



Nickel Rock Resources Inc.

Management's Discussion and Analysis

Nickel Rock Resources Inc.

For the year ended 30 June 2022 and 2021

NICKEL ROCK RESOURCES INC. (Formerly Nevada Energy Metals Inc.)

Management's Discussion and Analysis of Financial Results

For the year ended 30 June 2022 and 2021

The following management discussion and analysis (“MD&A”) should be read in conjunction with the audited consolidated financial statements for the year ended 30 June 2022 and 2021. Results have been prepared using accounting policies in compliance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). All monetary amounts are reported in Canadian dollars unless otherwise indicated.

For further information on the Company reference should be made to the Company's public filings which are available on SEDAR.

This MD&A contains forward-looking information. See “Forward-Looking Information” and “Risks and Uncertainties” for a discussion of the risks, uncertainties and assumptions relating to such information.

NICKEL ROCK RESOURCES INC. (Formerly Nevada Energy Metals Inc.)

Management's Discussion and Analysis of Financial Results

For the year ended 30 June 2022 and 2021

Introduction

The following discussion of performance and financial condition should be read in conjunction with the audited consolidated financial statements of Nickel Rock Resources Inc. (the "Company" or "BFF") for the year ended 30 June 2022. The Company's consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The Company's reporting currency is Canadian dollars unless otherwise stated. This Management's Discussion and Analysis ("MD&A") is dated 6 October 2022.

Description of Business

The Company was incorporated under the laws of the province of British Columbia on 2 June 2011.

The Company is a reporting issuer in British Columbia and Alberta. The Company has been listed on the TSX Venture Exchange since 28 October 2013 under the trading symbol "BFF". On 9 November 2020, the Company changed its name to Nickel Rock Resources Inc., and its common shares started trading on the TSX Venture Exchange under the new symbol "NICL".

The head office and principal address is located at Suite 1220, 789 West Pender Street, Vancouver, British Columbia, V6C 1H2.

The Company's business consists of the acquisition, exploration and development of brine based lithium exploration targets and mineral resource properties in British Columbia Canada and Nevada, USA.

In March 2020, the World Health Organization declared a global pandemic known as COVID-19. This is causing significant financial market and social dislocation. This has also resulted in significant economic uncertainty and consequently, it is difficult to reliably measure the potential impact of this uncertainty on the Company's future financial results.

Project Overview

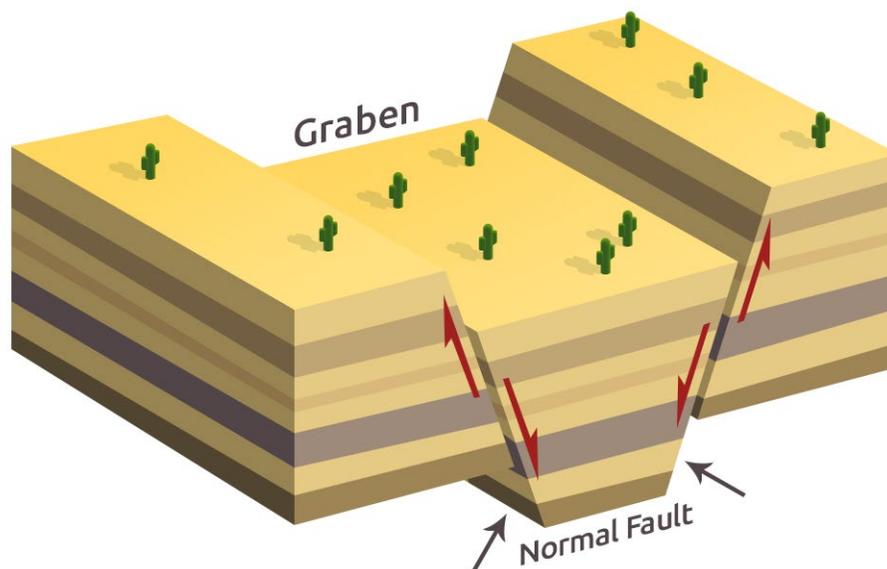
CLAYTON VALLEY BFF-1 PROJECT

The Clayton Valley BFF-1 Lithium Project southern boundary lies 250 meters from Albemarle Corporation's Silver Peak lithium mine and brine processing operations. The mine has been in operation since 1967 and remains the only brine based lithium producer in North America. It is also the location of Pure Energy Minerals' 816,000 metric tonnes Lithium Carbonate Equivalent (LCE) Inferred Resource NI 43-101 announced in July 2015. Clayton Valley's centralized location between Nevada and Reno and its highways, access to power, water and labor provide excellent infrastructure for mineral exploration and development. The Clayton Valley BFF-1 Lithium Project is approximately 3.5 hours away from Tesla's Gigafactory, which has a planned annual lithium-ion battery production capacity of 35 gigawatt-hours per year by 2020.

Clayton Valley is one of the few locations globally known to contain commercial-grade lithium-enriched brine. The Valley is an internally drained closed-basin and is surrounded by mountains, hills and ridges on all sides. It contains an underground unconsolidated water bearing system (or aquifer system) which is host to lithium-enriched brines and is contained by the surrounding rock.

The claims cover an area of playa, including the Goat Island graben (inferred from gravity inversion; Quantec, 2008; Petrick, 2008), that encompasses a portion of a deep-circulation geothermal system beneath basin-fill sediments locally blanketed with travertine in north-western Clayton Valley. The Goat Island graben segments Clayton Valley into a northerly-trending, 1-2 km-wide sub-basin with a distinct escarpment on each side. Geological modeling and assessment of historical drilling results by J.B. Hulén, PG, (31 July 2008 report) concluded that both shallow thermal-gradient and lithium-exploration drilling

demonstrates that the northern portion of Clayton Valley contains the valley's highest subsurface temperatures and that these temperatures may be localized in the Goat Island graben and its structural projections to the northeast and south.



A graben is a depressed block of land bordered by parallel faults

Significantly, within the graben and within the boundary of the claim block, a drill hole by Western Geothermal Partners 2007 logged as WGP#2 reported as follows: 'From 280 – to 305 ft., fine grained green sand and silt logged as volcanic ash was encountered. This unit may be correlative to the Main Ash Aquifer, which is a marker bed in other areas of the Clayton Valley Basin.' J.B. Hulen, PG, (31 July 2008.)

The property was acquired for cost of staking with no overriding royalties.

On 26 January 2021, the Company has expanded its Clayton Valley, Esmeralda County, Nevada, lithium property holdings by the staking of additional lithium exploration claims that add to its overall lithium exploration land package which is directly adjoining a western portion of neighboring lithium producer Albemarle's lithium evaporation ponds. The new ground adjoins the previous property position to the north and west and significantly expands the company's land position in the area. The new claim block consists of 41 lode claims covering about 847 acres (343 hectares) bringing the Clayton Valley land package to 2,300 acres (930 Ha).

2021 Work Program

In 2021, the Company completed an exploration program consisting of three reverse circulation holes totalling 356 metres (1155 feet). The holes were intended to test the presence of lithium bearing clay members of the lakebed sediments.

Drillhole RCV-01, drilled to a depth of 130 metres (425 feet), designed to twin a geothermal gradient hole drilled by a previous explorer. Results of this hole correlated with the log of the previous hole including intervals of volcanic ash and dark green clay. The hole ended in alluvial gravel made up of metamorphic rocks shed from the Silver Peak Range. The hole did not reach the planned depth of 183 metres due to poor ground conditions but did assess the lake sediment target section. Assay results from this hole showed mixed results with only the top 6 meters (20 feet) of the hole returning more than 75 ppm Li. The average

NICKEL ROCK RESOURCES INC. (Formerly Nevada Energy Metals Inc.)

Management's Discussion and Analysis of Financial Results

For the year ended 30 June 2022 and 2021

grade of the interval 0-6.1 metres was 309 ppm Li. Two water samples were collected from the borehole at 99 metres (325 feet) and 129 metres (425 feet) ran 31.4 and 41.0 mg/L Li, respectively.

Hole RCV-02 was drilled about 1260 metres north of RCV-01. RCV-02 was drilled to a depth of 136 metres (445 ft) and penetrated a section consisting primarily of rhyolitic volcanic ash and interbedded sediments. RCV-02 penetrated a 4.5 metre section of dark green clay from 105.1 to 109.7 metres (345-360 ft) before entering the metamorphic alluvium. Poor drilling conditions and high-water flows ended the hole before reaching the target depth but after successfully evaluating the lake sediment section.

Analytical results from this hole fared better than the RCV-01 with the interval 0 – 36.6 metres (0-120 feet) averaging 196 ppm Li. Within this interval, and from 18.3 to 25.9 metres (60 – 85 feet) an elevated Li zone was intersected averaging 279 ppm Li with the single best interval in this hole being 332 ppm between 18.3 and 19.8 m (60 – 65 feet). Water samples at 74.6 metres (245 feet), 105.1 metres (345 feet), and 137 metres (450 feet) ran 20.5, 21.0, and 32.8 mg/L Li, respectively.

Hole RCV-03 was designed to look for a perched section of volcanoclastic sediments beneath an alluvial fan. Previous water well logs indicated a layer of clay, ash, and silt beneath the alluvium and above the bedrock. While drilling, this hole encountered metamorphosed dolomite at a depth of 56 metres (185 feet) about the projected elevation of the sedimentary section. The hole lost circulation in an apparent karst horizon at 65.5 metres (215 feet) and was terminated at 79.2 metres (260 ft) without regaining sample return. Since the target sediments were not encountered, this hole was not assayed.

Drill chip samples were partially dried at the drill sites for two days in the case of RCV-01 and overnight in the case of RCV-02 before being picked up by a driver for Paragon Geochemical. The samples were transported to the Paragon laboratory on 2 April 2021 where they were dried, crushed, and pulverized. Analysis was by ICP- Mass Spectrometry following an aqua regia leach using a 0.5-gram sample aliquot.

Envelopes of standard material obtained from Minerals Exploration Geochemistry of Lamoille, Nevada were inserted into the sample stream at roughly 30.5 metres (100 foot) intervals. The eight standard samples returned lithium values ranging from 482 to 599 ppm Li with an average of 557 ppm Li. The analytical variability of about 20% is a bit high and is possible the small aliquot size and aqua regia leach may have played a role in this. However, the values are acceptable for an early-stage program. Other elements showed a similar range of values while others were within much tighter limits.

Water samples were collected by the project geologist and delivered to the ALS Global sample preparation lab in Elko, Nevada 5 April 2021. Samples were filtered and analyzed by a combination of ICP-MS and ICP-OES methods by ALS Global. Standards were not inserted into the sample stream. A sample of drill make up water taken from the Silver Peak municipal well was used as a background sample; it ran 70 micro grams per liter (70 parts per billion)

Qualified Person Statement

“Project Overview” and “Subsequent Event” sections of this report have been reviewed and approved for technical content by Alan Morris, CPG (Certified Professional Geologist), member of the advisory board of the Company and a Qualified Person under the provisions of NI 43-101.

KLONE GROUP

On 15 October 2020, the Company entered into an option agreement to earn 100% interest in the Klone Group of mineral claims located in Fort St. James in British Columbia. The Company may exercise the option by making a total of \$305,000 cash payments, issuing 550,000 common shares and incurring \$1,200,000 in exploration expenditures over 5 years.

NICKEL ROCK RESOURCES INC. (Formerly Nevada Energy Metals Inc.)

Management's Discussion and Analysis of Financial Results

For the year ended 30 June 2022 and 2021

In relation to this option agreement, the Company made an initial cash payment of \$35,000 and issued 75,000 common shares. Additionally, the Company issued 100,000 finder's shares.

During the year ended 30 June 2022, the agreement for Klone Group was terminated and the Company recognized an impairment of \$60,607.

NICKEL PROJECT

On 23 October 2020, the Company has entered into two purchase and sale agreements with John Malcolm Bell to acquire 100% interest, subject to a 2% net smelter royalty, in each of two nickel exploration projects located in British Columbia, Canada. Pursuant to the terms of the agreement the company paid cash in the amount of \$19,500 and will issue five million common shares.

On 02 February 2021, the Company has entered into an option agreement with arm's-length vendor 802213 AB Ltd. (Kelly Funk) for the purchase of a 100-per-cent interest, subject to a 2-per-cent net smelter royalty, in six mineral claims located approximately 15 kilometers west of Mt. Sydney Williams near Fort St James, B.C. Additionally, the Company staked two adjoining claims. The Company may exercise the option by making a total of \$1,075,000 cash payments, issuing 6,000,000 common shares and incurring \$1,050,000 in exploration expenditures over a 4-year period and the conversion of the claims to a mining lease. In relation to this option agreement, the Company made an initial cash payment of \$50,000 and issued 450,000 common shares.

On 2 February 2022 the company paid \$75,000 and issued 450,000 common shares with a fair value of \$69,750 in relation to the first anniversary of the Kelly Funk option agreement.

The acquisition of these claims has increased the company's prospective land position west of the Decar nickel deposit owned by FPX Nickel Corp. from 1,151 to 4,146 hectares. The company will control a 100-per-cent interest in over 13,704 hectares in the district.

On commencement of commercial production, a 2-per-cent net smelter returns royalty will be payable to the optionor. Nickel Rock retains the option to purchase one-half of the NSR (being one-half of the 2 per cent) for the sum of \$3-million.

On 15 November, 2021, the Company. closed its non-arm's-length disposition of certain nickel claims to Surge Battery Metals Inc. ("Surge"). The Company entered into an option agreement with Surge Battery Metals Inc. dated July 7, 2021, whereby Surge may earn an undivided 80-per-cent interest in the HN4 and N100 nickel group of claims, located in Northern British Columbia. The company optioned out these claims to Surge to concentrate on its exploration efforts on the nickel group claims directly adjacent to FPX Nickel Corp.'s Baptiste nickel deposit.

As consideration for the transaction, the Company received 5,000,000 shares of Surge and Surge shall incur an aggregate of \$200,000 in exploration expenditures on the property on or before two years from the date of the agreement.

In connection with this transaction, the Company recorded an impairment of exploration and evaluation properties of \$1,751,808 (2021 – \$Nil) during the year ended 30 June 2022, short term investments of \$250,000 as at 30 June 2022 (2021 - \$Nil), and loss on change of the fair value of short-term investment of \$825,000.

2021 Work Program and NI #43-101 Report

The Company's exploration plans include strategic trenching, surface exploration diamond drilling, camp construction, and exploration activities to support drilling and trenching such as soil sampling, rock sampling, prospecting, and geological mapping. The Company proposes to have a 12-man exploration camp built on the north slope of the un-named mountain west of and adjacent to Mount Sydney Williams and will be built next to a sub-alpine lake at the headwaters of Van Decar Creek.

Easily accessible by helicopter, the location of exploration camp was selected based on past exploration camps at this location and its overall suitability for exploration support and ability to accommodate enough field personnel for the exploration work.

NI #43-101 Report Highlights:

- The Nickel Project ("project") consists of four non-contiguous mineral claims groups held by Nickel Rock Resources Inc. ("company") through three separate agreements. The exploration stage project is in the Takla Lake area of central British Columbia, partially adjacent to FPX Nickel Corp.'s Decar Nickel Project. The Decar Nickel Project is an advanced project targeting awaruite, a nickel-iron alloy mineral, hosted by serpentinized ultramafic intrusive rocks of the Trembleur Ultramafic Unit within the Permian to Triassic age Cache Creek Complex.
- The principal target on the project is nickel occurring as awaruite, but at the exploration stage all other styles of mineralization should be considered.
- Systematic, ground-based exploration work began within the area of the claims now covered by the Nickel Project under the direction of Ms. Ursula Mowat, P.Geol. in 1987, continuing intermittently until 2012. This work established the presence of elevated nickel, cobalt and chromium values in rocks, soils, and stream sediments.
- The area of the claim groups of the project were included in Geoscience BC's QUEST and QUEST-West projects, including multiparameter regional geophysical surveys, and regional stream sediment reanalyses and data compilations between 2008 and 2009.
- Britten's technical paper "Regional Metallogeny and Genesis of a New Deposit Type – Disseminated Awaruite (Ni₃Fe) Mineralization Hosted in the Cache Creek Terrane published in 2017 in Economic Geology should be utilized as an interim mineral deposit model or profile for the Nickel Project.

Qualified Person Statement

Jacques Houle, P.Eng., a qualified person as defined by NI 43 – 101, is responsible for the technical information contained about the Company's British Columbia projects in this MD&A. Readers are cautioned that the information in this discussion regarding the property of FPX Nickel Corp is not necessarily indicative of the mineralization on the property of interest.

NICKEL ROCK RESOURCES INC. (Formerly Nevada Energy Metals Inc.)

Management's Discussion and Analysis of Financial Results

For the year ended 30 June 2022 and 2021

SELECTED ANNUAL FINANCIAL INFORMATION

The following selected financial information is derived from the audited consolidated financial statements of the Company. The figures have been prepared in accordance with IFRS.

	Years Ended 30 June (audited)		
	2022	2021	2020
Total revenues	\$ -	\$ -	\$ -
General and administrative expenses	380,733	2,088,268	657,417
Mineral property cash costs incurred	536,541	479,538	9,313
Mineral property impairment/disposals	1,812,415	-	163,166
Net loss	(3,021,247)	(2,078,265)	(759,467)
Net loss per share – Basic & fully diluted	0.042	0.052	0.073
Total assets	1,691,069	4,523,712	507,022
Total long-term liabilities	-	-	21,786
Cash dividends declared per share	Nil	Nil	Nil

SELECTED QUARTERLY FINANCIAL INFORMATION

The following selected financial information is derived from the audited consolidated financial statements of the Company. The figures have been prepared in accordance with IFRS.

	For the Quarters Ended (unaudited)							
	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun	31 Mar	31 Dec	30 Sep
	2022	2022	2021	2021	2021	2021	2020	2020
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net income (loss)	(626,834)	(1,144,308)	(1,106,801)	(143,304)	(450,322)	(880,825)	(426,547)	(320,571)
Net income (loss) per share	(0.009)	(0.016)	(0.016)	(0.003)	(0.010)	(0.018)	(0.038)	(0.029)
Total assets	1,691,069	2,343,979	3,422,796	4,453,314	4,523,712	4,734,399	1,633,520	1,249,642

RESULTS OF OPERATIONS**For three months ended 30 June 2022 compared to the same quarter in 2021.**

Comprehensive loss for the quarter ended 30 June 2022 was \$626,834 as compared to \$450,322 for the same quarter in 2021. Being at the exploration stage, the Company did not generate any revenue from operations. The increase in comprehensive loss of \$176,512 was mainly attributable to the net effect of:

- Decrease of \$355 in Bank charges and interest, from \$540 in 2021 to \$185 in 2022.
- Decrease of \$56,394 in Consulting fees, from \$100,759 in 2021 to \$44,365 in 2022.
- Decrease of \$1,271 in Depreciation expense from \$5,572 to \$4,301 in 2022.
- Decrease of \$640 in Finance charge from \$252 to recovery of \$388 in 2022.
- Decrease of \$262,339 in Marketing & communications, from \$262,787 in 2021 to \$448 in 2022.
- Increase of \$1,057 in Office and miscellaneous, from \$7,129 in 2021 to \$8,186 in 2022.
- Decrease of \$1,356 in Rent, from \$7,798 in 2021 to \$6,442 in 2022.
- Decrease of \$39,353 in Transfer agent fees, from \$30,789 in 2021 to recovery of \$8,564 in 2022.
- Increase of \$500 in Donations, from \$Nil in 2021 to \$500 in 2022.

NICKEL ROCK RESOURCES INC. (Formerly Nevada Energy Metals Inc.)

Management's Discussion and Analysis of Financial Results

For the year ended 30 June 2022 and 2021

- Increase of \$29,699 in Foreign exchange gain, from exchange loss of \$29,696 in 2021 to exchange gain of \$3 in 2022.
- Increase of \$175,000 in Unrealized gain on change of fair value of short-term investment, from \$Nil in 2021 to gain of \$175,000 in 2022.
- Increase of \$741,362 in Impairment of exploration and evaluation properties, from \$Nil in 2021 to gain of \$741,362 in 2022.

For the year ended 30 June 2022 compared to 2021.

Comprehensive loss for the year ended 30 June 2022 was \$3,021,247 as compared to \$2,078,265 for the year ended 30 June 2021. Being at the exploration stage, the Company did not generate any revenue from operations. The increase in comprehensive loss of \$942,982 was mainly attributable to the net effect of:

- Decrease of \$1,075 in Bank charges and interest, from \$2,054 in 2021 to \$979 in 2022.
- Decrease of \$330,573 in Consulting fees, from \$568,161 in 2021 to \$237,588 in 2022.
- Decrease of \$41,284 in Corporate development expense from \$41,284 in 2021 to \$Nil in 2022.
- Decrease of \$1,270 in Depreciation expense from \$22,287 in 2021 to \$24,493 in 2022.
- Decrease of \$1,371 in Finance charges from \$1,371 in 2021 to \$Nil in 2022.
- Decrease of \$981,737 in Marketing & communications, from \$1,006,230 in 2021 to \$24,493 in 2022.
- Decrease of \$8,411 in Office and miscellaneous, from \$32,743 in 2021 to \$24,332 in 2022.
- Decrease of \$1,111 in Professional fees, from \$21,647 in 2021 to \$20,536 in 2022.
- Increase of \$8,229 in Rent, from \$32,190 in 2021 to \$40,419 in 2022.
- Decrease of \$252,080 in Share-based payments, from \$252,080 in 2021 to \$Nil in 2022 as there were no options or warrants granted during the year.
- Decrease of \$95,742 in Transfer agent fees, from \$106,611 in 2021 to \$10,869 in 2022.
- Decrease of \$1,610 in Travel, lodging and food, from \$1,610 in 2021 to \$Nil in 2022.
- Increase of \$500 in Donations, from \$Nil in 2021 to \$500 in 2022.
- Decrease of \$13,102 in Foreign exchange gain, from gain of \$10,003 in 2021 to loss of \$3,099 on 2022.
- Increase of \$825,000 in Unrealized loss on change of fair value of short-term investment, from \$Nil in 2021 to \$825,000 on 2022.
- Increase of \$1,812,415 in Impairment of exploration and evaluation properties, from \$Nil in 2021 to \$1,812,415 on 2022.

Selected Financial Information

To date, the Company has not commenced commercial operations.

Liquidity and Capital Resources

As at 30 June 2022, the Company had working capital of \$798,765 (30 June 2021: \$1,294,871).

As at 30 June 2022, the Shareholders' equity of \$1,669,586 (30 June 2021: \$4,467,833) consisted of share capital of \$9,111,572 (30 June 2021: \$8,888,572), reserves of \$4,566,124 (30 June 2021: \$4,566,124) and deficit of \$12,008,110 (30 June 2021: \$8,986,863).

Outstanding Share Data

The Company's Authorized Share Capital consists of an unlimited number of common shares without par value.

As at 30 June 2022 and the date of this MD&A, the Company had 72,309,153 (30 June 2021: 69,479,153) common shares issued and outstanding.

Effective 29 September 2016, the Company has adopted a stock option plan whereby it is authorized to grant options to executive officers and directors, employees and/or consultants enabling them to acquire up to 20% of the issued and outstanding common stock of the Company. The aggregate maximum number of common shares issuable under the plan is 12,440,831 common shares. The aggregate number of options granted to one optionee in a 12-month period is limited to 5% of the issued common shares of the Company.

As at 30 June 2022 and the date of this MD&A, the Company had 550,000 (2021: 2,030,000) stock options outstanding.

As at 30 June 2022 and the date of this MD&A, the Company had 4,007,120 (2021: 5,157,120) share purchase warrants outstanding.

Common shares issuances

a) Private Placements

There were no private placements during the year ended 30 June 2022.

On 29 September 2020, the Company issued 20,000,000 units at a price of \$0.05 per unit for gross proceeds of \$1,000,000. Each unit consists of one common share and one non-transferrable share purchase warrant. Each full warrant entitles the holder to purchase one additional common share of the Company at a price of \$0.06 per share for five years. Finder's fees in the amount of 1,850,000 common shares and 925,000 share purchase warrants were paid in connection with the private placement. The finders' warrants have the same terms as the private placement warrants. These warrants were calculated to have a fair value of \$105,922 using the Black-Scholes option pricing model with the following assumptions:

- Risk-free interest rate 0.35%
- Expected term (in years) 5
- Estimated dividend yield 0%
- Weighted-average estimated volatility 164%

On 29 December 2020, the Company issued 4,000,000 flow-through units ("FT Units") at a price of \$0.13 per FT Unit for gross proceeds of \$520,000. Each FT Unit consists of one flow-through common share and one share purchase warrant ("Warrant"). Each Warrant entitles the holder to purchase one additional common share of the Company at an exercise price of \$0.15 per share for a period of three years. Finders' fees totaling \$7,425 in cash and 57,120 finder warrants were paid in connection with the financing. The finders' warrants have the same terms as the private placement warrants.

b) Exercise of Share Purchase Warrants

During the year ended 30 June 2022, the Company issued 1,150,000 common shares related to the exercise of 1,100,000 share purchase warrants at an exercise price of \$0.06 and 50,000 share purchase warrants at an exercise price of \$0.15.

NICKEL ROCK RESOURCES INC. (Formerly Nevada Energy Metals Inc.)

Management's Discussion and Analysis of Financial Results

For the year ended 30 June 2022 and 2021

c) Exercise of Stock Options

During the year ended 30 June 2022, the Company issued 1,230,000 common shares related to the exercise of 730,000 stock options at an exercise price of \$0.075 and 500,000 stock options at an exercise price of \$0.05.

d) Mineral property acquisition

On 20 October 2020, the Company issued 75,000 common shares as part of the initial payment relating to the property option agreement to acquire the Klone Group of mineral claims. In addition, the Company issued 100,000 common shares as a finder's fee in relation to that property option agreement.

During the year ended 30 June 2021, the Company issued 5,000,000 common shares to John Malcolm Bell as part of the agreement of purchase and sale for two nickel exploration projects. The Company also issued 450,000 common shares to Kelly Funk in relation to the Option Agreement that allowed the Company to expand the nickel exploration project. In addition, the Company issued 500,000 common shares as a finder's fee in relation to the purchase of these nickel exploration projects.

During the year ended 30 June 2022, the Company issued 450,000 common shares with a fair value of \$69,750 in relation to the first anniversary of the option agreement for Kelly Funk.

Financial and Other Instrument

The Company's financial assets and liabilities consist of cash, amounts receivable, short-term investment, and trade payables. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

The fair value of these instruments approximates their carrying value due to the short-term nature of their maturity.

Related Party Transactions

For the years ended 30 June 2022 and 2021, the Company had related party transactions with the following company related by way of management, directors or shareholders in common:

- Surge Battery Metals ("NILI") with officers in common.

As at 30 June 2022, included in amounts receivable is a balance of \$13,336 (2021 – \$13,336) due from Surge Battery Metals Inc.:

	30 June 2022	30 June 2021
As at		
	\$	\$
Surge Battery Metals Inc.	13,336	13,336
Amounts receivable	13,336	13,336

NICKEL ROCK RESOURCES INC. (Formerly Nevada Energy Metals Inc.)

Management's Discussion and Analysis of Financial Results

For the year ended 30 June 2022 and 2021

As at 30 June 2022, included in accounts payable is a balance of \$Nil (2021 – \$504) due to related parties as follows:

	30 June 2022	30 June 2021
As at		
	\$	\$
Chief Financial Officer	-	504
Total trade payable and accrued liabilities	-	504

Short-term investment

During the year ended 30 June 2022, the Company acquired an investment of shares of Surge. As at 30 June 2022, the Company had short-term investment of \$250,000 (2021 – \$Nil). During the year ended June 30, 2022, a total of \$825,000 is recognized as loss on change of the fair value of short term investment.

Key management personnel compensation

The remuneration of directors and other members of key management for the three months and years ended 30 June 2022 and 2021 were as follows:

	Year ended 30 June 2022	Year ended 30 June 2021
Consulting fees to:	\$	\$
Chief Executive Officer	24,000	26,135
Chief Financial Officer	51,000	47,000
Chief Operating Officer	-	8,000
Corporate Secretary	63,000	75,122
A former director	-	184,540
Total related party expenses	138,000	340,797

Critical Accounting Estimates

The preparation of consolidated financial statements requires the Company to select from possible alternative accounting principles, and to make estimates and assumptions that determine the reported amounts of assets and liabilities at the balance sheet date and reported costs and expenditures during the reporting period. Estimates and assumptions may be revised as new information is obtained and are subject to change. The Company's accounting policies and estimates used in the preparation of the consolidated financial statements are considered appropriate in the circumstances but are subject to judgments and uncertainties inherent in the financial reporting process.

Off-Balance Sheet Arrangements

The Company did not enter into any off-balance sheet arrangements during the period.

Subsequent Events

Subsequent to the year ended 30 June 2022, there were no significant events.

Management's Responsibility for consolidated financial statements

The information provided in this report, including the consolidated statements, is the responsibility of Management. In the preparation of these statements, estimates are sometimes necessary to make a

NICKEL ROCK RESOURCES INC. (Formerly Nevada Energy Metals Inc.)

Management's Discussion and Analysis of Financial Results

For the year ended 30 June 2022 and 2021

determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying consolidated financial statements.

Risks

The Investment in the common shares must be regarded as highly speculative due to the proposed nature of the Company's business and its present stage of development.

There can be no assurance that an active and liquid market for the Company's common shares will develop and an investor may find it difficult to resell the common shares.

Controls and Procedures

The Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") are responsible for designing internal controls over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's consolidated financial statements for external purposes in accordance with IFRS. The design of the Company's internal control over financial reporting was assessed as of the date of this MD&A.

Based on this assessment, it was determined that certain weaknesses existed in internal controls over financial reporting. As indicative of many small companies, the lack of segregation of duties and effective risk assessment were identified as areas where weaknesses existed. The existence of these weaknesses is to be compensated for by senior management monitoring, which exists. The officers will continue to monitor very closely all financial activities of the Company and increase the level of supervision in key areas. It is important to note that this issue would also require the Company to hire additional staff in order to provide greater segregation of duties. Since the increased costs of such hiring could threaten the Company's financial viability, management has chosen to disclose the potential risk in its filings and proceed with increased staffing only when the budgets and work load will enable the action. The Company has attempted to mitigate these weaknesses, through a combination of extensive and detailed review by the CFO of the financial reports.

Outlook

Although current management has demonstrated its ability to raise funds in the past, with the current financial market conditions and global economic uncertainty, there can be no assurance they will be able to do so in the future. The financial results and discussion do not include the adjustments that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

Caution Regarding Forward Looking Statements

Except for historical information contained in this discussion and analysis, disclosure statements contained herein are forward-looking. Forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ materially, from those in such forward-looking statements. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date the statements are made and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change. Investors are cautioned against attributing undue certainty to forward-looking statements.

Other Information

Additional information about the Company is available on SEDAR at www.sedar.com.