Background and Corporate Update

This Management's Discussion and Analysis ("MD&A") for Quebec Nickel Corp. (the "Company") is prepared as at August 25, 2023 and should be read in conjunction with the Company's unaudited condensed interim financial statements for the three-month period ended June 30, 2023 and in conjunction with the Company's March 31, 2023 audited financial statements and related notes. This MD&A is prepared in accordance with section 2.2.1 of National Instrument 51-102, *Continuous Disclosure Obligations* ("NI 51-102"), which contemplates venture issuers providing quarterly highlights reporting by way of a brief narrative update about the business activities, financial condition, financial performance and cash flow of the Company.

All dollar figures included therein and in the following Quarterly Highlights are quoted in Canadian dollars. Additional information relevant to the Company's activities can be found on SEDAR at www.sedarplus.ca.

The Company's principal business activities include the acquisition and exploration of mineral resource properties. The Company has one exploration property located in the Val d'Or area of Quebec, Canada.

On June 21, 2021, a Prospectus filed by the Company was given final receipt by the British Columbia Securities Commission and on July 2, 2021, the Company's common shares began trading on the CSE under the symbol 'QNI'. On September 13, 2021, the Company's common shares were listed for trading on the Frankfurt Exchange under the symbol '71B'.

Forward-Looking Statements

Certain statements contained in the MD&A may constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These risks include, but are not limited to, the Company's business plans focussed on the exploration and development of its mineral property; proposed work programs on its mineral property; costs and timing of future exploration and development activities; timing and receipt of approvals, consents and permits under applicable legislation; use of available funds and ability for the Company to raise additional funds; business objectives and milestones; and adequacy of financial resources. A more detailed discussion of forward-looking statements is included in the Company's Prospectus dated June 21, 2021. Readers are cautioned not to place undue reliance on forward-looking statements.

Risks and Uncertainties

Due to the nature of the Company's business and the present stage of development of its business, the Company is subject to significant risks. Readers should carefully consider all such risks. Risk factors include, but are not limited to, limited operating history, speculative nature of mineral exploration, dilution, mineral titles, loss of interest in properties, permits and government regulations, environmental and safety regulations and risks, fluctuating mineral prices, financing risks and competition. A more detailed discussion of these risk factors is included in the Company's Prospectus dated June 21, 2021.

The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events, including, the relations between NATO and the Russian Federation regarding the situation in Ukraine, and potential economic global challenges such as the risk of the higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company's business.

Exploration and Evaluation Property

Ducros Property

On October 6, 2020, the Company entered into an agreement with Val-d'Or Mining Corporation ("Val-d'Or") for the purchase of 100% interest in a mineral property, referred to as the Ducros Property. The Company issued 3,589,341 special warrants with a fair value of $0.05 for the purchase of the mineral property. The 3,589,341 special warrants were subsequently converted, at no additional cost, into 3,589,341 common shares of the Company.

Subsequent to the initial property purchase agreement with Val-d'Or, additional claims were staked and included in the within the Ducros land package, which now totals 282 mineral claims covering 15,293 hectares located in the Val d'Or area of Quebec, Canada.

The Ducros claims are subject to net smelter return royalties and an associated area of interest which includes the additional staked property. Commencing on October 6, 2024, the Company shall pay to Val-d'Or advance minimum yearly royalty payments of $10,000.

On June 6, 2023, the Company announced that due to an emergency order from the Québec Ministère des Ressources naturelles et des Forêts (Ministry of Natural Resources and Forests) prohibiting access to lands in the province impacted by forest fires, all field-based exploration activities were temporarily suspended at the Ducros Property. The work restriction order has since been lifted and the Company has resumed exploration activities at Ducros.

Fortin Sill Zone Drilling

During the first half of 2023, exploration drilling by the Company focused on testing targets that require winter conditions to access and drill, notably in the central and western portions of the Ducros claims. After the fire related work restrictions were lifted in late July , exploration resumed at the highly prospective Fortin Sill Zone where ground conditions allow for year-round access.

New drilling at the Fortin Sill Zone will follow-up on some of the results achieved in 2022, including from hole QDG-22-29, which returned an 11.80 metre interval containing 1.44% Ni, 1.49% Cu, 461 ppm Co and 2.79 g/t Pt-Pd-Au that includes a higher-grade subinterval assaying 1.85% Ni, 1.65% Cu (3.50% Ni + Cu), 576 ppm Co and 3.27 g/t Pt-Pd-Au over 8.43 metres (see August 30, 2022 News Release for reference). Step-out drilling completed later in 2022 discovered additional nickel-copper-PGE mineralization down-plunge from the main sulphide zone including a 4.90-metre-long 2 intercept averaging 0.77% Ni, 0.56% Cu, 340 ppm Co and 0.80 g/t Pt-Pd-Au which includes a higher grade three-metre-long subinterval of 1.06% Ni, 0.77% Cu, 447 ppm Co and 1.09 g/t Pt-Pd-Au in hole QDG-22-63 (see March 1, 2023 News Release for more information).

The new drilling at Fortin Sill is focused on exploring for additional Ni-Cu-PGE sulphides down plunge and along strike of the main outcropping mineralized zone. Up to 5,000 metres of drilling is planned, which will span more than two kilometers of the strike length of the prospective geology. This work will also test the refined geological model discussed in the Company's December 15, 2022 news release. Downhole electromagnetic geophysical surveys will be used to vector towards large accumulations of conductive Ni-Cu-PGE sulphides.

Although some of the planned work programs for the remaining year were impacted at the Ducros claims by the unprecedented forest fires in southern Quebec during the 2023 summer, plans remain in place to complete the following field work:

- Property-wide geological mapping
- Preparation of access trails to planned drilling locations
- Exploration drilling at the Fortin Sill Zone and processing of drill core

Analysis of the Company's Financial Performance and Condition

The following is a summary of the Company's results for the eight most recently completed quarters:

	Revenue	Net Income (Loss) ($)	Income/ (loss) per share ($)	Total Assets ($)	Total Current Liabilities ($)	Working Capital ($)
June 30, 2023	$nil	225,905	0.00	16,428,873	1,125,289	2,477,490
March 31, 2023	$nil	(1,065,305)	(0.01)	17,681,411	2,586,665	4,044,696
December 31, 2022	$nil	(232,805)	(0.00)	17,520,679	3,089,575	6,273,707
September 30, 2022	$nil	(399,550)	(0.01)	9,445,121	1,016,826	3,066,626
June 30, 2022	$nil	(196,024)	(0.00)	9,131,606	592,862	5,295,221
March 31, 2022	$nil	(1,884,909)	(0.04)	9,221,268	486,499	8,734,769
December 31, 2021	$nil	(600,346)	(0.01)	8,858,946	511,668	8,347,278
September 30, 2021	$nil	(341,146)	(0.01)	1,529,530	32,118	1,497,412

The only material variations are:

(i) the Company recognized a net income of $225,905 for the quarter ended June 30, 2023 as a flow-through premium of $440,375 was recognized offsetting expenditures recognized during the period.

(ii) the increased loss for the three-month period ended March 31, 2023 can be attributed to a deferred tax expenditure of $1,463,000 because of the Company's renunciation of its flow-through expenditures during the period.

(iii) the Company saw an increase in total assets for the three-month period ended December 31, 2022 that can be attributed to the closing of a private placement for gross proceeds of $8,695,288.

(iv) the increased net loss for the quarter ended September 30, 2022 can be attributed the recognition of share-based payments recognized on the granting of 1,775,000 stock options. The Company also incurred additional professional fees relating to auding and tax matters. The Company also incurred higher travel costs due to investor relations work.

(v) the increased net loss for the quarter ended March 31, 2022 can be attributed to a deferred tax expenditure of $1,587,500 because of the Company's renunciation of its flow-through expenditures during the period.

(vi) the Company saw a significant increase in assets in the quarter ended December 31, 2022 as the Company issued an aggregate of 27,407,496 common shares for gross proceeds of $8,695,2880. The Company also recognized share-based payment costs of $464,700 as it began securing qualified individuals to manage the business.

Three-months ended June 30, 2023

The Company reported a net income of $225,905 (Q1-2023 - $(196,024)) and an income per share of $0.00 (Q1-2023 - $0.00) for the three-months ended June 30, 2023. The net income for the period was a result of the recognition of a flow-through premium ($440,375) which offset general expenditures of $262,308 (Q1-FY2023 - $200,956) for the three-month period ended June 30, 2023.

A summary of the Company's expenditures is as follows:

- General and administrative expenses were $49,830 (Q1-2023 - $60,683) and consisted principally of administrative fees and rent. The increased costs from the previous year can be attributed to many one-time initiatives for consulting and advisory services.
- Management fees were $106,501 (Q1-2023 - $24,000) include $26,667 (Q1-FY2023 - $nil) paid to the former CEO of the Company, $28,334 (Q1-FY2023 - $nil) paid to the interim CEO, $37,500 (Q1-FY2023 - $18,000) paid to the CFO and $14,000 (Q1-FY2023 - $6,000) paid to the independent directors. The increased costs can be attributed to adjustments in remuneration required to attract and retain qualified individuals.
- Professional fees were $11,059 (Q1-2023 - $37,352) and were composed of $11,059 (Q1-2023 – $22,352) for accounting and audit fees and $nil (Q1-FY2023 - $15,000) for business advisory services. The increase in fees from the prior period can be attributed to business development activities initiated during that time. These activities included the development of a marketing and business plan.
- Promotion and marketing costs were $68,726 (Q1-2023 - $32,566) and were composed of capital market advisory services, website design and development, corporate presentation materials, creation of promotional videos, and news release dissemination costs. Costs are higher in the current period as the Company continues to develop and promote various marketing programs to increase the Company's profile to investors.
- Transfer agent and filing fees were $9,121 (Q1-2023 - $11,498) and consisted of monthly transfer agent, OTC listing and CSE listing fees.
- Travel costs were $17,072 (Q1-FY2023 - $34,857) and can be attributed to the costs associated with travel to promotional events, trade shows and site visits.

Securities Outstanding

As at June 30, 2023 and the date of this MD&A, the Company had 115,344,205 common shares issued and outstanding.

As at June 30, 2023 and the date of this MD&A, the Company had 14,160,371 warrants issued and outstanding.

As at June 30, 2023, the Company had 6,725,000 stock options issued and outstanding.

On August 10, 2023, the Company granted 4,000,000 incentive stock options to certain directors, officers and consultants at an exercise price of $0.05. The stock options expire on August 9, 2025 and vested immediately upon grant.

As at the date of this MD&A, the Company had 10,725,000 stock options issued and outstanding.

Liquidity and Capital Resources

As at June 30, 2023, the Company had a cash and cash equivalents balance of $2,602,362 to settle trade liabilities of $364,264. The Company expects to fund future expenditures through the issuance of capital stock. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due.

The flow-through share premium liability of $761,025 will not be paid in cash but will be settled upon the incurrence of eligible expenditures.

Related Party Transactions

Refer to note 7 of the June 30, 2023 condensed interim financial statements.

Directors and Officers

As at June 30, 2023 and the date of this MD&A, the directors and officers of the Company are as follows:

Richard Dufresne	Director and interim CEO
David Patterson	Director
Christine Petch	Director
Hani Zabaneh	Director
Gary DeSchutter	VP of Exploration
Ming Jang	CFO

The Company's Advisory Board consists of Glenn Mullan, David Gower, and Daniel Scheiber.