This Management's Discussion and Analysis ("MD&A") prepared as at July 4, 2022, reviews the financial condition and results of operations of Quebec Nickel Corp. (the "Company") for the financial year ended March 31, 2022 and all other material events up to the date of this report. The following discussion should be read in conjunction with the Company's March 31, 2022 audited financial statements and related notes.

The financial data included in the discussion provided in this report has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretation Committee ("IFRIC"). All dollar amounts are in Canadian dollars, unless otherwise noted.

The Company's certifying officers are responsible for ensuring that the annual audited financial statements and MD&A 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 was made. The Company's officers certify that the annual audited financial statements and MD&A fairly present, in all material respects, the financial condition, results of operations and cash flows, of the Company as the date hereof.

DESCRIPTION AND OVERVIEW OF BUSINESS

The Company was incorporated on September 18, 2020 pursuant to the Business Corporations Act (British Columbia). On June 21, 2021, a Prospectus filed by the Company was given final receipt by the British Columbia Securities Commission. On July 5, 2021, the Company's common shares began trading on the Canadian Securities Exchange ("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". On February 22, 2022, the Company's common shares were listed for trading on OTCQB Venture Market under the symbol "QNICF".

The Company's principal business activities include the acquisition and exploration of mineral resource properties and the Company currently has one exploration property located in the Val d'Or area of Quebec, Canada. The Company's objective is to identify and develop economic mineral resource properties of merit and to conduct exploration programs thereon. The Company will continue to consider other opportunities to acquire and explore mineral properties as they arise.

<u>Exploration and Evaluation Property</u>

Ducros Project, Quebec, Canada

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.

In addition, the Company staked additional mineral claims, such that the Ducros Property presently consists of 280 contiguous mineral claims covering 15,147 hectares located in the Val d'Or area of Quebec, Canada.

The Ducros Property is subject to net smelter returns 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.

Prior to the commencement of exploration work in the summer of 2021, a Ni-Cu-PGE showings (Fortin Sill), as well as a quartz-vein hosted gold showing were known to exist on the property, but have seen limited modern surface sampling and drilling.

On September 23, 2021 the Company reported results from an initial till sampling program, which identified multiple distinct nickel, copper and cobalt geochemical anomalies over the western sector of the property within previous unexplored areas. Further details of the results can be found in the Company's news release dated September 23, 2021. Ongoing exploration work as part of the first phase of exploration included till sampling, stripping, mapping and sampling (Fortin Ni-Cu-PGE and Au showings), a Geotech 1,717-line kilometre Versatile Time Domain Electromagnetic ("VTEM™") airborne geophysical system survey, and a property compilation / 3D geological modeling. In an October 20, 2021 news release, the Company reported additional details regarding the expected timing of upcoming exploration activities.

The Company's inaugural multi-phase diamond drilling program at its Ducros project began in mid-February 2022 and has completed a total of 16 drill holes to date for 4,612 metres with one diamond drill. The Phase I drilling program was designed to test multiple Ni-Cu-PGE targets generated from a surface electromagnetic survey (ARMIT-TDEM) completed in 2020 by Abitibi Geophysics. These holes were followed by the drilling of stratigraphic/geology holes that were completed to gain a better understanding of the local geology and to explore at depth within this portion of the greater Ducros property. Although no significant assay values were returned, these initial holes were successful in intersecting their intended geophysical targets, which comprised of strongly conductive and variably magnetic intervals of sulphide +/- oxide facies iron formation hosted within mixed sequences of mafic metavolcanics, metasediments and the occasional felsic intrusive unit. Of note, several of the holes encountered long core intervals of ultramafic rocks, interpreted to be strongly altered pyroxenite and dunite intrusive units (sills).

The Phase II drilling program began at the Fortin Sill Ni-Cu-PGE showing in April 2022, starting with hole QDG-22-09, which was designed as a confirmation hole to verify the results returned from Golden Valley Mines Ltd.'s historical hole GCF-08-07, which intersected 0.38% Ni, 0.44% Cu and 0.65 g/t Pt-Pd-Au over a 20.7 metres core length. Assay results from QNI hole QDG-22-09 improved upon the historical drill intercept in terms of both overall grade and core length (see May 16, 2022 news release for more details). Two additional holes were completed from the same set-up as QDG-22-09, namely QDG-22-10 & 11, at the same azimuth but at steeper dip angles, to test for the continuity of the Ni-Cu-Co-PGE-Au mineralization encountered in QDG-22-09. This drilling was successful at expanding the mineralized zone at Fortin Sill (see June 6, 2022 news release for more information). Encouraging results from the first three holes at Fortin Sill prompted the drilling of additional holes from the same location in efforts to establish the continuity of the Ni-Cu-bearing sulphide mineralization in three-dimensions (holes QDG-22-12 through QDG-22-16).

Data Compilation & Drill Targeting at Fortin Sill Zone

Ongoing compilation of historical exploration works and their integration with current datasets has shed some light on the potential size of the Fortin Sill Ni-Cu-Co-PGE-Au zone. In December 2005, an Induced Polarization (I.P.) survey at the Fortin Sill Target area was completed by Géophysique TMC with the data subsequently interpreted in March of 2006 by Lambert Géosciences Ltée. (Québec Assessment Report GM 62408). This work was completed on behalf of Golden Valley Mines Ltd. and consisted of a dipole-dipole resistivity + chargeability survey using a dipole "a" spacing of 25 metres along 100 metre-spaced NE-SW cut grid lines. The survey grid spanned from ~200 metres northwest of the original Fortin Sill mineralized outcrop showing to ~1,000 metres to the southeast.

The historical I.P. survey data outlines a well-defined chargeability anomaly, the axis of which begins approximately 100 metres north of the original Fortin Sill Ni-Cu surface showing, trends directly over the mineralized rock exposure, and extends for an additional 250 metres to the southeast.

Golden Valley Mines Ltd. followed-up on this geophysical work by completing two drill holes to test the I.P. chargeability anomaly. As previously stated in prior news releases, hole GCF-08-07 was collared at the Fortin Sill Ni-Cu showing and intersected 0.38% Ni, 0.44% Cu and 0.65 g/t Pt-Pd-Au over a core interval of 20.7 metres. Hole GCF-08-06, collared approximately 35 metres to the southwest of hole GCF-08-07, was drilled to test the southern strike continuation of the I.P. chargeability anomaly and returned 0.21% Ni, 0.11% Cu and weakly anomalous gold values over a 33 metres core length within what the drill logs describe as an olivine gabbro; assay values for PGE's are not included in the assessment report drill log for hole GCF-08-06 (Québec Government Assessment report GM 65886).

In addition, data from the completed VTEM™ survey defined a subtle but distinctive magnetic high response that is coincident with the central axis of the historical I.P. chargeability anomaly and the Fortin Sill Ni-Cu mineralized outcrop. The Company's project personnel interpret the coincidental nature of these two distinct geophysical anomalies at the Fortin Sill Target to be a direct response to the amount and style of sulphide mineralization and/or host rocks know to occur at surface as well as from historical and recently drilled core. Future drilling will focus on testing these geophysical features along strike to the northwest and southeast of the Fortin Sill Zone.

A permit to complete additional drilling at the Fortin Sill target has been received from the Québec Government that will allow for the creation of eight new drilling pads adjacent to and along the interpreted strike of the Fortin Sill Ni-Cu-Co-PGE-Au Zone. The continued drilling of this target will commence once the necessary access trails and drill pads have been cleared.

Ongoing and Future Work Plans at Ducros
The Company has recently expanded its Val-d'Or-based project team allowing for the start of additional field-based work programs. A summary of the planned summer field programs include:

- Channel sampling of the Fortin Sill discovery outcrop.
- Property-wide biogeochemistry survey.
- High-resolution satellite imagery.
- Fixed-wing gravity survey.
- High resolution UAV magnetic surveys over specific targets:

SELECTED ANNUAL INFORMATION

The following table sets forth selected financial information for the Company for the financial years ended March 31, 2022 and 2021. As the Company was incorporated on September 18, 2020, a prior third year comparative is not applicable. The information below was derived from the Company's audited financial statements and should be read in conjunction with those financial statements and the notes thereto.

	March 31, 2022	**March 31, 2021**
Total revenues	$ Nil	$ Nil
Loss for the year	(2,866,874)	(104,520)
Loss per share[(1)]	(0.06)	(0.01)
Total assets	9,221,268	1,417,071
Total current liabilities	486,499	8,000
Total non-current liabilities	1,310,500	-
Working capital	$ 7,197,744	$ 1,094,783

(1) Per share amounts are calculated using the weighted average number of shares outstanding. Fully diluted loss per share amounts have not been calculated, as they would be anti-dilutive.

RESULTS OF OPERATIONS

Loss for the year

The Company reported a net loss and comprehensive loss of $2,866,874 for the fiscal year ended March 31, 2022. The Company had recognized a deferred tax expense of $1,587,500 on the renunciation of $6,600,000 in flow-through expenditures.

The Company incurred filing and listing fees of $70,724 for the year ended March 31, 2022 compared to fees of $5,065 in the comparative period ended March 31, 2021. The increased costs can be directly attributed to the successful listing of the Company's common shares on the CSE and other recognized exchanges. Many of these filing and listing fees are considered one-time costs associated with the listing.

For the year ended March 31, 2022, the Company incurred $109,377 in general and administrative costs compared to $2,639 for the period ended March 31, 2021. The increased costs can be attributed to the growth of the Company. These costs include insurance costs of $13,000, office rent of $14,635 and general office support staffing costs of $77,290.

For the year ended March 31, 2022, the Company incurred $25,000 in Management fees compared to $nil during the period ended March 31, 2021. These fees included $4,000 paid in director fees, and $21,000 paid for business advisory services.

Professional fees were $128,120 and $38,716 for the periods ended March 31, 2022 and 2021 respectively. The increased costs can be attributed to legal and accounting fees associated with the Company's listing application process during the year.

The Company incurred $128,418 in promotional and marketing costs for the year ended March 31, 2022 compared to $nil for in the corresponding period ended March 31, 2021. The increased costs can be attributed to creating a market awareness of the Company to attract investors.

Share-based payments were $1,137,900 and $58,100 for the periods ended March 31, 2022 and 2021 respectively. The additional costs can be attributed to the need to attract qualified management personnel through the granting of options.

For the year ended March 31, 2022, the Company incurred $12,327 in transfer agent fees compared to $nil during the period ended March 31, 2021. Transfer agent fees are costs associated with the management of the Company's common shares upon listing of the Company's common shares on the CSE.

The Company incurred $25,927 in travel costs for the year ended March 31, 2022 compared to $nil for in the corresponding period ended March 31, 2021. The increased costs can be various marketing promotions abroad and various promotional site visits to the Ducros property.

Total assets

Total assets of the Company were $9,221,268 as at March 31, 2022 compared to assets of $1,417,071 as at March 31, 2021. This increase can largely be attributed to the issuance of shares and units in a private placement during the year for gross proceeds of $7,700,000.

Total liabilities

As at March 31, 2022, the current liabilities of the Company were $486,499 compared to $8,000 as at March 31, 2021. The increased liability can be attributed to the increased activity of the Company and the timing of settlement of its trade liabilities.

Additionally, the Company recorded a deferred tax liability of $1,310,500 in connection with the renunciation of the flow-through shares. This liability will be offset only when there are deferrred income tax assets available to be recognized.

The Company's current liabilities are primarily comprised of trade payables associated with its exploration activity at the Ducros property, and general administration.

SUMMARY OF QUARTERLY RESULTS

The following table summarizes information derived from the Company's financial statements for each of the seven most recently completed quarters:

Quarter Ended	Revenues	Net loss	Net loss per share [1]
March 31, 2022	$nil	$ (1,884,909)	$(0.04)
December 31, 2021	$nil	$ (600,346)	$(0.01)
September 30, 2021	$nil	$ (341,146)	$(0.01)
June 30, 2021	$nil	$ (40,473)	$(0.00)
March 31, 2021	$nil	$ (87,125)	$(0.01)
December 31, 2020	$nil	$ (16,950)	$(0.00)
September 30, 2020 [2]	$nil	$ (445)	$(0.00)

(1) Fully diluted loss per share amounts are not shown as they would be anti-dilutive.
(2) Company was incorporated on September 18, 2020.

It is the nature of many junior companies that there are no sales or revenue. There can be significant variances in the Company's reported loss from quarter-to-quarter arising from factors that are difficult to anticipate in advance or to predict from past results.

LIQUIDITY AND CAPITAL RESOURCES

The Company has not generated any cash flow from operations. The Company's financial success relies on management's ability to continue to identify and evaluate assets or a business with a view to completing a transaction subject to receipt of shareholder approval and acceptance by regulatory authorities. Future cash flows from operations will be dependent on maximizing the potential of these opportunities.

In order to finance the acquisition of assets or a business and corporate overhead, the Company will be dependent on investor sentiment remaining positive towards the junior companies, and towards Quebec Nickel Corp. in particular, so that funds can be raised through the sale of the Company's securities. Many factors have an influence on investor sentiment, including a positive climate from investors to support junior exploration companies, a company's track record and the experience and calibre of a company's management. There is no certainty that equity funding will be available at the times and in the amounts required to fund the Company's activities. Note 1 of the Company's 2022 audited financial statements further discusses the going concern issue. The financial statements do not include any adjustments that might result from these uncertainties.

The Company has not financed its activities through loan financings. It is anticipated that as general sentiment towards junior companies turns positive, the Company can raise the necessary capital to secure and finance the acquisition of assets or a business.

Debt financing has not been used to finance general operating expenses. There are no other sources of financing that have been arranged by the Company.

The Company had working capital of $7,197,744 as at March 31, 2022 compared to working capital of $1,094,783 as at March 31, 2021. The increase can largely be attributed to the to the issuance of shares and units in a private placement during the year for gross proceeds of $7,700,000.

The Company has no commitments for capital expenditures.

Cash and Financial Conditions

The Company had a cash balance of $7,151,339 as at March 31, 2022 compared to a cash balance of $1,083,150 as at March 31, 2021. The increase can largely be attributed to the to the issuance of shares and units in a private placement during the year for gross proceeds of $7,700,000.

The Company does not have any unused lines of credit or other arrangements in place to borrow funds and has no off-balance sheet arrangements.

The Company does not use hedges or other financial derivatives.

Financing Activities

During the year-ended March 31, 2022, the Company issued 4,800,000 common shares pursuant to the exercise of 4,800,000 stock options for gross proceeds of $366,000.

During the year-ended March 31, 2022, the Company issued 3,479,600 common shares pursuant to the exercise of 3,479,600 warrants for gross proceeds of $347,960.

During the year-ended March 31, 2022, the Company issued an aggregate of 27,407,496 common shares for gross proceeds of $7,700,000 pursuant to the closing of a non-brokered private placement. The private placement was comprised of: 1) 4,166,650 units ("Unit"); 2) 10,444,000 flow-through shares ("FT Share"); 3) 8,035,446 Quebec flow-through shares ("Quebec FT Share"); and 4) 4,761,400 Premium flow-through units ("Premium FT Unit").

- Each Unit is priced at $0.24 per Unit and comprised of one common share and one-half of a common share purchase warrant. Each whole warrant entitles the holder thereof to acquire one additional common share at a price of $0.32 for a period of two years from the closing date.

- Each FT Share is priced at $0.25 per FT Share and is comprised of one common share that qualifies as a "flow-through share" within the meaning of subsection 66(15) of the Income Tax Act (Canada).

- Each Quebec FT Share is priced at $0.26 per Quebec FT Share and is comprised of one common share that qualifies as a "flow-through share" within the meaning of subsection 66(15) of the Income Tax Act (Canada).

- Each Premium FT Unit is priced at $0.42 per Premium FT Unit and is comprised of one common share that qualifies as a "flow-through share" within the meaning of subsection 66(15) of the Income Tax Act (Canada) and one-half of a common share purchase warrant. Each whole warrant is entitles the holder thereof to acquire one additional common share at a price of $0.32 for a period of two years from the closing date.

The Company incurred $589,683 in share issuance costs.

The Company also issued 1,918,524 finder's warrants to arm's length third parties. Each finder's warrant entitles the holder to acquire one common share of the Company for the price of $0.24 per common share for a period of two years following the closing.

The fair value of the 1,918,524 finder warrants was estimated using the Black-Scholes option pricing model assuming a weighted average risk-free interest rate of 0.95%, a dividend yield of nil, a weighted average expected annual volatility of the Company's share price of 125% and an expected life of 2 years. The fair value of the finder's warrant was $0.15 per warrant. The expected volatility assumption is based on the estimated volatility of early-stage mineral exploration companies. The risk-free interest rate is based on yield curves on the Canadian government zero-coupon bonds or Canadian government treasury bills with a remaining term equal to the options' expected life.

During the period ended March 31, 2021, the Company issued the following common shares:

- During September 2020, the Company issued 4,425,000 common shares at $0.02 per share for cash proceeds of $88,500.
- On October 21, 2020, the Company issued 1,315,000 common shares as a commission for the special warrant financing discussed below. These common shares were issued at their fair value of $0.05 per share.
- On March 12, 2021, the Company elected to convert 26,600,000 special warrants into 26,600,000 common shares and 13,300,000 warrants (note 6).
- On March 12, 2021, the Company elected to convert the 3,589,341 special warrants issued for the purchase of the Ducros Property into 3,589,341 common shares.

Investing Activities

During the year ended March 31, 2022, the Company had cash out flows of $858,737 from its investing activities compared to $134,821 during the year ended March 31, 2021. These activities relate directly to expenditures incurred on the Company's exploration and evaluation asset.

SECURITIES OUTSTANDING

As at March 31, 2022 and the date of this MD&A, the Company had 71,616,438 common shares issued and outstanding.

As at March 31, 2022 and the date of this MD&A, the Company had 17,754,949 warrants with a weighted average exercise price of $0.17 issued and outstanding.

As at March 31, 2022 and the date of this MD&A, the Company had 5,700,000 stock options issued and outstanding.

OUTLOOK

It is anticipated that in the continued and foreseeable future, the Company will rely on the equity markets to meet its financing needs. Should cash flow build through its business operations, the Company will be in a position to finance other initiatives from cash flow.

Without continued external funding to pursue and finance any business opportunities, there is substantial doubt as to the Company's ability to operate as a going concern. Although the Company has been successful in raising funds to date, there can be no assurance that additional funding will be available in the future. The financial statements do not reflect the adjustments to the carrying values of assets and liabilities that would be necessary if the Company were unable to achieve successful business results or obtain adequate financing. Management and the Board of Directors continuously review and examine business proposals for the Company and conduct their due diligence in respect of the same.

OFF-BALANCE SHEET ARRANGEMENTS

As at March 31, 2022 and the date of this report, the Company had no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions that are in the normal course of business and have commercial substance are measured at the exchange amount.

The following is a summary of the related party transactions that occurred during the periods ended March 31, 2022 and 2021.

The Company has determined that key management personnel consist of its Directors, the CEO, the CFO and the Vice-President of Exploration.

	Years ended March 31, 2022	Years ended March 31, 2021
Professional fees paid or accrued to a company controlled by the CFO of the Company	$ 12,000	$ -
Professional fees paid or accrued to a company controlled by the former CFO of the Company	7,000	-
Consulting fees paid or accrued to a company controlled by the VP Exploration of the Company	22,500	-
Consulting feees paid or accrued to a company controlled by a director of the Company	60,000	-
Director fees paid to independent directors of the Company	4,000	-
Total	$ 105,500	$ -

The Company incurred share-based payments of $1,137,900 of which $803,400 represents the fair value of vested stock options granted to key management personnel.

As at March 31, 2022, $12,127 (2021 - $Nil) is owing to related parties and is included in accounts payable.

Key management personnel were not paid post-employment benefits, termination benefits, or other long-term benefits.

FOURTH QUARTER RESULTS

For the three month period ended March 31, 2022, the Company realized a net loss of $1,884,909.

The loss for the period can be attributed to additional investor relation fees totaling $43,480 to promote the Company.

The Company incurred $85,663 in professional fees. This amount included $6,000 expensed for legal fees, $38,864 for accounting and audit fees and $40,779 in business advisory services.

For the three-month period ended March 31, 2022, the Company incurred $932,631 in exploration and evaluation expenditures.

PROPOSED TRANSACTIONS

There are no proposed transactions other than those previously discussed in this MD&A.

CRITICAL ACCOUNTING ESTIMATES

The Company makes estimates and judgments about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

Information about critical estimates and judgments in applying accounting policies that have the most significant risk of causing material adjustment to the financial statements are discussed below.

Critical judgments

The preparation of the financial statements requires management to make judgments regarding the going concern of the Company as discussed in Note 1 of the Company's March 31, 2022 audited financial statements.

Key sources of estimation uncertainty

Share-based payments
The Company uses the Black-Scholes Option Pricing Model for valuation of share-based payments. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying accounting policies in the Company's financial statements include:

Title to Mineral Property Interests
Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Impairment of exploration and evaluation assets
The carrying value and recoverability of exploration and evaluation assets requires management to make certain estimates, judgments and assumptions about each project. Management considers the economics of the project, including the latest resource prices and the long-term forecasts, and the overall economic viability of the project.

New standards and interpretations not yet adopted

At the date of authorization of these financial statements, the IASB and IFRIC have issued new and revised Standards and Interpretations which are not yet effective, and none of which are expected to have a material impact on the financial statements.

FINANCIAL INSTRUMENTS AND RISK FACTORS

The Company determines the fair value of financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The fair value of the Company'strade and other payables approximate their carrying value, which is the amount recorded on the statement of financial position, due to their short term nature. The Company's cash and cash equivalents is measured at fair value, under the fair value hierarchy based on level 1 quoted prices in active markets for identical assets or liabilities.

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

a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash and cash equivalents are exposed to credit risk, with the carrying value being the Company's maximum exposure. The Company's cash and cash equivalents consists of funds held at a Canadian chartered bank or occasionally, in trust with the Company's corporate lawyer. Management believes the Company's exposure to credit risk is minimal.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2022, the Company had a cash balance of $7,151,340 to settle current liabilities of $486,499. The Company expects to fund future expenditures through the issuance of capital stock.

c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. Management does not believe the Company is exposed to material currency or other price risk.

d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk as cash and cash equivalents comprise $6,400,000 held at a Canadian chartered bank in cashable GICs which bear interest at 1% per annum as at March 31, 2022.

The Company had no interest rate swaps or financial contracts in place as at or during the years ended March 31, 2022 and 2021.

e) COVID-19

In late 2019, a virus which causes coronavirus disease 2019 (COVID-19) was identified in Wuhan, Hubei, China. The virus subsequently spread throughout most of the world and in March 2020, COVID-19 was recognized as a pandemic by the World Health Organization.

COVID-19 has had a significant impact on businesses through the restrictions put in place by Canadian and foreign governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. We anticipate this outbreak may increase difficulties in financing and increased government regulations, all of which may negatively impact the Company's business and financial condition.

FORWARD-LOOKING STATEMENTS

Certain information set forth in this document includes forward-looking statements. By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond the Company's control, including but not limited to: general economic and business conditions; cash flow projections; currency fluctuations; risks relating to our ability to obtain adequate financing for future activities; risks related to government regulations, including environmental regulations and other general market and industry conditions as well as those factors discussed in each management discussion and analysis, available on SEDAR at www.sedar.com.

Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. The Company's actual results, programs and financial position could differ materially from those expressed in or implied by these forward-looking statements and accordingly, no assurance can be given that the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits the Company will derive from them. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and as such, undue reliance should not be placed on forward-looking statements.

The Company believes that the expectations reflected in these forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and as such forward looking statements contained into this report should not be relied upon. 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 report. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to assumptions about general business and economic conditions, the availability of financing for the Company, the ability to attract and retain skilled staff and the ability to identify and secure a quality asset or a business with a view of completing a transaction subject to receipt of shareholder approval and acceptance by regulatory authorities.

ADDITIONAL SOURCES OF INFORMATION

Additional information relating to Quebec Nickel Corp. can be found on the Company's website at www.quebecnickel.com or on the SEDAR website at www.sedar.com.