NorthX Nickel Corp.

Financial Statements

For the Three Months Ended March 31, 2025 and 2024

(Expressed in Canadian dollars)

NorthX Nickel Corp.
Condensed Interim Statements of Financial Position
(Unaudited - Expressed in Canadian dollars)

	Note	**March 31, 2025**	December 31, 2024
		$	$
ASSETS			
Current			
Cash		**436,919**	875,556
Receivables	6	**24,312**	28,771
Prepaid expenses	7	**35,552**	55,789
Assets held for sale	8	**2,655,709**	2,655,709
		3,152,492	3,615,825
Other assets		**28,750**	57,500
Exploration and evaluation assets	9	**3,547,031**	3,466,634
Property and equipment	10	**9,944**	10,691
Total assets		**6,738,217**	7,150,650
LIABILITIES			
Current			
Trade and other payables	11	**107,031**	147,366
Liabilities held for sale	8	**2,635,354**	2,655,709
		2,742,385	2,803,075
Total liabilities		**2,742,385**	2,803,075
SHAREHOLDERS' EQUITY			
Share capital	13	**39,825,782**	39,504,037
Warrants reserve	13	**4,361,273**	4,361,273
Contributed surplus	13	**3,564,433**	3,836,653
Deficit		**(43,755,656)**	(43,354,388)
Total shareholders' equity		**3,995,832**	4,347,575
Total liabilities and shareholders' equity		**6,738,217**	7,150,650

Nature of operations and going concern (Note 1)
Subsequent events (Note 18)

The accompanying notes are an integral part of these financial statements.

NorthX Nickel Corp.
Condensed Interim Statements of Loss and Comprehensive Loss
(Unaudited - Expressed in Canadian dollars)

	Note		Three months ended March 31,
		2025	2024
		$	$
Operating expenses			
Consulting fees		**7,108**	255
Depreciation	10	**13**	1,581
Filing fees		**18,117**	11,221
General and administrative		**19,178**	28,650
Management fees	14	**210,826**	192,826
Marketing		**29,836**	96,575
Professional fees		**68,248**	91,726
Property maintenance – assets held for sale	8	**29,010**	-
Share-based payments	13	**42,314**	53,335
		424,650	476,169
Other income (expenses)			
Gain (loss) on foreign exchange		**(12)**	620
Interest expense		**(22)**	(2,337)
Interest income		**23,416**	8,070
Loss before income taxes		**(401,268)**	(469,816)
Income taxes			
Deferred income tax expense		**-**	(89,000)
Net loss and comprehensive loss		**(401,268)**	(558,816)
Basic and diluted loss per common share		**(0.01)**	(0.03)
Weighted average number of common shares outstanding – Basic and diluted		**28,796,477**	18,977,904

The accompanying notes are an integral part of these financial statements.

NorthX Nickel Corp.
Condensed Interim Statements of Cash Flows
(Unaudited - Expressed in Canadian dollars)

		Three months ended March 31,
	2025	2024
	$	$
Operating activities:		
Net loss for the period	**(401,268)**	(558,816)
Items not affecting cash:		
Depreciation	**13**	1,581
Share-based payments	**42,314**	53,335
Deferred income tax expense (recovery)	**-**	89,000
Changes in non-cash working capital:		
Receivables	**4,459**	50,517
Prepaid expenses	**20,237**	60,163
Trade and other payables	**(43,916)**	(209,926)
Other assets	**28,750**	-
Cash used in operating activities	**(349,411)**	(514,146)
Investing activities:		
Exploration and evaluation costs	**(60,617)**	(678,721)
Change in liabilities held for sale	**(20,355)**	-
Purchase of equipment	**-**	(12,300)
Decommissioning and restoration costs	**-**	(8,361)
Finance assurance for decommissioning and restoration	**-**	(481,629)
Cash used in investing activities	**(80,972)**	(1,181,011)
Financing activities:		
Share issuance costs	**(8,254)**	-
Cash provided by financing activities	**(8,254)**	-
Change in cash	**(438,637)**	(1,695,157)
Cash, beginning of period	**875,556**	2,876,128
Cash, end of period	**436,919**	1,180,971
Supplemental cash flow information:		
Cash interest received	**(23,416)**	(8,070)
Share-based payments included in exploration and evaluation	**15,464**	-
Change in exploration and evaluation costs included in trade and other payables	**(3,582)**	476,069
Exploration and evaluation costs from capitalized depreciation	**734**	-

The accompanying notes are an integral part of these financial statements.

NorthX Nickel Corp.
Condensed Interim Statements of Changes in Shareholders' Equity
(Unaudited - Expressed in Canadian dollars; except number of shares)

	Common shares	Share capital	Warrants reserve	Contributed surplus	Deficit	Total shareholders' equity
	#	$	$	$	$	$
Balance, December 31, 2023	18,966,207	38,189,779	3,389,060	3,206,065	(7,560,524)	37,224,380
Shares issued for other compensatory awards	15,277	45,835	-	(45,835)	-	-
Share-based payments	-	-	-	93,556	-	93,556
Deferred income tax expense	-	90,000	(1,000)	-	-	89,000
Net loss and comprehensive loss for the period	-	-	-	-	(558,816)	(558,816)
Balance, March 31, 2024	18,981,484	38,325,614	3,388,060	3,253,786	(8,119,340)	36,848,120
Issuance of non-flow-through units in private placement	9,479,166	1,302,787	972,213	-	-	2,275,000
Share issuance costs net of tax	-	(84,362)	-	-	-	(84,362)
Shares issued for other compensatory awards settled	171,939	49,998	-	(49,998)	-	-
Share-based payments	-	-	-	438,116	-	438,116
Share-based payments - exploration-related	-	-	-	194,749	-	194,749
Deferred income tax expense	-	(90,000)	1,000	-	-	(89,000)
Net loss and comprehensive loss for the period	-	-	-	-	(35,235,048)	(35,235,048)
Balance, December 31, 2024	28,632,589	39,504,037	4,361,273	3,836,653	(43,354,388)	4,347,575
Share issuance costs	-	(8,254)	-	-	-	(8,254)
Shares issued for other compensatory awards settled	249,999	329,999	-	(329,999)	-	-
Share-based payments	-	-	-	42,314	-	42,314
Share-based payments - exploration-related	-	-	-	15,465	-	15,465
Net loss and comprehensive loss for the period	-	-	-	-	(401,268)	(401,268)
Balance, March 31, 2025	**28,882,588**	**39,825,782**	**4,361,273**	**3,564,433**	**(43,755,656)**	**3,995,832**

The accompanying notes are an integral part of these financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

NorthX Nickel Corp. ("NorthX" or the "Company") is engaged in the exploration of mineral claims located in Québec and Ontario, Canada. The Company was incorporated under the laws of the Province of British Columbia on October 26, 2018.

On May 1, 2024, the Company changed its name from Archer Exploration Corp. to NorthX Nickel Corp. and concurrently began trading on the Canadian Securities Exchange (the "Exchange") under the new symbol "NIX", replacing its former symbol "RCHR", under which it had traded since February 11, 2021.

The Company's registered and records office is located at 1200 Waterfront Centre, 200 Burrard Street, Vancouver, BC, V7X 1T2.

As at March 31, 2025, the Company had no active subsidiaries. Its wholly owned subsidiary, 1273600 B.C. Ltd., was voluntarily dissolved on January 25, 2024, under the *Business Corporations Act*.

In December 2024, the Company entered into an agreement (Note 8) whereby Magna Mining Inc. ("**Magna**") will acquire the Company's portfolio of nickel and base metal assets located in the Sudbury Basin ("**Sudbury Properties**"). The assets and liabilities relating to this agreement were classified as held for sale as at March 31, 2025.

a) Going concern

These unaudited condensed interim financial statements for the three months ended March 31, 2025 and 2024 (the "financial statements") have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

There are material uncertainties that may cast significant doubt about the appropriate use of the going concern assumption as the Company is in the exploration and evaluation stage and has not generated any revenues. As at March 31, 2025, the Company has a deficit of $43,755,656 (December 31, 2024 - $43,354,388) and for the three months ended March 31, 2025 and 2024, the Company incurred a net loss of $401,268 (2024 –$558,816).

The Company's continuing operations as intended are dependent upon the ability to obtain the necessary financing to explore and commercialize its mineral claims and administer overhead expenses. Should the Company fail to commercialize its mineral claims, or raise sufficient financing to maintain operations, the Company may be unable to realize the carrying value of its net assets. These financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

b) Share consolidation

On November 8, 2022, and May 1, 2024, the Company completed consolidations of its common shares on a three-for-one and six-for-one basis, respectively. All share and per share amounts have been retrospectively adjusted to reflect these consolidations. Any references to common shares are on a post-consolidation basis. Numbers of warrants and stock options and their respective exercise prices have been retrospectively adjusted to reflect the effects of the consolidations.

c) Wallbridge assets acquisition

On July 12, 2022, the Company entered into an asset purchase agreement with Wallbridge Mining Company Limited ("Wallbridge") whereby the Company would acquire from Wallbridge a 100% interest in certain mineral properties located in Québec and Ontario (collectively the "Nickel Assets") in exchange for 11,035,212 common shares of the Company (the "Transaction" or "Wallbridge assets acquisition").

The Company granted Wallbridge a 2% Net Smelter Return ("NSR") royalty less the amount of any pre-existing royalties on encumbered portions of the Grasset Project (Note 5). As a condition precedent to the closing of the Transaction, the Company was required to complete an equity financing for gross proceeds of at least $10,000,000. The equity financing closed on November 18, 2022 for gross proceeds of $10,182,500 (Note 13).

2. BASIS OF PREPARATION

a) Statement of compliance

These financial statements were approved by the Board of Directors and authorized for issue on May 27, 2025.

These financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB) and Interpretations (collectively IFRS Standards). These financial statements comply with International Accounting Standard 34 Interim Financial Reporting.

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

b) Future accounting pronouncements

Accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are assessed below if applicable or are expected to have a significant impact on the Company's financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements ("IFRS 18") which replaces IAS 1 Presentation of Financial Statements.

IFRS 18 introduces:

(i) New requirements on presentation within the statement of profit or loss;
(ii) Disclosure standards regarding management defined performance measures; and
(iii) Principles for aggregation and disaggregation of financial information in the financial statements and the notes.

IFRS 18 will be effective for annual reporting periods beginning on or after January 1, 2027. IFRS 18 is to be applied retrospectively. The Company is currently assessing the impact that IFRS 18 will have on its financial statements.

3. MATERIAL ACCOUNTING POLICY INFORMATION

In the preparation of these financial statements, the Company used the same accounting policies as in Note 3 to the Annual Financial Statements for the 12 month period ending December 31, 2024.

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, revenues and expenses. Management continually evaluates these judgments, estimates and assumptions based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates and judgments which may cause a material adjustment to the carrying amounts of assets and liabilities. The Company's interim results are not necessarily indicative of its results for a full year. The significant assumptions and estimates applied in the preparation of these financial statements are consistent with those applied and disclosed in Note 4 to the Annual Financial Statements for the twelve month period ending December 31, 2024.

(Unaudited - Expressed in Canadian dollars, except where noted)

5. WALLBRIDGE ASSETS ACQUISITION

On November 18, 2022, the Company completed its previously announced Transaction. As consideration for the Nickel Assets, the Company issued to Wallbridge 11,035,212 common shares at approximately $2.58 per share for an aggregate fair value of $28,564,545. The Company granted to Wallbridge a 2% NSR royalty on production from the Grasset Project (Note 9). In connection with the Transaction, the Company entered into a finders' fee agreement with two parties. As compensation for the introduction of the Company and Wallbridge, the Company issued to the finders 275,883 common shares at approximately $2.58 per share for an aggregate fair value of $714,114. The Company incurred $250,696 in legal fees prior to the closing of the Transaction and the amount is allocated as part of the consideration.

The acquisition has been accounted for as an equity-settled share-based payment transaction within the scope of IFRS 2 *Share-based Payment*. The acquisition did not qualify as a business combination under IFRS 3 *Business Combinations*, as the significant inputs, processes, and outputs that together constitute a business did not exist in the Company or the Nickels Assets at the time of acquisition. Accordingly, no goodwill was recorded with respect to the acquisition. A summary of the Company's consideration paid and the net assets acquired from Wallbridge as at the November 18, 2022 acquisition date is as follows:

	$
Purchase price:	
Fair value of common shares issued to Wallbridge	28,564,545
Fair value of finders' shares	714,114
Transaction costs	250,696
	29,529,355
Net assets acquired:	
Cash	2,652,997
Account receivable with Magna	612,230
Exploration and evaluation assets (Note 9)	28,538,141
Property and equipment (Note 10)	87,138
Decommissioning and restoration provision (Note 12)	(2,361,151)
	29,529,355

6. RECEIVABLES

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

	March 31, 2025	December 31, 2024
	$	$
Input Tax Credits recoverable	**24,312**	28,771
	24,312	28,771

7. PREPAID EXPENSES

A summary of the Company's prepaid expenses is as follows:

	March 31, 2025	December 31, 2024
	$	$
Insurance	**23,356**	32,616
Vendor prepayments	**12,196**	23,173
	35,552	55,789

(Unaudited - Expressed in Canadian dollars, except where noted)

8. ASSETS AND LIABILITIES HELD FOR SALE

On December 18, 2024, the Company entered into a definitive asset purchase agreement to sell the property, assets, rights and obligations related to its Sudbury Properties. The closing of the transaction is expected to be completed in 2025.

As the sale was considered highly probable at December 31, 2024, the assets and liabilities of the Sudbury Properties were classified as assets and liabilities (a disposal group) held for sale and presented separately under current assets and current liabilities, respectively, on the Company's Statement of Financial Position.

At December 31, 2024, the Sudbury Properties were stated at carrying value, which was determined to be the lower of carrying value and FVLCD, as follows:

	Note	**Amount**
		$
Cash		18,370
Finance assurance for closure plan	12	481,629
Exploration and evaluation assets (1)	9	2,087,025
Property and equipment	10	68,685
Total assets held for sale		2,655,709
Decommissioning and restoration provision	12	2,655,709
Total liabilities held for sale		2,655,709

(1) The exploration and evaluation assets included in the Sudbury Properties are certain claims relating to Wahnapitae, Northwest Ontario and Ontario Other as well as claims relates to Parkin, Sudbury West and Wisner Properties. An impairment charge of $486,889 was recognized on these properties to reflect the FVLCD in connection with the asset purchase agreement.

Under the terms of the Agreement, Magna will pay the Company $1.00 and Magna will assume all liabilities related to the Broken Hammer Project Mine Closure Plan, including lodging financial assurance with the Ministry of Mines in an amount of approximately $481,629. The Company will pay $500,000 to Magna to cover Broken Hammer closure financial assurance; and Magna will assume certain liabilities with respect to the Sudbury Properties, including acting as the operator of joint ventures, NSR royalty payments, and annual work commitments. This amount is included in the assets classified as held for sale.

The Transaction is subject to certain closing conditions specified in the Agreement, including the receipt of all required third party consents and regulatory approvals.

At March 31, 2025, the assets and liabilities of the Sudbury Properties were classified as assets and liabilities continued to be classified as held for sale.

During the three months ended March 31, 2025, the Company made a payment of $20,355 related to the Broken Hammer Project Mine Closure Plan, reducing the liabilities held for sale. As at March 31, 2025, the net assets and liabilities held for sale were as follows:

	Total
	$
Assets held for sale	
Balance, December 31, 2024 and March 31, 2025	**2,655,709**
Liabilities held for sale	
Balance, December 31, 2024	2,655,709
Expenditures on Broken Hammer Project	(20,355)
Balance, March 31, 2025	**2,635,354**
Net assets (liabilities) held for sale	
Balance, December 31, 2024	-
Balance, March 31, 2025	**20,355**

(Unaudited - Expressed in Canadian dollars, except where noted)

8. ASSETS AND LIABILITIES HELD FOR SALE (continued)

Broken Hammer

As part of the acquisition of the Nickel Assets, the Company acquired the closure liability associated with the Broken Hammer Project. The Broken Hammer Project has been in a state of inactivity since 2015 and closure plan activities have been ongoing. The Broken Hammer site received closed mine status on July 25, 2023. The amendment of the Closure Plan for the Broken Hammer project was successfully filed with the Ontario Ministry of Mines on February 28, 2024.

Surface water runoff and groundwater seepage from the site collects in the Broken Hammer open pit. Excess pit water is treated seasonally with chemical treatment (e.g., lime addition followed by pH adjustment) with the use of a mobile treatment system. Pumping and seasonal discharge of the Broken Hammer Pit began in early June and was completed in late September 2024.

It is expected that a permanent passive sulphate reducing bio-reactor treatment system may allow for long-term low cost treatment of the pit water versus the temporary seasonal arrangement and ongoing closure plan activities have included the submission of the Environmental Compliance Approval (“ECA”) permit application on August 3, 2023 and an application for an amendment to the accompanying Permit to Take Water (“PTTW”) on August 21, 2023. Coincident with the filing of the Closure Plan Amendment, the Company posted an irrevocable standby letter of credit in the amount of $481,629 in favour of the Ontario Ministry of Mines. Interest on the letter of credit is accrued at a rate of 0.15% monthly.

A summary of the Company’s discounted liabilities for decommissioning and restoration provisions is as follows:

	$
Balance, December 31, 2023	2,627,039
Change in decommissioning and restoration provision	508,881
Expenditures on Broken Hammer Project	(480,211)
Classified as held for sale	(2,655,709)
Balance, December 31, 2024 and March 31, 2025	**-**

As part of the acquisition of the Nickel Assets, the Company acquired the closure liability associated with the Broken Hammer Project closure activities. The Broken Hammer Project has been in a state of inactivity since 2015 and closure plan activities have been ongoing. On February 28, 2024 the Company posted an irrevocable standby letter of credit in the amount of $481,629 in favour of the Ontario Ministry of Mines. Interest on the letter of credit is accrued at a rate of 0.15% monthly.

The key assumptions on which the provision estimates were based at March 31, 2025 are as follows:

- Expected timing of the cash flows is based on the estimated useful life of the mines forming part of the Broken Hammer Project. The majority of the expenditures are expected to occur between 2025 and 2034, which is based on the currently anticipated closure dates of the project; and
- The discount rate used is 3.02%.

The remaining undiscounted amount of estimated cash flows required to settle the decommissioning and restoration costs of the Broken Hammer Project to the end of the project’s life was estimated to be $2,747,808 as at March 31, 2025.

(Unaudited - Expressed in Canadian dollars, except where noted)

9. EXPLORATION AND EVALUATION ASSETS

A summary of the Company's exploration and evaluation assets is as follows:

	Grasset	Parkin	Sudbury W	Wahnapitae	Wisner	NW Ontario	Ontario Other	Quebec Other	Total
	$	$	$	$	$	$	$	$	$
Balance, December 31, 2023	34,588,843	1,487,591	313,088	248,099	125,913	265,128	171,451	5,014	37,205,127
Acquisition and Maintenance Costs	-	12,000	20,000	-	-	-	-	-	32,000
Assay and Analysis	20,733	-	162	-	-	-	-	-	20,895
Camp Costs	113,825	-	-	-	-	-	24,180	-	138,005
Classified as Held for Sale	-	(1,131,363)	(281,640)	(204,789)	(111,551)	(47,419)	(310,263)	-	(2,087,025)
Communications	2,428	-	-	-	-	-	-	-	2,428
Drilling	311,684	-	-	-	-	-	-	-	311,684
Field and Equipment	54,533	-	-	-	-	-	550	-	55,083
Fuel	3,843	-	-	-	-	-	-	-	3,843
Geological Consulting	290,206	57,909	10,963	4,604	3,113	1,542	42,534	8,394	419,265
Geophysics	40,413	9,225	-	-	-	-	11,176	-	60,814
Government Grants	-	(200,000)	-	-	-	-	-	-	(200,000)
Ground Logistics	10,300	-	-	-	-	-	-	-	10,300
Health and Safety	366	-	-	-	-	-	75	-	441
Impairment Charge	(32,750,284)	(263,939)	(65,705)	(47,776)	(26,024)	(11,063)	(72,382)	-	(33,237,173)
Permit and Environment	517	-	-	-	-	-	-	-	517
Property Maintenance	22,540	28,577	3,132	295	8,549	10,998	6,804	1,136	82,031
Salaries and Wages	302,098	-	-	-	-	-	125,875	-	427,973
Share-Based Payments	194,749	-	-	-	-	-	-	-	194,749
Travel and Transportation	20,074	-	-	-	-	-	5,603	-	25,677
	(31,361,975)	(1,487,591)	(313,088)	(247,666)	(125,913)	(45,942)	(165,848)	9,530	(33,738,493)
Balance, December 31, 2024	**3,226,868**	**-**	**-**	**433**	**-**	**219,186**	**5,603**	**14,544**	**3,466,634**
Camp Costs	734	-	-	-	-	-	6,435	-	7,169
Communications	672	-	-	-	-	-	-	-	672
Field and Equipment	6,890	-	-	-	-	-	-	-	6,890
Geological Consulting	434	-	-	-	-	-	-	-	434
Geophysics	497	-	-	-	-	-	-	-	497
Property Maintenance	6,010	-	-	-	-	1,938	7,079	-	15,027
Salaries and Wages	4,455	-	-	-	-	-	29,788	-	34,243
Share-Based Payments	15,465	-	-	-	-	-	-	-	15,465
	35,157	-	-	-	-	1,938	43,302	-	80,397
Balance, March 31, 2025	**3,262,025**	**-**	**-**	**433**	**-**	**221,124**	**48,905**	**14,544**	**3,547,031**

9. EXPLORATION AND EVALUATION ASSETS (continued)

The Company's primary mineral property is the Grasset Project in Quebec. The Company also holds a portfolio of 41 mineral properties in Ontario, of which 38 are situated in the Sudbury mining district. Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee their titles. Property title may be subject to unregistered prior agreements or transfers and may be affected by undetected defects. The Company is required to make a $32,000 per year advance royalty payment in order to maintain certain property agreements in good standing, as outlined below. The Company is also required to make statutory license and property tax expenditures each year to maintain its properties in good standing.

Grasset Project, Québec

The Grasset Project is a resource-exploration stage Ni-Cu-Co-PGM project located in the James Bay territory in Nord-du-Québec administrative region of the province of Québec, Canada, approximately 77 kilometres west-northwest of the city of Matagami and 170 kilometres north of the town of Amos. The Grasset Project consists of 153 claims blocks and an aggregate area of 81.81 km2 located in the Archean Abitibi Subprovince of the southern Superior Province in the Canadian Shield. The Company owns a 100% interest in the Grasset Project, subject to a 2% net smelter return royalty ("NSR") on production from certain of the acquired assets.

On November 18, 2022 the Company and Wallbridge entered into an exploration cooperation agreement (the "Exploration Cooperation Agreement") whereby Wallbridge was granted the right to explore certain portions of the Grasset Project for gold under certain circumstances. The Exploration Cooperation Agreement applies to approximately 7,515 hectares of the Grasset Project and excludes approximately 665 hectares of coverage over the Grasset Deposit. If the results from either Wallbridge's or NorthX's exploration work on the 7,515 hectares that are subject to the Exploration Cooperation Agreement (the "Gold Cooperation Area") establish a mineral resource that consists of primary gold mineralization, then the parties will form a joint venture in which NorthX will have a 30% interest and Wallbridge will have a 70% interest. If the results from Wallbridge's exploration work in the Gold Cooperation Area establish a mineral resource that consists of primary mineralization other than gold, then the parties will form a joint venture in which NorthX will have a 70% interest and Wallbridge will have a 30% interest. The purpose of any such joint ventures will be to explore, develop and operate such mineral resource. The Exploration Cooperation Agreement has a term of five years and is subject to earlier termination in certain circumstances.

In accordance with the Company's accounting policy for mineral properties, exploration and evaluation expenditures are capitalized, and management applies judgment to assess whether indicators of impairment exist. This judgment includes considerations such as the period for which exploration rights are held, the likelihood of renewal of these rights, and the evaluation of exploration results. During the year ended December 31, 2024, the Company has identified an indicator of impairment related to the Grasset project due to a change in the substantive expenditures budgeted for further exploration and evaluation activities in the medium term due to decreased availability of equity financing for Canadian-listed small-cap exploration and development companies. The revised budget for expenditures on the affected property, reflecting a reduction in future exploration and evaluation efforts, has triggered the impairment assessment for this property.

An impairment assessment was performed based on a recoverable amount valued at fair value less costs of disposal ("FVLCD"). The Company applied a discount to reflect the stage and quality of its assets and utilized multiple valuation techniques. Various market metrics for comparable junior nickel exploration and development companies with development-stage assets, along with the Company's market capitalization, were considered in determining the FVLCD. The valuation that was most representative of fair value, at the time the impairment indicator was identified, was determined to be $3,119,894 for Grasset. Management's estimate of recoverability is based on inputs which have a significant effect on fair value that are not directly observable from market data and is therefore classified within Level 3 in the fair value hierarchy. Key assumptions include a range of enterprise values per contained nickel tonne from $20.47 to $72.52, with an average of $46.50 per contained nickel tonne of mineral resource, based on market comparables as of September 30, 2024. A $5 to $10 change in the enterprise value per contained nickel tonne would result in a change to the impairment charge ranging from $335,500 to $671,000.

As a result, the Company recorded a non-cash impairment for our Grasset project of $32,750,284 in the year ended December 31, 2024.

(Unaudited - Expressed in Canadian dollars, except where noted)

9. EXPLORATION AND EVALUATION ASSETS (continued)

Parkin Project - Sudbury, Ontario

The Parkin Project is comprised of an interest in 4 properties including 60 unpatented mining claims. In addition, the Company holds an interest in 12 mining leases and 5 patented claims. The Parkin Project has a total land area of 25.3 km2. On November 18, 2022, the Company and Wallbridge entered into an Assignment and Assumption Agreement whereby the Company agreed to acquire the rights, title, and interest in several joint venture agreements, including a joint venture and option agreement between Wallbridge and Impala Platinum Holdings Limited (“Impala”) dated December 31, 2014, as amended (the “Impala Option Agreement”). Pursuant to the terms of the Impala Option Agreement, the Company has the right to acquire Impala’s remaining 49.6% interest in the Parkin Project by making a cash payment of $1 million to Impala by June 30, 2023.

During the period ended December 31, 2023 the terms of the Impala Option Agreement were amended whereby the Company may acquire Impala’s remaining 49.6% interest in the Parkin Project offset joint venture by making payments as follows:

	Option Payment	
June 30, 2023	$500,000	(paid)
December 31, 2024	500,000	
	$1,000,000	

The Company is required to make a $12,000 per year advance royalty payment in order to maintain certain property agreements in good standing.

In accordance with the definitive asset purchase agreement dated December 18, 2024 with Magna Mining Inc., the Company has not made the final $500,000 option payment to Impala Platinum Holdings Ltd. (“Impala”) due December 31, 2024. Impala has informed NorthX that, notwithstanding its failure to pay the final $500,000 option payment by December 31, 2024, or to date, Impala has elected not to exercise its right to deliver a default payment notice to the Company. In addition, Impala has informed the Company that it reserves its rights in terms of the final $500,000 option payment and the Option Agreement. The Company has classified the carrying value of $1,131,363 of the project as held for sale (Note 8) at March 31, 2025 (2024 - $1,131,363).

Sudbury West – Sudbury, Ontario

The Sudbury West project is comprised of an interest in 18 properties including 532 unpatented mining claims. In addition, the Company holds an interest in 4 mining leases, 2 patented claims and 1 exploratory licence of occupation. The Sudbury West project covers a total area of 218 km2. The Company is required to make a $20,000 per year advance royalty payment in order to maintain certain property agreements in good standing. The Company has classified the carrying value of $281,640 of the project as held for sale (Note 8) at March 31, 2025 (2024 - $281,640).

Wahnapitae – Sudbury, Ontario

The Wahnapitae project is comprised of an interest in 5 properties including 51 unpatented mining claims. In addition, the Company holds an interest in 1 mining lease, 5 patented claims and 3 mining licences of occupation. The Wahnapitae project has a total land area of land area of 22 km2. Claims with a carrying value of $204,789 have been classified to assets held for sale (Note 8) at March 31, 2025 (2024 - $204,789). The remaining carrying value of $433 relates to claims retained by the Company.

Wisner – Sudbury, Ontario

The Wisner project is comprised of an interest in 5 properties including 46 unpatented mining claims. In addition, the Company holds an interest in 2 mining lease, and 1 patented claim. The Wisner project has a total land area of land area of 11 km2. Distributed throughout all the Wisner properties are irregular bodies of Sudbury Breccia, which is the main host rock for footwall-style copper, nickel and platinum group metal mineralization. The Company has classified the carrying value of $111,551 of the project as held for sale (Note 8) at March 31, 2025 (2024 - $111,551).

Northwestern Ontario

The Northwestern Ontario project is comprised of an interest in 3 properties including 747 unpatented mining claims. The Northwestern Ontario project has a total land area of land area of 158 km^2. Claims with a carrying value of $47,419 have been classified to assets held for sale (Note 8) at March 31, 2025 (2024 - $47,419). The remaining carrying value of $221,124 relates to claims retained by the Company.

(Unaudited - Expressed in Canadian dollars, except where noted)

10. PROPERTY AND EQUIPMENT

A summary of the Company's property and equipment is as follows:

	Bridges	**Equipment**	**Computers**	**Total**
	$	$	$	$
Cost				
Balance, December 31, 2023	49,266	37,872	19,564	106,702
Additions	-	12,300	-	12,300
Classified as held for sale	(49,266)	(37,872)		(87,138)
Balance, December 31, 2024 and March 31, 2025	**-**	**12,300**	**19,564**	**31,864**
Accumulated depreciation				
Balance, December 31, 2023	2,203	8,466	7,898	18,567
Additions	2,316	7,351	11,393	21,060
Classified as held for sale	(4,519)	(13,935)	-	(18,454)
Balance, December 31, 2024	-	1,882	19,291	21,173
Additions	-	513	234	747
Balance, March 31, 2025	**-**	**2,395**	**19,525**	**21,920**
Carrying amount				
Balance, December 31, 2023	47,063	29,406	11,666	88,135
Balance, December 31, 2024	-	10,418	273	10,691
Balance, March 31, 2025	**-**	**9,905**	**39**	**9,944**

During the three months ended March 31, 2025 and 2024 depreciation of $734 was capitalized to exploration and evaluation assets (2024 - $6,043).

11. TRADE AND OTHER PAYABLES

A summary of the Company's trade and other payables is as follows:

	March 31, 2025	December 31, 2024
	$	$
Trade payables	**58,057**	91,341
Accrued liabilities	**48,974**	56,025
	107,031	147,366

All trade payables and accrued liabilities are due within the next 12 months.

(Unaudited - Expressed in Canadian dollars, except where noted)

12. DECOMMISSIONING AND RESTORATION PROVISION

A summary of the Company's discounted liabilities for decommissioning and restoration provisions is as follows:

	$
Balance, December 31, 2023	2,627,039
Change in decommissioning and restoration provision	508,881
Expenditures on Broken Hammer Project	(480,211)
Classified as held for sale	(2,655,709)
Balance, December 31, 2024 and March 31, 2025	-

As part of the acquisition of the Nickel Assets, the Company acquired the closure liability associated with the Broken Hammer Project closure activities. The Broken Hammer Project has been in a state of inactivity since 2015 and closure plan activities have been ongoing. On February 28, 2024 the Company posted an irrevocable standby letter of credit in the amount of $481,629 in favour of the Ontario Ministry of Mines. Interest on the letter of credit is accrued at a rate of 0.15% monthly.

The key assumptions on which the provision estimates were based at March 31, 2025 are as follows:

- Expected timing of the cash flows is based on the estimated useful life of the mines forming part of the Broken Hammer Project. The majority of the expenditures are expected to occur between 2025 and 2034, which is based on the currently anticipated closure dates of the project; and
- The discount rate used is 3.02%.

The remaining undiscounted amount of estimated cash flows required to settle the decommissioning and restoration costs of the Broken Hammer Project to the end of the project's life was estimated to be $2,747,808 as at March 31, 2025.

13. SHARE CAPITAL

Authorized share capital

The authorized share capital of the Company consists of an unlimited number of common shares without par value.

Issued share capital

During the three months ended March 31, 2025, the Company had the following share transactions:

- The Company issued 249,999, common shares pursuant to the settlement of omnibus awards and reclassified $329,999 from the Company's contributed surplus to share capital.

During the twelve months ended December 31, 2024, the Company had the following share transactions:

- The Company issued 187,216, common shares pursuant to the settlement of omnibus awards and reclassified $95,833 from the Company's contributed surplus to share capital.

- On May 14, 2024, the Company closed a non-brokered private placement of 9,479,166 non-flow-through units ("NFT Units") at a price of $0.24 per NFT Unit, for gross proceeds of $2,275,000. Each NFT Unit is comprised of one common share and one non-transferable common share purchase warrant ("warrant") with each warrant entitling the holder thereof to purchase one common share for a period of 36 months from the date of issuance at an exercise price of $0.36 per warrant.

(Unaudited - Expressed in Canadian dollars, except where noted)

13. SHARE CAPITAL (continued)

- As the units are comprised of both a single common share and a single warrant, a valuation method was used to determine the fair value of the warrants. As a result, $1,302,787 was allocated to share capital and $972,213 was allocated to warrants reserve. A summary of the Company's assumptions used in the Black-Scholes option pricing model for unit warrants issued on May 14, 2024 is as follows:

Share price	$0.22
Expected life	3 years
Expected volatility	144.02%
Risk-free rate	4.13%
Dividend yield	0.00%

Warrants

A summary of the Company's warrant activity is as follows:

	Number of warrants	Weighted average exercise price
	#	$
Balance, December 31, 2023	5,882,252	2.70
Issued	9,479,165	0.36
Exercised	(2,012,035)	6.04
Balance, December 31, 2024 and March 31, 2025	**13,349,382**	**0.53**

A summary of the Company's warrants outstanding as at March 31, 2025 is as follows:

Expiry date	Weighted average exercise price	Number of warrants	Weighted average remaining life
	$	#	years
May 24, 2025	0.96	20,125	0.15
November 24, 2026	0.96	2,766,759	1.65
November 27, 2026	0.96	1,083,333	1.66
May 14, 2027	0.36	9,479,165	2.12
March 31, 2025	**0.53**	**13,349,382**	**1.98**

Omnibus Equity Incentive Plan

On June 25, 2024, the Company's shareholders passed an ordinary resolution re-approving the omnibus equity incentive compensation plan (the "Omnibus Plan") with an effective date of June 26, 2024 (the "Effective Plan Date"). The Omnibus Plan consists of (i) a "rolling" plan pursuant to which the number of common shares that are issuable pursuant to the exercise of stock options granted under the Omnibus Plan shall not exceed 10% of the issued and outstanding shares of the Company as at the date of any stock option grant; and (ii) a "fixed" plan under which the number of common shares that are issuable pursuant to all equity awards other than stock options granted under the Omnibus Plan, in aggregate is a maximum of 10% of the issued and outstanding common shares of the Company as on the Effective Plan Date.

The exercise price of each stock option is determined by the Board of Directors at the time of grant and cannot be less than the price permitted by the Canadian Securities Exchange ("the Exchange"). Currently, the Exchange requires that the exercise price of stock options must be equal to or greater than the discounted market price (as defined in the policies of the Exchange). The exercise price of stock options is solely payable in cash. The Board of Directors has the discretion to determine the term and vesting provisions of any stock options granted under the Plan at the time of grant subject to the policies of the Exchange.

The fair value of RSUs is based on the closing price of the Company's common shares on the Exchange on the date immediately preceding the grant date.

The fair value of the DSUs is the closing price of the Company's common shares on the Exchange on the date immediately preceding the grant date. The DSUs shall vest when the recipient director ceases to be a director of the Company provided that no DSUs will vest within twelve months of the grant date and are otherwise subject to the Omnibus Plan.

(Unaudited - Expressed in Canadian dollars, except where noted)

13. SHARE CAPITAL (continued)

Stock options

A summary of the Company's stock option activity is as follows:

	Number of stock options	Weighted average exercise price
	#	$
Balance, December 31, 2023	1,384,426	1.86
Granted	425,000	0.28
Cancelled / Expired	(411,192)	1.11
Balance, December 31, 2024 and March 31, 2025	**1,398,234**	**1.58**

A summary of the Company's stock options outstanding as at March 31, 2025, is as follows:

Expiry date	Weighted average exercise price	Number of outstanding stock options	Number of exercisable stock options	Weighted average remaining life
	$	#	#	years
June 8, 2026	2.16	8,331	8,331	1.19
October 20, 2026	9.18	66,664	66,664	1.56
December 13, 2027	3.30	308,331	308,331	2.70
March 17, 2028	3.30	29,166	29,166	2.96
March 22, 2028	2.28	16,666	16,666	2.98
June 1, 2028	0.96	38,332	25,555	3.17
July 5, 2028	0.81	4,166	2,777	3.27
December 21, 2028	0.48	626,578	417,719	3.73
July 5, 2029	0.28	300,000	100,000	4.27
Balance, March 31, 2025	**1.58**	**1,398,234**	**975,209**	**3.46**

During the three months ended March 31, 2025, the Company recorded $28,775 (2024 - $53,127) of share-based payments expense related to the vesting of stock options net of cancellations.

a) Restricted share units

When the Company issues RSUs, it records a share-based payments expense in the year or period, which the RSUs are granted and/or vested.

A summary of the Company's RSU activity is as follows:

	Number of RSUs	Weighted average grant date fair value
	#	$
Balance, December 31, 2023	560,236	0.72
Granted	525,000	0.27
Settled	(170,548)	1.05
Cancelled	(233,117)	0.41
Balance, December 31, 2024 and March 31, 2025	**681,569**	**0.40**

(Unaudited - Expressed in Canadian dollars, except where noted)

13. SHARE CAPITAL (continued)

A summary of the Company's outstanding RSUs at March 31, 2025, is as follows:

Vesting date	Number of RSUs	Weighted average grant date fair value
	#	$
December 13, 2025 [(1)]	15,279	3.00
December 21, 2026 [(2)]	216,290	0.48
July 5, 2024[(3)]	450,000	0.27
	681,569	**0.40**

(1) The RSUs vest rateably over a period of three years with the first tranche vesting on December 13, 2023, the second tranche vesting on December 13, 2024, and the final tranche vesting on December 13, 2025. The vesting date listed above represents the end of the three-year term.
(2) The RSUs vest rateably over a period of three years with the first tranche vesting on December 21, 2024, the second tranche vesting on December 21, 2025, and the final tranche vesting on December 13, 2026. The vesting date listed above represents the end of the three-year term.
(3) The RSUs vest rateably over a period of three years with the first tranche vesting on July 5, 2024, the second tranche vesting on July 5, 2025, and the final tranche vesting on July 5, 2026. The vesting date listed above represents the end of the three-year term.

During the three months ended March 31, 2025, the Company incurred share-based payments of $29,429 in connection with RSUs vested (2024 - $40,429).

Deferred share units

A summary of the Company's DSU activity is as follows:

	Number of DSUs	Weighted average Grant Date Fair Value
	#	$
Balance, December 31, 2023	818,747	1.04
Granted	600,000	0.27
Settled	(16,666)	3.00
Cancelled/Expired	(229,166)	0.48
Balance, December 31, 2024	1,172,915	0.73
Settled	(249,999)	1.32
Cancelled/Expired	(100,000)	0.32
Balance, March 31, 2025	**822,916**	**0.57**

A summary of the Company's outstanding DSUs at March 31, 2025, is as follows:

Grant date	Number of DSUs	Weighted average Grant Date Fair Value
	#	$
December 13, 2022	83,333	3.00
December 22, 2023	239,583	0.48
July 5, 2024	500,000	0.27
	822,916	**0.58**

During the three months period ended March 31, 2025, the Company incurred share-based payments of $nil in connection with the grant of DSUs (2024 - $nil).

At March 31, 2025 there were 125,000 DSU's which vested on the resignation of a director which had not yet be issued and are included in the balance at period end.

(Unaudited - Expressed in Canadian dollars, except where noted)

14. RELATED PARTY TRANSACTIONS

Related party personnel are those who have the authority and responsibility for planning, directing, and controlling activities of the Company directly or indirectly. Related parties include the Board of Directors, officers, close family members and entities that are controlled by these individuals.

a) The Company had the following transactions with related party entities:

	Three months ended March 31, 2025	Three months ended March 31, 2024
	$	$
Wallbridge Mining Company [(i)]	**-**	94,722
Inventa Capital Corp. [(ii)]	**-**	-
	-	94,722

(i) Effective November 18, 2022, the Company entered into a sub-lease agreement with Wallbridge for a portion of their premises relating to the nickel assets acquired. The sub-lease agreement terminated on August 31, 2023. The Company also entered into a secondment agreement to provide the Company with Wallbridge personnel for work on the nickel assets on an as needed basis. Wallbridge also charges NorthX for the use of Wallbridge accommodations at their Detour-Fenelon Gold Trend site facilities in the Northern Abitibi region of Quebec. At March 31, 2025, the Company had a payable to Wallbridge of $nil (2024 - $1,725). Wallbridge and NorthX are also parties to an Investor Rights Agreement and Exploration Agreement.

(ii) Effective July 1, 2021 the Company entered into a management services agreement with Inventa Capital Corporation ("Inventa"), a company controlled by a former director of the Company, for office rent and administrative functions. The agreement was terminated effective October 22, 2023. The Company subsequently entered into an agreement with Inventa purely for certain administrative functions.

These transactions were in the normal course of operations.

b) Key management personnel

The Company's key management personnel are its directors and officers.

A summary of the Company's key management personnel remuneration is as follows:

	Three months ended March 31, 2025	Three months ended March 31, 2024
	$	$
Management and consulting fees [(i)]	**135,000**	200,731
Share-based payments [(ii)]	**46,505**	85,120
	181,505	285,851

(i) Included in management and consulting fees was $nil (2024 - $50,000) capitalized as exploration and evaluation assets.

(ii) Share-based payments is the fair value of options, RSUs, DSUs, granted which have been calculated as disclosed in Note 13 and $3,180 (2023 - $19,235) was capitalized as exploration and evaluation assets.

As at March 31, 2025, accounts payable and accrued liabilities included $nil (2024 - $1,725) payable to directors, officers and companies controlled or related to directors and/or officers. Amounts payable to related parties have no specific terms of repayment, are unsecured and do not bear interest.

15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

a) Fair value

As at March 31, 2025, the financial instruments such as cash, investments, finance assurance for closure plan, and trade and other payables are classified and measured at amortized cost. The carrying value of cash, investments, standby letter of credit for financial assurance, and trade and other payables approximate the fair value due to the relatively short-term nature of these instruments.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the Company by failing to discharge an obligation. Credit risk for the Company is associated with its cash. The Company has minimal exposure of credit risk on its cash as the Company's cash is held with major Canadian financial institutions.

c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets. At March 31, 2025, the Company had cash and taxes receivable balances of $461,231 (December 31, 2024 - $904,327) to settle current liabilities related to trade payables of $107,031 (December 31, 2024 - $147,366) Liquidity risk for the Company is associated with its trade and other payables.

d) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates.

The Company is not exposed to significant interest rate risk on the basis that it does not hold any financial liabilities subject to variable interest rates.

Foreign currency risk is the risk that the value of the Company's financial instruments denominated in foreign currencies will fluctuate due to changes in foreign exchange rates. The Company does not use derivative instruments to reduce its exposure to foreign currency risk.

The Company is mainly exposed to foreign currency risk on financial instruments (consisting of cash and trade and other payables) denominated in USD. As at March 31, 2025, the Company does not carry significant cash and trade and other payables balances denominated in USD.

16. SEGMENTED INFORMATION

The Company operates in a single reportable operating segment, being the acquisition, exploration and development of its Canadian exploration and evaluation properties.

17. CAPITAL MANAGEMENT

The Company's capital structure consists of all components of shareholders' equity. The Company's objective when managing capital is to maintain adequate levels of funding to continue as a going concern and support its exploration of mineral claims. The Company obtains funding primarily through issuing common stock. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future.

There were no changes to the Company's approach to capital management during the three month period ended March 31, 2025. The Company is not subject to externally imposed capital requirements.

18. SUBSEQUENT EVENTS

Subsequent to March 31, 2025, the following events occurred:

- Warrants to purchase 20,125 shares at a weighted average exercise price of $0.96 expired unexercised.