



# NorthX Nickel Corp.

**Financial Statements**

**For the Years Ended December 31, 2025 and 2024**

(Expressed in Canadian dollars)



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## Independent Auditor's Report

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To the Shareholders of NorthX Nickel Corp.

### Opinion

We have audited the financial statements of NorthX Nickel Corp. (the "Company"), which comprise the statements of financial position as at December 31, 2025 and December 31, 2024, and the statements of loss and comprehensive loss, cash flows, and changes in shareholders' equity for the years then ended, and the related notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025 and December 31, 2024 and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Material Uncertainty Related to Going Concern

We draw attention to Note 1(a) in the financial statements, which indicate that the Company is in the exploration and evaluation stage and has not generated revenue, has incurred a net loss for the year ended December 31, 2025 of \$1,246,241 and has an accumulated deficit of \$44,600,629 as at that date. As stated in Note 1(a), these events and conditions, along with other matters as set forth in Note 1(a), indicate that material uncertainties exist that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect to this matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters are addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. With the exception of the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined that there are no other key audit matters to communicate.

### Other Information

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis (the "MD&A"). Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the MD&A prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Financial statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Rob Scupham.

*BDO Canada LLP*

Chartered Professional Accountants  
Vancouver, British Columbia  
April 22, 2026

**NorthX Nickel Corp.**  
**Statements of Financial Position**  
(Expressed in Canadian dollars)

	Note	December 31, 2025	December 31, 2024
		\$	\$
<b>ASSETS</b>			
<b>Current</b>			
Cash		1,062,234	875,556
Receivables	5	6,747	28,771
Prepaid expenses	6	45,837	55,789
Assets held for sale	8	-	2,655,709
		<b>1,114,818</b>	<b>3,615,825</b>
Other assets	7	28,750	57,500
Exploration and evaluation assets	9	3,502,315	3,466,634
Property and equipment	10	8,486	10,691
<b>Total assets</b>		<b>4,654,369</b>	<b>7,150,650</b>
<b>LIABILITIES</b>			
<b>Current</b>			
Trade and other payables	11	94,927	147,366
Liabilities held for sale	8	-	2,655,709
		<b>94,927</b>	<b>2,803,075</b>
<b>Total liabilities</b>		<b>94,927</b>	<b>2,803,075</b>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	12	40,689,777	39,504,037
Warrants reserve	12	4,959,119	4,361,273
Contributed surplus	12	3,511,175	3,836,653
Deficit		(44,600,629)	(43,354,388)
<b>Total shareholders' equity</b>		<b>4,559,442</b>	<b>4,347,575</b>
<b>Total liabilities and shareholders' equity</b>		<b>4,654,369</b>	<b>7,150,650</b>

Nature of operations and going concern (Note 1)

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

**NorthX Nickel Corp.**  
**Statements of Loss and Comprehensive Loss**  
(Expressed in Canadian dollars)

	Note	Years ended December 31,	
		2025	2024
		\$	\$
<b>Operating expenses</b>			
Consulting fees		30,856	7,391
Depreciation	10	13	3,159
Filing fees		60,121	78,758
General and administrative		93,175	167,049
Management fees	13	534,975	773,324
Marketing		39,126	223,700
Professional fees		151,962	299,820
Property maintenance – assets held for sale	8	91,907	-
Share-based payments	12	142,783	531,672
Asset impairment charge	9	-	33,237,173
Change in decommissioning and restoration costs		-	508,881
		<b>1,144,918</b>	<b>35,830,927</b>
<b>Other income (expenses)</b>			
Gain on foreign exchange		2,089	563
Interest expense		(340)	(11,405)
Interest income		52,959	47,905
Gain on sale of equipment		1,500	-
Loss on sale of assets	8	(150,565)	-
Transaction costs		(6,966)	-
<b>Net loss and comprehensive loss</b>		<b>(1,246,241)</b>	<b>(35,793,864)</b>
<b>Basic and diluted loss per common share</b>		<b>(0.03)</b>	<b>(1.43)</b>
<b>Weighted average number of common shares outstanding – Basic and diluted (Note 1)</b>		<b>40,796,663</b>	<b>24,991,428</b>

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

**NorthX Nickel Corp.**  
**Statements of Cash Flows**  
(Expressed in Canadian dollars)

	Years ended December 31,	
	2025	2024
	\$	\$
<b>Operating activities</b>		
Net loss for the year	(1,246,241)	(35,793,864)
Items not affecting cash:		-
Depreciation	13	3,159
Share-based payments	142,783	531,672
Asset Impairment	-	33,237,173
Change in decommissioning and restoration costs	-	508,881
Loss on sale of assets	150,565	-
Gain on sale of equipment	(1,500)	-
Gain on disposition of joint venture	(15,250)	-
Changes in non-cash working capital:		
Receivables	22,025	205,958
Prepaid expenses	9,952	73,560
Trade and other payables	(48,338)	(117,540)
Other assets	28,750	-
<b>Cash used in operating activities</b>	<b>(957,241)</b>	<b>(1,351,001)</b>
<b>Investing activities:</b>		
Exploration and evaluation costs	(90,433)	(1,647,698)
Exploration and evaluation government grants and tax credits	94,833	(200,000)
Purchase of equipment	-	(12,300)
Gain on sale of equipment	1,500	-
Gain on disposition of joint venture	15,250	-
Settlement of assets and liabilities held for sale	(500,000)	-
Cash included in assets held for sale	18,370	(18,370)
Loss on sale of assets	(150,565)	-
Decommissioning and restoration costs	-	(480,212)
Finance assurance for decommissioning and restoration	481,629	(481,629)
<b>Cash provided by (used in) investing activities</b>	<b>(129,416)</b>	<b>(2,840,209)</b>
<b>Financing activities:</b>		
Proceeds from issuance of non-flow-through units	1,300,000	2,275,000
Share issuance costs	(26,665)	(84,362)
<b>Cash provided by financing activities</b>	<b>1,273,335</b>	<b>2,190,638</b>
Change in cash	186,678	(2,000,572)
Cash, beginning of year	875,556	2,876,128
<b>Cash, end of year</b>	<b>1,062,234</b>	<b>875,556</b>
<b>Supplemental cash flow information:</b>		
Cash interest received	(52,959)	(47,905)
Share-based payments included in exploration and evaluation	(41,990)	194,749
Change in exploration and evaluation costs included in trade and other payables	4,101	474,641
Exploration and evaluation costs from capitalized depreciation	(2,192)	17,900

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

**NorthX Nickel Corp.**

**Statements of Changes in Shareholders' Equity**

(Expressed in Canadian dollars; except number of shares)

	<b>Common shares</b>	<b>Share capital</b>	<b>Warrants reserve</b>	<b>Contributed surplus</b>	<b>Deficit</b>	<b>Total shareholders' equity</b>
	<b>#</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance, December 31, 2023	18,966,207	38,189,779	3,389,060	3,206,065	(7,560,524)	37,224,380
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	187,216	95,833	-	(95,833)	-	-
Share-based payments	-	-	-	531,672	-	531,672
Share-based payments – exploration related	-	-	-	194,749	-	194,749
Net loss and comprehensive loss for the year	-	-	-	-	(35,793,864)	(35,793,864)
<b>Balance, December 31, 2024</b>	<b>28,632,589</b>	<b>39,504,037</b>	<b>4,361,273</b>	<b>3,836,653</b>	<b>(43,354,388)</b>	<b>4,347,575</b>
Issuance of non-flow-through units in private placement	26,000,000	702,154	597,846	-	-	1,300,000
Share issuance costs	-	(26,665)	-	-	-	(26,665)
Shares issued for other compensatory awards settled	648,424	510,251	-	(510,251)	-	-
Share-based payments	-	-	-	142,783	-	142,783
Share-based payments - exploration-related	-	-	-	41,990	-	41,990
Net loss and comprehensive loss for the year	-	-	-	-	(1,246,241)	(1,246,241)
<b>Balance, December 31, 2025</b>	<b>55,281,013</b>	<b>40,689,777</b>	<b>4,959,119</b>	<b>3,511,175</b>	<b>(44,600,629)</b>	<b>4,559,442</b>

*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 December 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*.

### **a) Going concern**

These financial statements for the years ended December 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 December 31, 2025, the Company has a deficit of \$44,600,629 (December 31, 2024 - \$43,354,388) and for the years ended December 31, 2025 and 2024, the Company incurred a net loss of \$1,246,241 (2024 –\$35,793,864).

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 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) Sale of Sudbury Properties to Magna**

In December 2024, the Company entered into an agreement (Note 8) whereby Magna Mining Inc. (“Magna”) would 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 December 31, 2024.

On July 21, 2025, the Company completed the sale of all property, assets, rights, and obligations related to its Sudbury Properties to Magna pursuant to the definitive asset purchase agreement dated December 18, 2024. As part of the transaction, Magna assumed all liabilities associated with the Sudbury Properties, including the Broken Hammer Project Mine Closure Plan. The Company paid \$500,000 to Magna in connection with this obligation. Magna also assumed responsibilities related to joint venture operations, NSR royalty payments, and annual work commitments. On July 31, 2025, the irrevocable standby letter of credit in the amount of \$481,629, originally posted in favour of the Ontario Ministry of Mines on February 28, 2024, was fully released and returned to the Company following the completion of the sale to Magna.

## **2. BASIS OF PREPARATION**

### **a) Statement of compliance**

These financial statements were approved by the Board of Directors and authorized for issue on April 22, 2026.

These financial statements of the Company have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

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 year. 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 year in which the estimates are revised and in any future years 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**

### **a) Exploration and evaluation assets**

Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation expenditures are recognized and capitalized, in addition to the acquisition costs. These direct expenditures include such costs as mineral concession taxes, option payments, diamond drilling, sonic drilling, wages and salaries, surveying, geological consulting and laboratory costs, field supplies, travel and administration. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs, are expensed in the period in which they are incurred. The Company may occasionally enter into option or royalty arrangements, whereby the Company will transfer part of its mineral properties, as consideration, for an agreement by the transferee to meet certain exploration and evaluation expenditures which would have otherwise been undertaken by the Company. The Company assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use. Once the technical feasibility and commercial viability of extracting a mineral resource has been determined, the property is considered to be a mine under development and is classified as 'mines under construction'. Exploration and evaluation assets are tested for impairment before the assets are transferred to mineral properties and mine development costs. Government tax credits received are recorded as a reduction to the cumulative costs incurred and capitalized on the related property when received.

**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

**b) Assets and liabilities held for sale**

The Company classifies non-current assets as held for sale when their carrying amount is expected to be recovered through a sale transaction rather than continuing use. For this classification, the following conditions must be met:

- (i) The asset (or disposal group) is available for immediate sale in its present condition,
- (ii) The sale must be highly probable, with an active program to locate a buyer and complete the sale,
- (iii) The asset must be actively marketed for sale at a reasonable price relative to its fair value,
- (iv) The sale is expected to be completed within one year from the date of classification.

Upon classification as held for sale:

- (i) Non-current assets and disposal groups are measured at the lower of carrying amount and fair value less costs to sell.
- (ii) Depreciation ceases for non-current assets classified as held for sale.
- (iii) The related liabilities directly associated with the disposal group are separately presented as liabilities held for sale.

Any subsequent write-downs to fair value less costs to sell are recognized in the statement of loss and comprehensive loss. If the fair value less costs to sell exceeds the carrying amount of the asset, a gain is recognized, but not to exceed any previous impairment losses recognized on the asset.

If the criteria for held-for-sale classification are no longer met, the assets and liabilities are reclassified to their original categories and remeasured at the lower of:

- (i) Their carrying amount before the asset was classified as held for sale, adjusted for depreciation, and
- (ii) Their recoverable amount at the date of reclassification.

**c) Property and equipment**

Property and equipment are stated at historical cost net of accumulated depreciation and impairment losses. The cost of an item of property and equipment includes the purchase price or construction cost, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use, an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, and for qualifying assets, the associated borrowing costs.

Costs incurred for major overhaul of existing equipment and sustaining capital are capitalized as property and equipment and are subject to depreciation once they are available for use. Major overhauls include improvement programs that increase the productivity or extend the useful life of an asset beyond that initially envisaged. The costs of routine maintenance and repairs that do not constitute improvement programs are accounted for as repairs and maintenance.

The carrying amounts of property and equipment are depreciated to their estimated residual value over the estimated useful lives of the specific assets concerned, or the estimated life of mine or lease, whichever is shorter. Depreciation starts on the date when commissioning is complete, and the asset is ready for its intended use. A summary of the Company's annual depreciation rates and methods is as follows:

<b>Class of property and equipment</b>	<b>Depreciation rate</b>	<b>Depreciation method</b>
Computers	55%	Declining balance
Equipment	5 years	Straight-line

**d) Flow-through shares**

Canadian income tax legislation permits companies to issue flow-through instruments whereby the income tax deductions generated by eligible expenditures of the Company, defined in the Income Tax Act (Canada) as qualified Canadian exploration expenses, are claimed by the investors rather than by the Company. Shares issued on a flow-through basis are typically sold at a premium above the market share price which relates to the tax benefits that will flow through to the investors. The Company often issues flow-through shares as part of its equity financing transactions to fund its Canadian exploration activities. The Company estimates the portion of the proceeds attributable to the premium as being the excess of the flow-through share price over the market share price of the common shares without the flow-through feature at the time of issuance. The premium is recorded as a liability which represents the Company's obligation to spend the flow-through funds on eligible expenditures and is amortized as other income through the statement of loss and comprehensive loss as the eligible expenditures are incurred.

**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

**e) Warrants issued in equity financing transactions**

Share purchase warrants are classified as a component of equity. Proceeds from issuances by the Company of units consisting of shares and warrants are allocated based on the relative fair value method, whereby the total proceeds are allocated to the shares and warrants in proportion to their fair values. The fair value of shares is based on the market close price on the issuance date of the units and the fair value of the share purchase warrants is determined using the Black-Scholes option pricing model at the date of issuance of the units.

Share purchase warrants are initially recorded as a part of warrants reserve in equity at the recognized fair value. Upon exercise of the share purchase warrants the previously recognized fair value of the warrants exercised is reallocated to share capital from warrants reserve. The proceeds generated from the payment of the exercise price are also allocated to share capital. Should the warrants expire before exercise the previously recognized fair value of the warrants expired is reallocated to contributed surplus from warrants reserve.

**f) Share-based payments**

The Company operates an Omnibus Equity Incentive Plan that allows the Company to grant equity-based compensation to directors, officers, employees, consultants and management company employees. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

Estimating fair value for equity-based compensation awards requires determining the most appropriate valuation model which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the option or award, volatility, dividend yield, and rate of forfeitures and making assumptions about them.

The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model and is recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to share capital.

The Company recognizes all forms of share-based payments, including stock option grants, deferred share units, and restricted share units, at their fair value on the grant date, which are based on the estimated number of awards that are ultimately expected to vest.

Estimating fair value for granted omnibus awards requires estimating the number of awards likely to vest on grant and at each reporting date up to the vesting date. The estimated forfeiture rate is adjusted for actual forfeitures in the period.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

**g) Share issuance costs**

Professional, consulting, regulatory and other costs directly attributable to equity financing transactions are recorded as share issue costs when the financing transactions are completed or if the completion of the transaction is considered likely. Otherwise, they are expensed as incurred. Share issuance costs are charged to share capital when the related shares are issued. Deferred share issuance costs related to financing transactions that are not completed are charged to expenses. Transaction costs directly attributable to the issue of common shares and share purchase warrants are recognized as a deduction from equity, net of any tax effects.

**h) Loss per share**

Basic loss per share is computed using the weighted average number of common shares outstanding during the period. Diluted earnings per share amounts are calculated giving effect to the potential dilution that would occur if securities or other contracts to issue common shares were exercised or converted to common shares using the treasury stock method. If the Company incurs net losses in a fiscal year, basic and diluted losses per share are the calculated in the same manner. In the Company's case, diluted loss per share is the same as basic loss per share as the effect of outstanding share options and warrants on loss per share would be anti-dilutive.

**3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

**i) Income taxes**

Income tax expense comprises current and deferred tax. Income tax is recognized in the statements of loss and comprehensive loss except to the extent it relates to items recognized directly in equity.

Current tax expense is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous periods.

Deferred tax is recognized using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognized on the initial recognition of assets or liabilities in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss). In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis, or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred income tax assets and deferred income tax liabilities are offset only when there is a legally enforceable right to set off current tax assets against current income tax liabilities and when they relate to income taxes levied by the same taxation authority on the same taxable entity.

**j) Financial instruments**

**Financial assets**

The Company classifies its financial assets in the following categories:

- i. Fair value through profit or loss (FVTPL)
- ii. Fair value through other comprehensive income (FVTOCI)
- iii. Amortized cost

The determination of the classification of financial assets is made at initial recognition. The Company's accounting policy for the financial assets reported in these financial statements is as follows:

*Financial assets at amortized cost*

A financial asset is measured at amortized cost if the objective is to hold the financial asset for the collection on contractual cash flows and the asset's contractual cash flows are comprised solely of payments of principal and interest. The financial asset is classified as current or non-current based on its maturity date and is initially recognized at fair value and subsequently carried at amortized cost less any impairment. The Company classifies cash in this category.

*Impairment of financial assets at amortized cost*

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. The financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

### **3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

#### **j) Financial instruments (continued)**

##### **Financial liabilities**

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was incurred. The Company's accounting policy for the financial liabilities reported in these financial statements is as follows:

##### *Other financial liabilities*

This category includes trade and other payables, which are recognized at amortized cost using the effective interest method. The effective interest method calculates the amortized cost of a financial liability and allocates interest expense over the corresponding period. The effective interest rate is the rate that discounts estimated future cash receipts over the expected life of the financial liability, or, where appropriate, a shorter period. Transaction costs in respect of financial liabilities at fair value through profit or loss are recognized in the statements of loss and comprehensive loss immediately while transaction costs associated with other financial liabilities are included in the initial measurement of the financial liability.

Financial liabilities are derecognized when its contractual obligations are discharged, cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different in which case a new financial liability based on the modified terms is recognized at fair value.

### **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.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

#### **a) Exploration and evaluation asset impairment**

At each reporting period, management applies judgment in assessing whether there are any indicators of impairment relating to exploration and evaluation assets at the Cash-Generating Unit ("CGU") level to determine whether there is any indication that these assets may be impaired. If any such indication exists, the recoverable amount of the relevant CGU is estimated in order to determine the extent of the impairment loss (if any). A CGU is the smallest identifiable group of assets that has the potential to generate cash inflows that are largely independent of the cash inflows from other assets or groups of assets. For the Company, the CGUs are defined as its key exploration and evaluation projects grouped in a distinct geographic area, reflecting the future economic benefits expected from these assets. Management uses judgment in determining what constitutes a CGU.

Indicators of impairment may include: (i) the period during which the entity has the right to explore in the specific area has expired during the year or will expire in the near future; (ii) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned; and (iii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

When there is objective evidence that a CGU is impaired, the carrying amount of the CGU is compared to its recoverable amount, being the fair value less costs of disposal ("FVLCD"). In the absence of market related comparative information, management makes estimates based on a variety of factors, including market transactions for comparable quality projects, prevailing market sentiment, current economic conditions, and the financial performance of the Company. 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. These estimates and assumptions include inherent uncertainty and any changes to these assumptions may have a material impact on estimated recoverable amounts.

During the period ended December 31, 2025, the Company recognized no impairment charges on properties. During the year ended December 31, 2024, the Company recognized impairment charges on certain properties (Note 9).

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**5. RECEIVABLES**

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

	<b>December 31, 2025</b>	December 31, 2024
	\$	\$
Input Tax Credits recoverable	<b>6,747</b>	28,771
	<b>6,747</b>	28,771

**6. PREPAID EXPENSES**

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

	<b>December 31, 2025</b>	December 31, 2024
	\$	\$
Insurance	<b>21,613</b>	32,616
Vendor prepayments	<b>24,224</b>	23,173
	<b>45,837</b>	55,789

**7. OTHER ASSETS**

A summary of the Company's other assets is as follows:

	<b>December 31, 2025</b>	December 31, 2024
	\$	\$
Investments	<b>28,750</b>	57,500
	<b>28,750</b>	57,500

Investments represents Guaranteed Investment Certificates ("GICs") held with the bank as collateral for the Company's credit cards issued to key management personnel. The GICs bears interest at a rate of Prime less 2.9%.

**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 which was comprised of Parkin, Sudbury West, Wahnapiatae and Wisner.

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	December 31, 2024
		\$
Cash		18,370
Finance assurance for closure plan		481,629
Exploration and evaluation assets <sup>(1)</sup>	9	2,087,025
Property and equipment	10	68,685
<b>Total assets held for sale</b>		<b>2,655,709</b>
<b>Decommissioning and restoration provision</b>		<b>2,655,709</b>
<b>Total liabilities held for sale</b>		<b>2,655,709</b>

(1) The exploration and evaluation assets included in the Sudbury Properties are certain claims relating to Wahnapiatae, 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.

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**8. ASSETS AND LIABILITIES HELD FOR SALE (continued)**

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

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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)
<b>Balance, December 31, 2024 and 2025</b>	<b>-</b>

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As part of the acquisition of the Nickel Assets in 2022, 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.

On July 21, 2025, the Company completed the sale of all property, assets, rights, and obligations related to its Sudbury Properties to Magna pursuant to the definitive asset purchase agreement dated December 18, 2024. As part of the transaction, Magna assumed all liabilities associated with the Sudbury Properties, including the Broken Hammer Project Mine Closure Plan. The Company paid \$500,000 to Magna in connection with this obligation. The Company also paid \$15,250 to Magna related to a contractual entitlement under the asset purchase agreement representing Magna's share of proceeds received by the Company on the sale of a property subject to a right of first refusal. Magna also assumed responsibilities related to joint venture operations, NSR royalty payments, and annual work commitments. On July 31, 2025, the irrevocable standby letter of credit in the amount of \$481,629, originally posted in favour of the Ontario Ministry of Mines on February 28, 2024, was fully released and returned to the Company following the completion of the sale to Magna.

During the year ended December 31, 2025, the Company made payments of \$27,684 related to the Broken Hammer Project seasonal discharge and upon closing of the transaction with Magna, the Company paid \$138,131 to Magna for seasonal discharge costs incurred up to the closing date, which were the responsibility of the Company until that time. These amounts have been recognized as part of the loss on sale of assets for the year ended December 31, 2025.

During the year ended December 31, 2025, the Company completed the sale of its 50% interest in the Capreol Joint Venture to Vale Canada Limited, which had previously been classified as held for sale. The sale of the Capreol Joint Venture resulted in a gain on disposal of \$30,500 recognized during the year ended December 31, 2025.

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**9. EXPLORATION AND EVALUATION ASSETS**

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

	Grasnet	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	8,972	-	-	-	-	-	-	-	8,972
Communications	2,874	-	-	-	-	-	-	-	2,874
Field and Equipment	18,482	-	-	-	-	-	-	-	18,482
Geological Consulting	434	-	-	-	-	-	-	-	434
Geophysics	497	-	-	-	-	-	-	-	497
Government Grants	(94,833)	-	-	-	-	-	-	-	(94,833)
Permit and Environment	1,214	-	-	-	-	-	-	-	1,214
Property Maintenance	27,804	-	-	(433)	-	27,689	242	749	56,051
Share-Based Payments	41,990	-	-	-	-	-	-	-	41,990
	7,434	-	-	-	-	27,689	242	749	35,681
<b>Balance, December 31, 2025</b>	<b>3,234,302</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>246,875</b>	<b>5,845</b>	<b>15,293</b>	<b>3,502,315</b>

## **9. EXPLORATION AND EVALUATION ASSETS (continued)**

The Company's primary mineral property is the Grasset Project in Quebec. 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. 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 km<sup>2</sup> 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 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, 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 the Grasset project of \$32,750,284 in the year ended December 31, 2024. No further impairment was recognized during the year ended December 31, 2025.

### Northwestern Ontario

The Northwestern Ontario project is comprised of an interest in 3 properties including 587 unpatented mining claims. The Northwestern Ontario project has a total land area of land area of 128 km<sup>2</sup>. Claims with a carrying value of \$nil have been classified to assets held for sale at December 31, 2025 (2024 - \$47,419). The remaining carrying value of \$246,875 relates to claims retained by the Company.

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**10. PROPERTY AND EQUIPMENT**

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

	Bridges	Equipment	Computers	Total
	\$	\$	\$	\$
<b>Cost</b>				
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)
<b>Balance, December 31, 2025 and 2024</b>	<b>-</b>	<b>12,300</b>	<b>19,564</b>	<b>31,864</b>
<b>Accumulated depreciation</b>				
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	-	1,932	273	2,205
<b>Balance, December 31, 2025</b>	<b>-</b>	<b>3,814</b>	<b>19,564</b>	<b>23,378</b>
<b>Carrying amount</b>				
Balance, December 31, 2024	-	10,418	273	10,691
<b>Balance, December 31, 2025</b>	<b>-</b>	<b>8,486</b>	<b>-</b>	<b>8,486</b>

During the year ended December 31, 2025 depreciation of \$2,192 was capitalized to exploration and evaluation assets (2024 - \$17,900).

**11. TRADE AND OTHER PAYABLES**

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

	December 31, 2025	December 31, 2024
	\$	\$
Trade payables	22,360	91,341
Accrued liabilities	73,000	56,025
	<b>95,360</b>	<b>147,366</b>

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

**12. SHARE CAPITAL**

**a) Authorized share capital**

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

**b) Issued share capital**

During the year ended December 31, 2025, the Company had the following share transactions:

- On February 10, 2025, the Company closed a non-brokered private placement of 26,000,000 subscription receipts (each a "Subscription Receipt") at a price of \$0.05 per Subscription Receipt (the "Offering"). Each Subscription Receipt will, subject to the fulfillment of certain escrow release conditions, entitle the holder thereof, for no additional consideration, to receive one unit, with each unit being comprised of one common share ("share") and one 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 \$0.075 per warrant. The shares and warrants are subject to a 12 month hold from the date of issuance. On July 18, 2025, the Company satisfied the escrow release conditions related to the Offering. Upon release, the Company issued 26,000,000 Units and the net proceeds were partially applied to meet specific cash payment obligations associated with the Sudbury Properties transaction.
- 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, \$702,154 was allocated to share capital and \$597,846 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 July 18, 2025 is as follows:

Share price	\$0.13
Expected life	3 years
Expected volatility	145.41%
Risk-free rate	2.83%
Dividend yield	0.00%

- The Company issued 648,424, common shares pursuant to the settlement of omnibus awards and reclassified \$510,251 from the Company's contributed surplus to share capital.

During the year 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.
- 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%

## 12. SHARE CAPITAL (continued)

### c) 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
Expired	(2,012,035)	6.04
Balance, December 31, 2024	13,349,382	0.53
Issued	26,000,000	0.075
Expired	(20,125)	0.96
<b>Balance, December 31, 2025</b>	<b>39,329,257</b>	<b>0.23</b>

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

Expiry date	Weighted average remaining life	Number of warrants	Weighted average exercise price
	Years	#	\$
November 24, 2026	0.90	2,766,759	0.96
November 27, 2026	0.91	1,083,333	0.96
May 14, 2027	1.37	9,479,165	0.36
February 10, 2028	2.11	26,000,000	0.075
<b>December 31, 2025</b>	<b>1.81</b>	<b>39,329,257</b>	<b>0.23</b>

### d) 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 DSU and 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.

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**12. SHARE CAPITAL (continued)**

**e) 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
<b>Balance, December 31, 2025 and 2024</b>	<b>1,398,234</b>	<b>1.58</b>

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

Expiry date	Weighted average remaining life	Number of outstanding stock options	Number of exercisable stock options	Weighted average exercise price
	years	#	#	\$
June 8, 2026	0.44	8,331	8,331	2.16
October 20, 2026	0.80	66,664	66,664	9.18
December 13, 2027	1.95	308,331	308,331	3.30
March 17, 2028	2.21	29,166	29,166	3.30
March 22, 2028	2.22	16,666	16,666	2.28
June 1, 2028	2.42	38,332	38,332	0.96
July 5, 2028	2.51	4,166	4,166	0.81
December 21, 2028	2.98	626,578	626,578	0.48
July 5, 2029	3.51	300,000	200,000	0.28
	<b>2.70</b>	<b>1,398,234</b>	<b>1,298,234</b>	<b>1.58</b>

During the year ended December 31, 2025, the Company recorded \$88,804 (2024 - \$359,468) of share-based payments expense related to the vesting of stock options net of cancellations.

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**12. SHARE CAPITAL (continued)**

**f) 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	0.23
Settled	(170,548)	1.05
Cancelled	(233,117)	0.41
Balance, December 31, 2024	681,569	0.37
Settled	(273,425)	0.47
<b>Balance, December 31, 2025</b>	<b>408,144</b>	<b>0.29</b>

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

Vesting date	Number of RSUs	Weighted average grant date fair value
	#	\$
December 21, 2026 <sup>(1)</sup>	108,145	0.45
July 5, 2027 <sup>(2)</sup>	299,999	0.23
	<b>408,144</b>	<b>0.29</b>

(1) 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.

(2) The RSUs vest rateably over a period of three years with the first tranche vesting on July 5, 2025, the second tranche vesting on July 5, 2026, and the final tranche vesting on July 5, 2027. The vesting date listed above represents the end of the three-year term.

During the year ended December 31, 2025, the Company incurred share-based payments of \$95,969 in connection with RSUs vested (2024 – \$228,952).

**g) 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	0.23
Settled	(16,666)	3.00
Cancelled/Expired	(229,166)	0.48
Balance, December 31, 2024	1,172,915	0.71
Settled	(374,999)	1.02
Cancelled/Expired	(100,000)	0.23
<b>Balance, December 31, 2025</b>	<b>697,916</b>	<b>0.60</b>

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**12. SHARE CAPITAL (continued)**

A summary of the Company's outstanding DSUs at December 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	114,583	0.45
July 5, 2024	500,000	0.23
	<b>697,916</b>	<b>0.60</b>

During the year ended December 31, 2025, the Company incurred share-based payments of \$nil in connection with the grant of DSUs (2024 - \$138,000).

**13. 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:**

	Years ended December 31,	
	2025	2024
	\$	\$
Wallbridge Mining Company <sup>(1)</sup>	<b>7,015</b>	97,850
	<b>7,015</b>	97,850

(1) 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. The Company also pays Wallbridge for the use of Wallbridge accommodations at their Detour-Fenelon Gold Trend site facilities in the Northern Abitibi region of Quebec. At December 31, 2025, the Company had a payable to Wallbridge of \$5,306 (2024 - \$1,725). Wallbridge and NorthX are also parties to an Investor Rights Agreement and Exploration Agreement.

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:

	Years ended December 31,	
	2025	2024
	\$	\$
Management and consulting fees <sup>(1)</sup>	<b>426,469</b>	748,492
Share-based payments <sup>(2)</sup>	<b>152,592</b>	662,140
	<b>579,061</b>	1,410,632

(1) Included in management and consulting fees was \$nil (2024 - \$131,267) capitalized as exploration and evaluation assets.

(2) Share-based payments are the fair value of options, RSUs, DSUs, granted which have been calculated as disclosed in Note 12 and \$8,679 (2024 - \$100,480) was capitalized as exploration and evaluation assets.

As at December 31, 2025, accounts payable and accrued liabilities included \$5,306 (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.

#### **14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

##### **a) Fair value**

As at December 31, 2025, the financial instruments such as cash, investments, and trade and other payables are classified and measured at amortized cost. The carrying value of cash, investments, 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 to 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 December 31, 2025, the Company had a cash balances of \$1,062,234 (December 31, 2024 - \$875,556) to settle current liabilities related to trade payables of \$94,927 (December 31, 2024 - \$147,366) and has assessed the liquidity risk as minimal.

##### **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 December 31, 2025, the Company does not carry significant cash and trade and other payables balances denominated in USD.

#### **15. SEGMENTED INFORMATION**

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

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**16. DEFERRED INCOME TAX**

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	Years ended December 31,	
	2025	2024
	\$	\$
Loss for the year	(1,246,241)	(35,793,864)
Expected income tax (recovery)	(330,000)	(9,485,000)
Non-deductible expenditures and non-taxable revenues	(501,000)	206,000
Asset impairment	-	7,640,000
Impact of flow through share	-	242,000
Share issuance costs	(7,000)	(22,000)
Change in statutory, foreign tax, foreign exchange rates and other	(3,000)	16,000
Change in unrecognized deferred tax assets	841,000	1,403,000
<b>Deferred income tax recovery</b>	-	-

The significant components of the Company's deferred tax assets and liabilities are as follows:

Deferred tax assets (liabilities)	Years ended December 31,	
	2025	2024
	\$	\$
Share issuance costs and financing fees (20(1)(e))	116,000	167,000
Non-capital losses	2,543,000	2,061,000
Property and equipment	7,000	6,000
Decommissioning liability	-	78,000
Exploration and evaluation assets	(288,000)	(775,000)
	2,378,000	1,537,000
Unrecognized deferred tax assets	(2,378,000)	(1,537,000)
<b>Net deferred tax asset (liabilities)</b>	-	-

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the statement of financial position are as follows:

	Year ended	Expiry date	Year ended	Expiry date
	December 31,		December 31,	
	2025	range	2024	range
	\$		\$	
Temporary differences				
Share issuance costs and financing fees (20(1)(e))	360,000	2046 to 2050	506,000	2042 to 2049
Non-capital losses	8,510,000	2037 to 2045	4,853,000	2037 to 2044
Property and equipment	26,000	No expiry date	21,000	No expiry date
Flow-through shares	81,000	2046 to 2047	124,000	No expiry date
Decommissioning liability	-		295,000	No expiry date
Total temporary differences	8,977,000		5,799,000	

**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 year ended December 31, 2025. The Company is not subject to externally imposed capital requirements.