the Warrants to 30 calendar days after the date of such notice (such that the holder may either exercise all or a portion of the Warrants in such 30 day period, or failing such exercise, any unexercised Warrants would expire).

The flow-through shares were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers and as a result the Company recorded a share premium liability of \$12,348,000 and had an obligation to incur \$34,692,000 in eligible CEE by December 31, 2024. The Warrant Shares issued were assigned an aggregate fair value of \$2,172,505 using the Black-Scholes valuation model with the following assumptions: dividend yield 0%, expected volatility 59%, risk-free rate of return 3.9% and expected 36 month life.

In addition, the Company entered into an investor rights agreement with Agnico Eagle. Under the Investor Rights Agreement, Agnico Eagle is entitled to certain rights, provided Agnico Eagle maintains certain ownership thresholds in Canada Nickel, including: (a) the right to participate in future issuance of Common Shares (or any securities that are or may become convertible, exchangeable or exercisable into Common Shares) in order to maintain its pro rata ownership interest in Canada Nickel or acquire up to a 15.6% ownership interest, on a partially diluted basis, in Canada Nickel; and (b) the right (which Agnico Eagle has no present intention of exercising) to nominate one person to the Canada Nickel Board of Directors.

On February 6, 2024, the Company completed the equity investment it entered related to the Subscription Agreement with Samsung SDI Co., Ltd. ("Samsung SDI") in the amount of US\$18.5 million investment in Canada Nickel at a price of \$1.57 per Common Share. On closing of the private placement contemplated in the Subscription Agreement, Samsung SDI owned approximately 15.6 million shares of the common shares of Canada Nickel, representing approximately 8.7% of the Company's issued and outstanding shares on a non-diluted basis at that time and Canada Nickel granted to Samsung SDI the right to purchase a 10% equity interest in the Crawford Project for US\$100.5 million, exercisable upon a final construction decision. The share capital value of \$24,021,111 includes the gross proceeds net of costs related to the issuance.

The Subscription Agreement and the Investor Rights Agreement contain certain customary terms and conditions. Samsung SDI will have a pro rata right in any future issuance of Common Shares or any securities that are or may become convertible, exchangeable or exercisable into Common Shares to maintain its shareholding as long as it holds 7.5% or more of the issued and outstanding Common Shares

Canada Nickel Company Inc.
Management's Discussion & Analysis
For the Three and Nine Months Ended July 31, 2025

of the Company.

Samsung SDI's right to purchase a 10% equity interest in the Crawford project for US\$100.5 million is exercisable upon a final construction decision. By exercising this right, Samsung SDI will have the right to 10% of the nickel-cobalt production from the Crawford project over the life of mine and the right to an additional 20% of Crawford's nickel-cobalt production for 15 years extendable by mutual agreement. The offtake rights will be based on mutually agreed terms.

Bridge loan facilities:

On May 9, 2025, the Company closed a US\$20 million bridge loan facilitated by Ber Tov Capital Corporation ("BT Capital"). The financing was used to repay the Auramet Inc. July 2024 loan facility and for general working capital purposes. The loan was provided by BT Strategic Mineral Assets LP, whose anchor investor is Baronet Capital. It matures on February 9, 2026, carries interest at 1.00% per month, and includes a 2.5% arrangement fee. The BT Capital loan includes customary positive and negative covenants for a transaction of this nature and holds security over all personal property and real property of the Company.

As part of the transaction, BT Strategic Mineral Assets LP received 5,000,000 one-year warrants ("BT Capital warrants"). Each BT Capital warrant entitles BT Capital to acquire one common share of the Company at a price of \$0.94 per share until May 9, 2026. The BT Capital warrants issued were assigned an aggregate fair value of \$869,000 using the Black-Scholes valuation model with the following assumptions: dividend yield 0%, expected volatility 47%, risk-free rate of return 3.1% and expected one year life. The fair value of the warrants as well as the arrangement fee and other transaction costs are being amortized over the nine-month maturity in transaction costs and interest expense in the condensed interim consolidated statements of loss and comprehensive loss. These securities are subject to a four-month statutory hold period under applicable Canadian securities laws.

On July 9, 2024 the Company closed a secured loan facility with Auramet International Inc. ("Auramet Inc.") for US\$15 million ("Auramet Inc. July 2024"). The loan was secured and matured on January 9, 2025. Interest expense accrued on the unpaid principal amount at a rate of 12% per annum monthly in arrears. The loan was subject to such terms and conditions including certain specified positive and negative covenants that are customary for a transaction of this nature.

The Company paid an arrangement fee equal to 2.5% of the loan amount (\$511,178) and issued 750,000 common share purchase warrants ("Auramet Inc. July 2024 warrants"). Each of the Auramet Inc. July 2024 warrants entitled Auramet Inc. to acquire one common share of the Company at a price of \$1.42 per share until July 9, 2025. The Auramet Inc. July 2024 warrants issued were assigned an aggregate fair value of \$166,500 using the Black-Scholes valuation model with the following assumptions: dividend yield 0%, expected volatility 62%, risk-free rate of return 3.95% and expected one year life. The fair value of the warrants as well as the arrangement fee and other transaction costs were amortized over the six-month maturity in transaction costs and interest expense in the condensed interim consolidated statements of loss and comprehensive loss.

On January 9, 2025, the Company extended the repayment date of the Auramet Inc. July 2024 US\$15 million loan facility from January 9, 2025, to March 14, 2025. An extension fee of US\$438,465 was to be paid by March 14, 2025 and 1,750,000 warrants with a strike price of \$0.96 per share were issued with a 9 month expiry (the "Auramet Inc. January 2025 extension warrants"). The Auramet Inc. July 2024 warrants were cancelled. The loan will carry an interest rate of 1.25% per month for the extension period. The interest payable on the original loan amount was deferred to March 14, 2025. The warrants and the underlying common shares are subject to a four month hold period under Canadian securities laws.

The Auramet Inc. January 2025 extension warrants issued were assigned an aggregate fair value of \$260,225 using the Black-Scholes valuation model with the following assumptions: dividend yield 0%, expected volatility 52%, risk-free rate of return 2.9% and expected 9-month life. The fair value of the warrants less the

Canada Nickel Company Inc.
Management's Discussion & Analysis
For the Three and Nine Months Ended July 31, 2025

\$166,500 expensed from the Auramet Inc. July 2024 warrants, and the arrangement fee are being amortized over the 64-day maturity in transaction costs and interest expense in the condensed interim consolidated statements of loss and comprehensive loss.

On March 14, 2025, the Company again extended the repayment date of the Auramet Inc. July 2024 loan to April 25, 2025. An extension fee of US\$168,233 was to be paid by April 25, 2025 along with the previous extension fee of US\$438,465 and outstanding interest. The loan continued to carry an interest rate of 1.25% per month until expiry.

A final extension was made on April 25, 2025 with no additional fees. The loan along with previous extension fees and interest were repaid on May 9, 2025, of which US\$750,000 of the loan repayment was settled through the issuance of 1,050,909 Canada Nickel common shares.

On September 18, 2023, the Company closed a secured loan facility with Auramet Inc. for US\$12 million ("Auramet Inc. September 2023"). The loan was secured and matured on December 18, 2023. Interest expense accrued on the unpaid principal amount at a rate of 12% per annum monthly in arrears until December 18, 2023.

The Company paid an arrangement fee equal to 2.3 percent of the loan amount (\$371,995) and issued 550,000 common share purchase warrants ("Auramet Inc. September 2023 warrants"). Each of the Auramet Inc. September 2023 warrants entitles Auramet Inc. to acquire one common share of the Company at a price of \$1.24 per share until September 18, 2024. The Auramet Inc. September 2023 warrants issued were assigned an aggregate fair value of \$169,180 using the Black-Scholes valuation model with the following assumptions: dividend yield 0%, expected volatility 61%, risk-free rate of return 4.74% and expected one year life. The fair value of the warrants as well as the arrangement fee and other transaction costs were amortized over the three-month maturity in transaction costs and interest expense in the condensed interim consolidated statements of loss and comprehensive loss. On January 23, 2024 the Auramet Inc. September 2023 warrants were exercised with proceeds of \$682,000 received by the Company.

On December 18, 2023, at the Company's option it extended the Auramet Inc. September 2023 US\$12 million short-term debt facility for a further 30 day period and matured January 18, 2024. Upon extension of the facility, the Company paid an additional arrangement fee equal to \$248,457 and issued 350,000 common share purchase warrants ("Auramet Inc. September 2023 extension warrants"). Each of the Auramet Inc. September 2023 extension warrants entitles Auramet Inc. to acquire one common share of the Company at a price of \$1.19 per share until September 18, 2024. The Auramet Inc. September 2023 extension warrants issued were assigned an aggregate fair value of \$65,765 using the Black-Scholes valuation model with the following assumptions: dividend yield 0%, expected volatility 45%, risk-free rate of return 4% and expected nine month life. The fair value of the warrants as well as the arrangement fee were amortized over the one-month maturity in transaction costs and interest expense in the condensed interim consolidated statements of loss and comprehensive loss. In addition, interest accrued on the short-term debt outstanding, which includes interest accumulated and the additional arrangement fee, at a rate of 15% per annum monthly in arrears.

On January 15, 2024 Auramet Inc. extended the maturity a further 30 days with no additional fees except the interest. The loan payable including interest and the additional arrangement fee was paid on February 6, 2024 in full in the amount of \$17,335,860.

Canada Nickel Company Inc.
Management's Discussion & Analysis
For the Three and Nine Months Ended July 31, 2025

A summary of the transaction costs and interest expense related to the bridge facilities for the three and nine months ended July 31, 2025 and 2024 are as follows:

	For the three months ended July 31		For the nine months ended July 31	
	2025	2024	2025	2024
	\$	\$	\$	\$
Warrant cost	261,330	19,908	418,397	85,673
Amortization of arrangement fee	273,829	66,035	1,366,165	364,619
Interest expense	843,017	151,880	2,469,073	769,616
Foreign exchange	77,547	241,327	(197,134)	61,317
Transaction costs and interest expense	1,455,723	479,150	4,056,501	1,529,682

Convertible note:

On December 16, 2024, Taykwa Tagamou Nation ("TTN") and Canada Nickel announced an investment reflecting a shared commitment to advancing the Crawford Project while fostering economic empowerment and long-term collaboration. The Convertible Note (the "Note") was signed on December 13, 2024 and closed on May 27, 2025. TTN invested \$20 million in the Note that at the option of TTN can be convertible into 16.67 million Canada Nickel common shares at a price of \$1.20 per share. The Note has a five-year term from closing and a variable coupon equal to TTN's cost of borrowing plus 1% per annum paid quarterly prior to conversion. The Note is secured by all personal property and real property of the Company, second to BT Capital's bridge loan.

Prior Years' Share Issuances:

In February 2024, the Company received proceeds of \$24.2 million related to Samsung SDI's investment in Canada Nickel. The funds were fully spent by July 31, 2024 and were used to partially repay the Auramet Inc. September 2023 loan facility and for the advancement of engineering and permitting.

Prior equity raises included:

- In February 2023, the Company raised \$44.6 million, of which the Company spent \$16 million to complete the BFS and continue permitting activities, \$6 million for regional exploration, \$14.5 million to repay a short-term loan facility and the remaining funds for general corporate purposes.
- In February 2022, the Company received net proceeds of \$48.2 million, of which \$19 million was for exploration, \$13 million to repay a short-term facility and the remaining funds for general corporate purposes and resource definition and other activities associated with the advancement of the Crawford Project.
- Since the Company was incorporated it has received all its funding through a series of private and brokered equity placements. From November 2019 to July 2021, the Company received \$24.9 million in net proceeds from the sale of flow-through shares and \$10.6 million from the sale of common shares of Canada Nickel. The proceeds have been used to advance the Crawford Project, including Canadian exploration expenses, such as drilling and resource definition, completion of the preliminary economic analysis, the start of the feasibility study and for general corporate purposes.

**Canada Nickel Company Inc.
Management's Discussion & Analysis
For the Three and Nine Months Ended July 31, 2025**

Commitments and Contingencies

At July 31, 2025, the Company has \$3.5 million (October 31, 2024 - \$28.7 million) in payables owing with respect to exploration and evaluation assets and has lease obligations of \$144,916 related to 2025 and \$99,277 for fiscal years 2026 to 2028. Commitments on option properties are described above.

Canada Nickel entered into agreements with the Matachewan and Mattagami First Nations, Taykwa Tagamou Nation and Apitipi Anicinapek Nation in relation to exploration and development operations at Crawford. The agreements establish a commitment by Canada Nickel to engage in ongoing consultation and establish a mutually beneficial cooperative and productive relationship with the First Nations located in the Crawford Project area. The agreement also provides the communities with an opportunity to participate in the benefits of the Crawford Project through business opportunities, employment and training, financial compensation and consultation on environmental matters. Financial compensation includes a commitment to pay a specified percentage of the annual expenses related to the Company's exploration program and a three-year commitment of approximately \$1.6 million for specific impact assessment programs.

In the ordinary course of operating, the Company may from time to time be subject to various legal claims or possible legal claims. Management believes that there are no legal claims or possible legal claims that if resolved would either individually or collectively result in a material adverse impact on the Company's financial position, results of operations, or cash flows. These matters are inherently uncertain, and management's view of these matters may change in the future.

Financial Condition

The application of the going concern concept assumes that the Company will continue in operation for at least the next twelve months and will be able to realize its assets and discharge its liabilities in the normal course of operations. As the Company has no revenue producing mines, the Company's ability to continue as a going concern is dependent upon its ability to raise funds in the capital markets, or through the sale of assets. The Company is in the exploration and evaluation stage and as is common with many exploration companies, it raises financing for its exploration and acquisition activities in discrete tranches. The Company has a working capital balance deficit of \$28,000,362 at July 31, 2025, and has incurred losses and negative cashflows from operations and has an accumulated deficit of \$52,545,571. The ability of the Company to carry out its planned business objectives is dependent on its ability to raise adequate financing from lenders, shareholders and other investors and/or generate operating profitability and positive cash flow.

There can be no assurances that the Company will continue to obtain the additional financial resources necessary and/or achieve profitability or positive cash flows. If the Company is unable to obtain adequate financing, the Company may be required to curtail operations, exploration, and development activities. All of these outcomes are uncertain and taken together indicate the existence of material uncertainties that may cast significant doubt over the ability of the Company to continue as a going concern.

The Company has demonstrated a strong track record by growing exponentially over the last five years using funds raised in the market to successfully advance the Crawford Project and significantly expand its regional exploration base around Crawford.

The Company will continue to source other funding and may increase or decrease expenditures as necessary to adjust to a changing capital market environment.

See **Caution Regarding Forward-Looking Statements** and **Risk Factors**.

Canada Nickel Company Inc.
Management's Discussion & Analysis
For the Three and Nine Months Ended July 31, 2025

Review of Last Eight Quarters

The following is a summary of Canada Nickel's statement of loss (income) on a quarterly basis for the last eight quarters.

<i>(Canadian dollars)</i>	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025
	\$	\$	\$	\$	\$	\$	\$	\$
Expenses								
Salaries	264,042	590,022	524,312	479,536	638,774	671,983	716,498	557,012
Consulting and advisory	1,347,427	541,881	494,389	689,973	869,216	761,819	701,541	684,723
Professional fees	118,139	380,483	279,667	311,132	336,759	211,768	323,009	378,596
General and administrative costs	217,895	398,899	437,950	226,549	450,150	365,060	358,754	439,180
Promotion and communication	48,945	78,955	74,260	150,009	90,026	75,732	73,703	278,927
Investor relations and marketing	156,231	113,486	145,130	185,600	102,063	81,885	64,671	353,604
Incentive compensation	924,895	1,904,818	1,058,190	1,026,375	746,697	1,044,283	666,974	632,704
Travel and other	423,062	264,858	325,960	348,917	254,979	232,220	247,824	83,423
Foreign exchange gain and interest income	(33,709)	(85,250)	(733,838)	(162,276)	(110,587)	(25,334)	(76,272)	34,677
Transaction costs and interest expense	570,154	953,703	96,829	1,079,150	1,312,408	2,239,574	897,004	3,252,092
	4,037,081	5,141,855	2,702,849	4,334,965	3,874,185	5,658,990	3,973,706	6,694,938
Flow-through share premium	-	(257,024)	(1,865,267)	(3,013,555)	(6,251,126)	(1,194,626)	(497,202)	(102,329)
Net loss (income) before tax	4,037,081	4,884,831	837,582	1,321,410	(2,376,941)	4,464,364	3,476,504	6,592,609
Income tax expense (recovery)	(795,536)	(167,033)	(592,857)	(844,798)	(660,910)	(925,227)	8,264,059	(1,759,654)
Net loss (income)	3,241,545	4,717,798	244,725	476,612	(3,037,851)	3,539,137	11,740,563	4,832,955
Weighted average shares outstanding	141,413,632	148,711,210	172,163,324	181,209,453	181,214,844	182,741,364	188,836,568	201,492,786
Net loss (income) per share	\$0.02	\$0.03	\$0.00	\$0.00	\$(0.02)	\$0.02	\$0.06	\$0.02

Financial information is presented for the last eight quarters to demonstrate the trends. Accounting principles have been applied consistently amongst the periods. Certain comparative amounts have been reclassified to conform with the current quarter presentation.

Salaries - have been trending higher as the Company significantly increased its activities in financing, permitting and engineering to prepare for the construction of Crawford. The expenses in the fourth quarter of 2023 and third quarter of 2025 are lower than previous quarters reflecting a re-allocation of certain salaries to exploration and evaluation assets.

Canada Nickel Company Inc.
Management's Discussion & Analysis
For the Three and Nine Months Ended July 31, 2025

Consulting and advisory - costs in the fourth quarter of 2023 increased substantially from the previous quarters as the Company incurred additional advisory in relation to completion of the feasibility study, Crawford's downstream process development and partnering process which were accelerated in connection with the release of the feasibility study. Costs throughout 2024 and 2025 include additional advisory in the areas of government relations, government assistance and project debt financing in order to advance its financing strategy for Crawford construction.

Professional fees – The first quarter of 2024 included additional one-time research related fees to support Crawford's downstream process.

Promotion and Communication, and Investor Relations and Marketing – The third quarter of 2025 is higher than previous quarters due to additional efforts required with the financings in that same quarter.

General and administrative costs - Variations in costs between quarters tend to be based on timing of payments for annual filing and listing requirements. Costs in the fourth quarter of 2024 include additional fees in relation to the short-term loan facility and costs in the third quarter of 2025 include additional technology related fees.

Incentive compensation – Incentive compensation includes cash-based incentive compensation and non-cash share-based compensation. Share-based compensation tends to fluctuate depending on timing and vesting of grants. The first quarter of 2024 includes an expense related to incentive bonuses paid in the second quarter of 2024.

Travel and other – Largely includes costs related to travel for conferences, investor meetings and other development opportunities. Spending is dependent on timing of the travel.

Foreign exchange gain and interest income - The foreign exchange gain is primarily due to the revaluation of US dollar cash balances to the Canadian dollar reporting currency. In addition, excess cash in 2024 was invested in guaranteed investment certificates accumulating interest at approximately 5%.

Transaction costs and interest expense – These costs are associated with the bridge loan facilities (refer to *Cash provided by financing activities*) and in the third and fourth quarter of 2024 include \$0.6 million and \$0.2 million, respectively, in penalty charges incurred on the unspent funds received from the December 2023 flow-through share offering. In the second quarter and third quarters of 2025 there are also interest expense charges from overdue vendor invoices and advisory specifically related to third quarter financing transactions.

Flow-through share premium – the revenue recorded correlates with the proportionate amount of spending of the eligible expenditures in each of the quarters as required under the flow-through share agreements.

Income tax expense - refer to year over year description above.

Canada Nickel Company Inc.
Management's Discussion & Analysis
For the Three and Nine Months Ended July 31, 2025

Transactions with Related Parties

Related parties and related party transactions impacting the consolidated financial statements are summarized below and include transactions with key management personnel, which includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. Key management personnel include the Board of Directors and senior officers of the Company.

A summary of the related party transactions are as follows:

	For the three months ended July 31		For the nine months ended July 31	
	2025	2024	2025	2024
	\$	\$		
Salaries, consulting and directors' fees	614,365	588,342	1,843,096	1,760,280
Incentive compensation	593,791	948,600	2,169,561	3,513,054

These transactions are in the normal course of operations and have been valued in these consolidated financial statements at the amount of consideration established and agreed to by the related parties. No amounts were receivable to or payable from related parties at July 31, 2025 and 2024.

Management of Capital

The Company's objectives when managing its capital are to safeguard its ability to continue as a going concern, to meet its expenditure obligations for its continued operations, and to maintain a flexible capital structure which optimizes the cost of capital within a framework of acceptable risk. The Company manages the capital structure and adjusts it in light of changes in economic and industry conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may issue new shares, issue new debt, or acquire or dispose of assets. The Company is not subject to externally imposed capital requirements.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There have been no changes to the Company's capital management approach in the period. The Company considers its Shareholders' Equity as capital which was \$225,343,224. as at July 31, 2025.

**Canada Nickel Company Inc.
Management's Discussion & Analysis
For the Three and Nine Months Ended July 31, 2025**

Financial Instruments

Fair values

At July 31, 2025, the Company's financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, short-term loans and convertible note. Except for the convertible note, the fair values of these financial instruments approximate their carrying values due to the relatively short-term maturity of these instruments.

The carrying value of the convertible note was determined using a discounted cash flow model method using a discount rate that equates to the risk-free rate plus an unobservable credit spread that approximates the Company's credit risk. Therefore, the convertible note is classified within Level 3 of the fair value hierarchy, and the fair value approximates its carrying value.

Fair value hierarchy

Financial instruments recorded at fair value are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 – valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 – valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

During the period, there were no transfer of amounts between levels.

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

Level 1 – cash and cash equivalents

Level 2 – none

Level 3 - none

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk

Credit risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfil its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash and cash equivalents, and accounts receivable. All of the Company's cash is held at a Canadian bank, or funds held in trust with legal counsel in which management believes that the risk of loss is minimal, but the Company is subject to concentration of credit risk. Harmonized sales tax receivable and accounts receivable consist of receivables created in the course of normal business.

**Canada Nickel Company Inc.
Management's Discussion & Analysis
For the Three and Nine Months Ended July 31, 2025**

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations with cash and from time to time with equity. As at July 31, 2025, the Company's financial liabilities consist of accounts payable and accrued liabilities and short-term loan facilities, which have contractual maturity dates within one year and a convertible note, which is due in May 2030 unless the holder converts the note to common shares. The Company manages its liquidity risk by reviewing its capital requirements on an ongoing basis. There have been no changes in the Company's strategy with respect to credit/liquidity risk in the period.

Off-Balance-Sheet Arrangements

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

Share Capital

As at the date of this MD&A, September 26, 2025, the Company had 215,561,067 common shares issued and outstanding, 21,398,384 warrants outstanding, 13,423,400 stock options outstanding and 5,478,144 restricted share units outstanding. Each warrant, stock option and restricted share unit is exercisable or exchangeable for common shares of the Company on a one for one basis.

Internal Controls Over Financial Reporting

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that (i) the unaudited interim condensed 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 unaudited interim condensed consolidated financial statements; and (ii) the unaudited interim condensed consolidated financial statements fairly present in all material respects the financial condition, financial performance and cash flows of the Company, as of the date of and for the periods presented.

In 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 filed by the Company 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 unaudited interim condensed consolidated financial statements for external purposes in accordance with the issuer's generally accepted accounting principles (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 such 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.

**Canada Nickel Company Inc.
Management's Discussion & Analysis
For the Three and Nine Months Ended July 31, 2025**

Risk Factors

The Company's business contains significant risk due to the nature of exploration and development activities. The Company is a junior resource company focused primarily on the exploration and development of mineral properties located in North America. The Company's properties have no established mineral reserves and there is no assurance that any of the Company's projects can be mined profitably. The Company is also exploring and developing other opportunities and is subject to risks and challenges similar to companies in a comparable stage. These risks include, but are not limited to, the challenges of securing adequate capital in view of exploration, development and operational risks inherent in the mining industry as well as global economic and base mineral price volatility.

The BFS results are estimates only and are based on a number of assumptions, any of which, if incorrect, could materially change the projected outcome. There are no assurances that Crawford will be placed into production. Factors that could affect the outcome include, among others: the actual results of development activities; project delays; inability to raise the funds necessary to complete development; general business, economic, competitive, political and social uncertainties; future prices of metals or project costs could differ substantially and make any commercialization uneconomic; availability of alternative nickel sources or substitutes; actual nickel recovery; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; accidents, labour disputes, the availability and productivity of skilled labour and other risks of the mining industry; political instability, terrorism, insurrection or war; delays in obtaining governmental approvals, necessary permitting or in the completion of development or construction activities; mineral resource estimates relating to Crawford could prove to be inaccurate for any reason whatsoever; additional but currently unforeseen work may be required to advance to the feasibility stage; and even if Crawford goes into production, there is no assurance that operations will be profitable.

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the Risk section in the Company's Annual Information for the fiscal year ended October 31, 2022, available on SEDAR+ at www.sedarplus.ca.