ZEB NICKEL CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2022

Expressed in Canadian Dollars

(Unaudited – Prepared by Management)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountant of Canada for a review of interim financial statements by an entity auditor.

ZEB NICKEL CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
Expressed in Canadian Dollars
(Unaudited – Prepared by Management)

		March 31, 2022		December 31, 2021
ASSETS				
Current				
Cash	$	1,174,419	$	1,922,185
Commodity tax receivable		65,022		32,124
Prepaid		41,215		82,222
		1,280,656		2,036,531
Exploration and evaluation assets (Notes 4 and 7)		5,037,962		4,736,393
	$	6,318,618	$	6,772,924
LIABILITIES AND SHAREHOLDERS' EQUITY				
LIABILITIES				
Current				
Accounts payable and accrued liabilities (Note 7)	$	174,255	$	505,001
		174,255		505,001
Long-term payable (Note 5)		660,565		623,874
		834,820		1,128,875
Shareholders' Equity				
Share capital (Note 6)		7,327,047		7,310,586
Accumulated the comprehensive income		31,575		53,870
Contributed surplus (Note 6)		473,444		301,458
Deficit		(2,348,268)		(2,021,865)
		5,483,798		5,644,049
	$	6,318,618	$	6,772,924

On behalf of the Board:

"Anton J. Drescher" Director   *"Wayne Isaacs"* Director

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

ZEB NICKEL CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
Expressed in Canadian Dollars
(Unaudited – Prepared by Management)

	For the three months ended March 31, 2022	For the three months ended March 31, 2021
EXPENSES		
Bank fees	$ 586	$ -
Consulting fees (Note 7)	6,000	-
Filling and regulatory fees	27,042	-
Management fees (Note 7)	15,000	-
Office	27,425	12,665
Professional fees (Note 7)	29,356	-
Share-based compensation (Notes 6 and 7)	182,651	-
Transfer agent fees	1,652	-
Loss before other item	(289,712)	(12,665)
OTHER ITEM		
Accretion of long-term payable (Note 5)	(36,691)	-
NET LOSS FOR THE PERIOD	(326,403)	(12,665)
OTHER COMPREHENSIVE LOSS		
Items that will be reclassified subsequently to profit or loss		
Currency translation differences	(22,295)	-
	(22,295)	-
Loss and comprehensive loss for the period	$ (348,698)	$ -
Basic and diluted loss per common share	$ (0.01)	$ (0.00)
Weighted average number of common shares outstanding	54,884,786	-

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

ZEB NICKEL CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
Expressed in Canadian Dollars
(Unaudited – Prepared by Management)

	Number of shares	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Income	Deficit	Total
December 31, 2020	120	$ 3,911,219	$ -	$ 11,812	$ (1,018,302)	$ 2,904,729
Loss for the period	-	-	-	-	(12,665)	(12,665)
March 31, 2021	120	3,911,219	-	11,812	(1,030,967)	2,892,064
Shares of the Company on RTO	2,347,828	586,957	-	-	-	586,957
Eliminate shares of Zebediela	(120)	-	-	-	-	-
Shares issued to shareholders of Zebediela	41,000,000	-	-	-	-	-
Private placement	11,200,000	2,800,000	-	-	-	2,800,000
RTO finder's fee	250,000	62,500	-	-	-	62,500
Revaluation of Blue Rhino options and warrants on RTO	-	-	86,000	-	-	86,000
Exercise of options	86,958	69,200	(49,000)	-	-	20,000
Share issuance costs	-	(119,290)	-	-	-	(119,290)
Share-based compensation	-	-	264,658	-	-	264,658
Currency translation adjustment	-	-	-	42,058	-	42,058
Loss for the period	-	-	-	-	(990,898)	(990,898)
December 31, 2021	54,884,786	7,310,586	301,458	53,870	(2,021,865)	5,644,049
Exercise of warrants	25,200	16,461	(10,665)	-	-	5,796
Share-based compensation	-	-	182,651	-	-	182,651
Currency translation adjustment	-	-	-	(22,295)	-	(22,295)
Loss for the period	-	-	-	-	(326,403)	(326,403)
March 31, 2022	54,909,986	$ 7,327,047	$ 473,444	$ 31,575	$ (2,348,268)	$ 5,483,798

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

ZEB NICKEL CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
Expressed in Canadian Dollars
(Unaudited – Prepared by Management)

	For the three months ended March 31, 2022	For the three months ended March 31, 2021
Cash provided by (used in):		
OPERATING ACTIVITIES		
Net loss for the period	$ (326,403)	$ (12,665)
Item not affecting cash:		
Share-based compensation	182,651	-
Accretion of long-term payable	36,691	-
Changes in non-working capital items:		
Commodity tax receivable	(32,898)	-
Prepaid	41,007	-
Accounts payable and accrued liabilities	24,687	12,665
Net cash used in operating activities	(74,265)	-
INVESTING ACTIVITIES		
Exploration and evaluation costs	(657,002)	-
Net cash used in investing activities	(657,002)	-
FINANCING ACTIVITIES		
Proceeds from exercise of warrants	5,796	-
Net cash provided by financing activities	5,796	-
Effect of foreign currency translation	(22,295)	-
Change in cash for the period	(747,766)	-
Cash, beginning of period	1,922,185	-
Cash, end of period	$ 1,174,419	$ -

Supplemental cash flow disclosures		
Exploration and evaluation expenditures in accounts payable and accrued liabilities	$ 57,716	$ -

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

1. NATURE OF BUSINESS AND GOING CONCERN

ZEB Nickel Corp. (the "Company") was incorporated under the Business Corporations Act (British Columbia) on February 6, 2019. The Company was formed for the primary purpose of completing an Initial Public Offering ("IPO" or "Offering") on the TSX Venture Exchange ("Exchange") as a Capital Pool Company ("CPC") as defined in Policy 2.4 of the Exchange. On July 14, 2020, the Company completed its IPO and started trading on the Exchange under the symbol "RHNO.P".

The Company's condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") on a going concern basis, which contemplates that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Realization values may be substantially different from the carrying values shown and these condensed interim consolidated financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

The Company's continuing operations and the ability of the Company to meet mineral property and other commitments are dependent upon the ability of the Company to continue to raise additional equity or debt financing. The Company has not achieved profitable operations and has accumulated losses since inception, and during the period ended March 31, 2022 incurred a net loss of $324,403 (2021 - $12,665). The Company will need to raise additional capital resources to fund its exploration programs and administrative expenses beyond the next twelve months. The above conditions may cast significant doubt about the Company's ability to continue as a going concern.

COVID-19 (the coronavirus) has threatened a slowdown in the global economy as well as caused volatility in the global financial markets. While the full impact of COVID-19 on the global economy is uncertain, rapid spread of COVID-19 may have an adverse effect on the Company's financing capabilities. The extent to which COVID-19 may impact the Company's business will depend on future developments such as the geographic spread of the disease, the duration of the outbreak, travel restrictions and social distancing, business closures or business disruptions, and the effectiveness of actions taken in Canada, the United States and other countries to contain and treat the virus. Although it is not possible to reliably estimate the length or severity of these developments and their financial impact to the date of approval of these financial statements, these conditions could have a significant adverse impact on the Company's financial position and results of operations for future periods.

Reverse Takeover

On July 30, 2021, the Company completed the acquisition of all of the issued and outstanding shares of a private company, Zebediela Nickel Company (Pty) Ltd. ("Zebediela"), through a reverse takeover ("RTO") thereby completing its Qualifying Transaction. Zebediela was incorporated in South Africa on November 6, 2020.

Upon completion of the RTO, the shareholders of Zebediela obtained control of the consolidated entity. Accordingly, Zebediela was identified as the acquirer for accounting purposes, and the consolidated entity is considered to be a continuation of Zebediela, with the net assets of Blue Rhino Capital Corp. ("Blue Rhino") at the date of the RTO deemed to have been acquired by Zebediela. (Note 3). The consolidated financial statements for the year ended December 31, 2021 include the results of operations of Zebediela Nickel Company (Pty) Ltd. from January 1, 2021, and of Blue Rhino from July 30, 2021, the date of the RTO. The comparative figures are those of Zebediela Nickel Company (Pty) Ltd. The Company continues to carry on the business of Zebediela as currently constituted, which is the exploration and development of mineral properties in South Africa.

Immediately prior to completion of the Transaction, the Company also consolidated its issued and outstanding common shares on a 2.3:1 basis. These condensed interim consolidated financial statements have been retrospectively adjusted to reflect the share consolidation. The Company also changed its name to ZEB Nickel Corp. and trades under the ticker symbol "ZBNI".

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION

Statement of compliance and basis of presentation

The condensed interim consolidated financial statements are prepared in accordance with IAS 34 Interim Financial Reporting ("IAS34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). They do not include all financial information required for full annual financial statements and should be read in conjunction with the Audited Financial Statements of the Company for the year ended December 31, 2021.

These condensed interim consolidated financial statements were approved and authorized for issuance by the Board of Directors on May 26, 2022. Any subsequent changes to IFRS that are given effect in our annual consolidated financial statements for the year ending December 31, 2023 could result in restatements of these condensed interim consolidated financial statements. None of these standards are expected to have a significant effect on the condensed interim consolidated financial statements.

Basis of Measurement

These condensed interim consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, or fair value through other comprehensive loss, which are stated at their fair value. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. These consolidated financial statements are presented in Canadian dollars unless otherwise noted which is also the Company's and its subsidiaries functional currency (see below).

Basis of consolidation

These condensed interim consolidated financial statements include the accounts of the Company and its subsidiaries:

Name of Subsidiary	Place of Domicile	Percentage Ownership
Zebediela Nickel Company (PTY) Ltd. ("Zebediela")	South Africa	100%
Umnex Minerals Limpopo (Pty) Ltd. ("Umnex") - inactive	South Africa	74%
Lesego Platinum Uitloop (Pty) Ltd. ("Lesego") – inactive	South Africa	67%

All material intercompany balances and transactions have been eliminated upon consolidation. Subsidiaries are all entities over which the Company has the power to govern the financial and operating policies generally accompanying a shareholding of more than one-half of the voting rights. Subsidiaries are fully consolidated from the date on which control is transferred to the Company until the date on which control ceases. Umnex and Lesego solely own interest in the Company's exploration property.

Estimates, judgments and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting year. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (CONTINUED)

Estimates, judgments and assumptions (continued)

Significant Judgments

- Going concern - The assessment of whether the concern assumption is appropriate requires management to take into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. The Company is aware that material uncertainties exist related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

- Asset acquisition versus business combination - Management had to apply judgment with respect to whether an acquisition is an asset acquisition or business combination. The assessments require management to assess the inputs, processes, and outputs of the companies acquired at the time of acquisition. Acquisitions that do not meet the definition of a business combination are accounted for as asset acquisitions.

- Determination of the acquirer in the reverse takeover transaction – Management had to apply judgment to determine which party obtains control of the combining entities. Management applies judgment in determining control by assessing the following three factors: whether the Company has power over; whether the Company has exposure or rights to variable returns from its involvement; and whether the Company has the ability to use its powers over to affect the amount of its returns.

- The determination of the Company and its subsidiaries' functional currency - The Company applied judgment in determining its functional currency and the functional currency of its subsidiaries. The functional currency was determined based on the currency in which funds are sourced and the currency of the main economic environment in which the Company and its subsidiary operate.

- Indicators of impairment of property and equipment and exploration and evaluation assets - Assets or cash-generating units ("CGUs") are evaluated at each reporting date to determine whether there are any indications of impairment. The Company considers both internal and external sources of information when making the assessment of whether there are indications of impairment for the Company's exploration and evaluation assets.

  Significant judgment is required when determining whether facts and circumstances suggest that the carrying amount of exploration and evaluation assets may exceed its recoverable amount. The retention of regulatory permits and licenses, the Company's ability to obtain financing for exploration and development activities and its future plans on the exploration and evaluation assets, current and future metal prices, and market sentiment are all factors considered by the Company.

Significant Estimates

- Share-based compensation - The fair value of stock options granted are measured using the Black-Scholes option pricing model. Measurement inputs include share price on measurement date, exercise price of the option, expected volatility, expected life of the options, expected dividends and the risk-free rate. The Company estimates volatility based on historical share price of comparable companies, excluding specific time frames in which volatility was affected by specific transactions that are not considered to be indicative of the entities' expected share price volatility. The expected life of the options is based on historical experience and general option holder behaviour. Dividends were not taken into consideration as the Company does not expect to pay dividends.

- Fair value of consideration in reverse takeover transaction - The fair value of consideration to acquire the Company in the reverse takeover transaction comprised common shares. Common shares were valued on the date of issuance. The Company applied IFRS 2 Share-based Payment in accounting for the Transaction.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (CONTINUED)

Exploration and Evaluation Assets

Exploration costs incurred prior to the Company obtaining an exploration license are expensed as incurred.

Once the right to explore a property has been acquired, all costs related to the acquisition, exploration, and evaluation of mineral properties are capitalized by property. These expenditures include costs for consulting geologists, surveying, geophysics, sampling, drilling, assaying and depreciation on equipment during the exploration phase.

Option payments to acquire an exploration and evaluation asset, made at the sole discretion of the Company under an option agreement, are capitalized at the time of payment. Option payments received are treated as a reduction of the carrying value of the related acquisition cost for the exploration and evaluation assets until the payments are in excess of acquisition costs, at which time they are then credited to profit or loss. Option payments are at the discretion of the optionee and, accordingly, are accounted for when payment is made or receipt is reasonably assured.

The Company is in the exploration stage and is in the process of determining whether its exploration and evaluation assets contain ore reserves that are economically recoverable. The recoverability of amounts recorded as exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, maintenance of the Company's legal interests in its mineral claims, obtaining further financing for exploration and development of its mineral claims and commencement of future profitable production, or receiving proceeds from the sale of all or an interest in its mineral properties. Management reviews the carrying value of exploration and evaluation assets on a periodic basis and will recognize impairment in value based upon current exploration results, the prospect of further work being carried out by the Company, the assessment of future probability of profitable revenues from the property or from the sale of the property. Amounts shown for exploration and evaluation assets represent costs incurred, net of write-downs and recoveries, and are not intended to represent present or future values.

Capitalized exploration and evaluation costs are assessed for impairment if facts and circumstances suggest that the carrying amount exceeds the recoverable amount. When there is little prospect of further work being carried out by the Company or its partners on a property, when a property is abandoned or when the capitalized costs are no longer considered recoverable, the related property costs are written down to management's estimate of their net recoverable amount. The recoverability of the carrying amount of mineral properties is dependent on the successful development and commercial exploitation or the sale of the respective areas of interest.

Restoration, Rehabilitation and Environmental Obligations

An obligation to incur restoration, rehabilitation, and environmental costs arise when an environmental disturbance is caused by the exploration, development, or ongoing production of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, as soon as the obligation to incur such costs arises. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the unit-of-production or the straight-line method. The related liability is adjusted each period for the unwinding of the discount rate and for changes to the current market-based discount rate, and amount or timing of the underlying cash flows needed to settle the obligation. Costs for the restoration of subsequent site damage, which is created on an ongoing basis during production, are provided for at their net present values and charged against profits as extraction progresses.

The Company has no material restoration, rehabilitation, and environmental costs as the disturbance to date is minimal.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (CONTINUED)

Financial instruments

The Company classifies all financial instruments as fair value through profit or loss ("FVTPL"), financial assets at fair value through other comprehensive income ("FVTOCI"), financial assets/liabilities at amortized cost. Management determines the classification of its financial assets and liabilities at initial recognition.

Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in profit or loss in the period in which they arise. The Company classifies cash as FVTPL.

Financial assets at amortized cost are initially recognized at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment. They are classified as current assets or non-current assets based on their maturity date.

Financial assets carried at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the de-recognition of the financial asset.

Financial assets are derecognized when they mature or are sold, and substantially all the risks and rewards of ownership have been transferred. Gains and losses on de-recognition of financial assets classified as FVTPL or amortized cost are recognized in profit or loss. Gains or losses on financial assets classified as FVTOCI remain within accumulated other comprehensive income.

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument. A financial liability is derecognized when it is extinguished, discharged, cancelled or when it expires. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or financial liabilities subsequently measured at amortized cost.

Financial instruments that are measured at fair value use inputs, which are classified within a hierarchy that prioritizes their significance. The three levels of the fair value hierarchy are:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 - Inputs that are not based on observable market data.

The Company's financial instruments classified as Level 1 are cash and accounts payable and accrued liabilities. Their carrying values approximate fair value due to their short-term maturity.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (CONTINUED)

Income taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the statement of financial position 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. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting or taxable loss; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Share Capital

Instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of financial liability or financial asset. The Company's common shares are classified as equity instruments.
Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Shares issued as consideration for goods or services provided to those other than employees or others providing similar services are measured at the fair value of the goods or services received, except when the fair value cannot be measured reliably, in which case they are measured at the fair value of the equity instrument granted. Warrants issued by the Company typically accompany an issuance of shares in the Company (a "unit") and entitle the warrant holder to exercise the warrants for a stated price and a stated number of common shares in the Company. The fair value of units issued is measured using the residual value approach, with the allocation of proceeds first to shares based on the fair value of the shares on the date of issuance and the remainder to warrants.

Share-based compensation

The Company records all share-based compensation at fair value. Where equity instruments are granted to employees, they are recorded at the fair value of the equity instrument granted at the grant date. The grant date fair value is recognized through profit or loss over the vesting period, described as the period during which all the vesting conditions are to be satisfied.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received.

When the value of goods or services received in exchange for the share-based compensation cannot be reliably estimated, the fair value is measured by use of a valuation model.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (CONTINUED)

Share-based compensation (continued)

At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of stock options expected to vest. On the exercise of stock options, agent options and warrants, share capital is recorded for the consideration received and for the fair value amounts previously recorded to share-based payments reserve. The Company uses the Black-Scholes option pricing model to estimate the fair value of share-based compensation.

Options and warrants issued as consideration in connection with common share placements are recorded at their fair value on the date of issuance as share issuance costs.

Earnings (loss) per share

Basic earnings (loss) per share is computed by dividing net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods. If these computations prove to be anti-dilutive, diluted loss per share is the same as basic loss per share.

Shares held in escrow, other than where their release is subject to the passage of time, are not included in the calculation of the weighted average number of common shares outstanding.

Impairment

At each reporting date, the carrying amounts of the Company's assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell ("FVLCS") and value in use ("VIU"). FVLCS is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is established to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount, and the impairment loss is recognized in profit or loss for the period.

For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Change in Functional and Presentation Currency

Effective January 1, 2021, the Company changed its presentation currency from United States dollars to the Canadian dollar to reflect the Company's ongoing operations, sources of financing and market focus. Under IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, the change in presentation currency represents a voluntary change in accounting policy and is applied retrospectively. The comparative consolidated statements of loss and comprehensive loss and consolidated statements of cash flows for each period have been translated into the presentation currency using the average exchange rate prevailing during each year. All assets, liabilities and equity transactions have been translated using the exchange rate prevailing on the consolidated statements of financial position dates.

Expressed in Canadian Dollars

3. REVERSE TAKE-OVER ("RTO")

On July 30, 2021, the Company completed the acquisition of Zebediela, by way of issuing 41,000,000 common shares of the Company to the shareholders of Zebediela ("The Transaction"). As a result, the shareholders of Zebediela acquired control of the Company, thereby constituting an RTO. The Transaction is considered a purchase of the Company's net assets by the Zebediela Shareholders. The Transaction is accounted for in accordance with guidance provided in *IFRS 2, Share-Based Payment* as the Company did not qualify as a business according to the definition in *IFRS 3, Business Combinations.* For RTO accounting purposes, the Transaction is recognized as if Zebediela had proceeded to issue the Company's shares outstanding before the Transaction in exchange for the net assets acquired. The fair value of the 2,347,828 common shares of the Company was determined to be $0.25 per common share, based on the fair value at July 30, 2021.

Consideration paid:	
Fair value of Blue Rhino common shares	$ 586,957
Fair value of Blue Rhino agent warrants *	36,800
Fair value of Blue Rhino options **	49,200
Transaction costs – Fair value of common shares issued to finders	62,500
Total consideration paid	**$ 735,457**
Identifiable assets acquired:	
Cash	$ 134,198
Trade and other payables	(66,682)
Net assets acquired	**$ 67,516**
Listing expense	**$ 667,941**

* The fair value of agent warrants were valued using the Black-Scholes options pricing model using the following inputs:
- 150% volatility; 0.28% risk-free interest rate; $0.25 fair value; $0.10 exercise price, 2 year expected life; 0% expected dividend rate.

** The fair value of options were valued using the Black-Scholes options pricing model using the following inputs:
- 150% volatility; 0.54% risk-free interest rate; $0.25 fair value; $0.10 exercise price, 10 year expected life; 0% expected dividend rate.

4. EXPLORATION AND EVALUATION ASSETS

The Company controls the rights to the Zebediela Nickel Project located in the Limpopo Province in the Republic of South Africa.

Balance December 31, 2020	$ 4,025,640
Additions	
Drilling	337,943
Field work, administration and other	372,810
Balance December 31, 2021	4,736,393
Additions	
Field work, administration and other	301,569
Balance March 31, 2022	$ 5,037,962

Expressed in Canadian Dollars

5. LONG TERM PAYABLE

Upon completion of the Transaction, $760,380 (US$600,000) of accounts payable due to a related party was converted into a non-interest bearing long-term promissory note payable maturing January 30, 2023 (18 months from after the completion of the acquisition) (Note 3). The Company applied a market interest rate of 20% to discount the promissory note to its fair value and recognized a gain of $182,145 during the year ended December 31, 2021.

Continuity of the promissory note is as follows:

Balance, December 31, 2020	$ -
Addition	578,235
Accretion	45,639
Balance, December 31, 2021	623,874
Accretion	36,691
Balance, March 31, 2022	**$ 660,565**

6. SHARE CAPITAL

Authorized share capital

Unlimited number of common shares without par value.

Issued and outstanding

During the period ended March 31, 2022, the Company:

- issued 25,200 common shares pursuant to the exercise of options for gross proceeds of $5,796, and accordingly, allocated $10,665 from contribution surplus to share capital.

During the year ended December 31, 2021, the Company:

- issued 41,000,000 common shares pursuant to the RTO (Note 3).
- issued 11,200,000 common shares at $0.25 for gross proceeds of $2,800,000. The Company paid $119,290 as share issuance costs.
- issued 250,000 common shares to a director of the Company as finder's fee in connection with the RTO (Note 3).
- issued 86,958 common shares pursuant to the exercise of options for gross proceeds of $20,000, and accordingly, allocated $49,000 from contribution surplus to share capital .

Escrow shares

At March 31, 2022, the Company had 39,789,673 shares held in escrow. 2,259,239 shares vested January 29, 2022, 4,309,239 shares vest July 29, 2022, 4,309,239 shares best January 29, 2023, 6,149,999 shares vest July 29, 2023, 6,150,000 shares best January 29, 2024 and 16,400,000 shares vest on July 29, 2024.

Expressed in Canadian Dollars

6. CAPITAL STOCK (CONTINUED)

Stock option plan

The Company has a stock option plan in place under which it is authorized to grant options to directors, senior officers, employees, management company employees, and consultants to acquire up to 10% of the issued and outstanding common shares. Under the plan, the maximum issuance in any 12-month period is limited for any consultant or person providing investor relations services to 2%, and 5% for any other participant. The exercise price of the shares subject to each option shall be determined by the Board, subject to applicable Exchange approval, at the time any option is granted. In no event shall such exercise price be lower than the exercise price permitted by the Exchange. The options can be granted for a maximum term of ten years. Options issued for investor relations services will be subject to a vesting schedule of at least 12 months whereby no more than 25% of the options granted may vest within any three-month period. All other vesting terms are determined by the Board of Directors.

Stock options

During the year ended December 31, 2021, the Company granted 2,785,000 stock options to directors, officers, and consultants, exercisable at a price of $0.25 and an expiry date of November 9, 2025. The options have a fair value of $605,500, calculated using the Black-Scholes option pricing model using the following inputs (i) Volatility of 150.00%; (ii) Term of 4 years; (iii) Discount rate of 1.26%; (iv) Dividend rate of Nil; and (v) market stock price of $0.25. The options vest 20% every 3 months starting November 9, 2021. During the year ended December 31, 2021, the Company recorded $264,658 of share-based compensation relating to the vesting period. During the year ended March 31, 2022, the Company recorded $182,651 of share-based compensation relating to the vesting period.

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

	Options		Weighted Average Exercise Price
Balance, at December 31, 2020	-	$	-
Additions on acquisition (Note 3)	86,958		0.23
Granted	2,785,000		0.25
Exercised	(86,958)		0.23
Balance, December 31, 2021 and March 31, 2022	2,785,000	$	0.25
Exercisable, March 31, 2022	1,114,000	$	0.25

Expressed in Canadian Dollars

6. CAPITAL STOCK (CONTINUED)

Stock options (continued)

Details of options outstanding as at March 31, 2022:

Exercise price	Number of options outstanding	Expiry date	Number of options exercisable
$0.25	2,785,000	November 9, 2025	1,114,000
	2,785,000		1,114,000

Warrants

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

	Warrants	Weighted Average Exercise Price
Balance, at December 31, 2020	-	$ -
Additions on acquisition (Note 3)	86,958	0.23
Balance, December 31, 2021	86,958	0.23
Exercised	(25,200)	0.23
Balance, March 31, 2022	61,758	$ 0.23

Details of warrants outstanding as at March 31, 2022:

Exercise price	Number of options outstanding	Expiry date
$0.23	61,758	July 14, 2022
	61,758	

7. RELATED PARTY TRANSACTIONS

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel includes the Company's executive officers and Board of Director members.

During the period ended March 31, 2022, the Company paid or accrued:

i) $15,000 (2021 - $Nil) in management fees to the CEO.

ii) $20,000 (2021 - $Nil) in professional fees to an accounting firm in which the CFO has an interest.

iii) $6,000 (2021 - $Nil) in consulting fees to a director.

iv) $49,136 (2021 - $Nil) in exploration expenditures, relating to field work, administration and other, to a corporation who has an officer who is also a director of the Company.

During the year ended December 31, 2021, the Company granted 2,785,000 stock options, of which 1,597,500 stock options were to its directors and officers, and recorded $151,810 of share-based compensating related to the vesting period to the related parties. During the period ended March 31, 2022, the Company recorded $104,770 of share-based compensating related to the vesting period to the related parties.

During the year ended December 31, 2021, the Company recorded listing expenses of $112,500 related to $50,000 accrued cash costs and $62,500 in common shares issued to a director in consideration for facilitating the negotiation and completion of the Transaction (Note 3).

At March 31, 2022, the Company had $57,893 (December 31, 2021 - $318,338) in accounts payable and accrued liabilities relating to amounts owed to officers and directors of the Company.

At March 31, 2022, the Company had $Nil (December 31, 2021 - $80) in loan payable relating to amounts owed to a director of the Company.

8. CAPITAL MANAGEMENT

The Company defines its capital as shareholders' equity. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. There were no changes in the Company's approach to capital management during the period ended March 31, 2022.

Expressed in Canadian Dollars

9. FINANCIAL RISK FACTORS

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

Cash and accounts payable and accrued liabilities are carried at a fair value using a level 1 fair value measurement. The carrying value of these financial instruments approximate their fair values due to the short-term nature of the instruments.

Credit risk
Credit risk is the risk of loss associated with counterparty's inability to fulfil its obligations. The Company's credit risk is primarily attributable to its cash. The Company's management believes it has no significant credit risk as its cash is held with a major Canadian financial institution.

Liquidity risk
The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. At March 31, 2022, the Company had a cash balance of $1,174,419 (December 31, 2021 - $1,922,185), and $174,255 (December 31, 2021 - $505,001) of accounts payable and accrued liabilities. The Company's accounts payable and accrued liabilities have contractual maturities of less than 30 days and are subjected to normal trade terms.

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 prices. The Company is not exposed to any significant interest rate risk.

Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to fluctuations in foreign currencies through its operations in South Africa. The Company monitors this exposure but has no hedge positions. As at March 31, 2022 and December 31, 2021, the Company was exposed to currency risk through the following financial assets and liabilities denominated in currencies other than the Canadian dollar:

	March 31, 2022		December 31, 2021	
	South African Rand ($CAD equivalent)	**US Dollars** ($CAD equivalent)	**South African Rand** ($CAD equivalent)	**US Dollars** ($CAD equivalent)
Cash	$ 18,693	-	$ 100,987	-
Commodity tax receivable	58,154	-	25,553	-
Accounts payable and accrued liabilities	(57,716)	-	(413,150)	-
Long-term payable	-	(660,565)	-	(623,874)
	$ (286,610)	**(660,565)**	**$ (286,610)**	**(623,874)**

Based on the above net exposures at March 31, 2022, a 10% depreciation or appreciation of the above currencies against the Canadian dollar would result in an increase or decrease of approximately $100 (December 31, 2021 $91,000) in the Company's after-tax net loss, respectively.

10. SEGMENTED INFORMATION

The Company's operations comprise a single reporting segment. As the operations comprise a single reporting segment, amounts disclosed in the financial statements for expenses and loss for the period also represent segmented amounts.

All of the Company's exploration and evaluation assets are in South Africa.

ZEB NICKEL CORP.
Suite 507, 837 West Georgia Street
Vancouver, BC
V6C 3N6

May 26, 2022

MANAGEMENT DISCUSSION & ANALYSIS

This management's discussion & analysis ("MD&A") should be read in conjunction with our condensed interim financial statements and the accompanying notes for the three months ended March 31, 2022, which were prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting and are filed on the SEDAR website: www.sedar.com.

All amounts in the condensed interim consolidated financial statements and this MD&A are expressed in Canadian dollars, unless otherwise indicated.

FORWARD LOOKING INFORMATION

Forward-looking statements are necessarily based upon a number of factors and assumptions that, if untrue, could cause actual results, performance or achievements to be materially different from future results, performance or achievements expressed or implied by such statements. Forward-looking statements are based upon a number of estimates and assumptions that, while considered reasonable by the Company at this time, are inherently subject to significant business, economic and competitive uncertainties and contingencies that may cause the Company's actual financial results, performance, or achievements to be materially different from those expressed or implied herein. Some of the material factors or assumptions used to develop forward-looking statements include, without limitation, the future price of precious and base metals, anticipated costs and the Company's ability to fund its programs, the Company's ability to carry on exploration and development activities, the timing and results of drilling programs, the discovery of mineral resources on the Company's mineral properties, the timely receipt of required approvals and permits, including those approvals and permits required for successful project permitting, construction and operation of projects, the costs of operating and exploration expenditures, the Company's ability to operate in a safe, efficient and effective manner, the Company's ability to obtain financing as and when required and on reasonable terms and the continuing impact of the COVID-19 pandemic and the resumption of business. Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Although Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Known and unknown factors could cause actual results or events to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to, fluctuations in the currency markets; changes in interest rates; disruption to the credit markets and delays in obtaining financing; inflationary pressures; risks arising from holding derivative instruments (such as credit risk, market liquidity risk and mark-to-market risk); changes in national and local government legislation, taxation, controls, regulations and political or economic developments in Canada, the United States of America, South Africa, or other countries in which the Company may, upon completion of the Transaction, carry on business; business opportunities that may be presented to, or pursued by the Company upon vi completion of the Transaction; the Company's ability to successfully integrate acquisitions; operating or technical difficulties in connection with business activities; the possibility of cost overruns or unanticipated expenses; employee relations; the risks of obtaining and renewing necessary licenses and permits; diminishing quantities or grades of reserves; adverse changes in the Company's credit rating; the occurrence of natural disasters, hostilities, acts of war or terrorism; and the ongoing global pandemic involving the novel coronavirus. The factors identified above are not intended to represent a complete list of the factors that could affect the Company. Additional factors are noted under the heading "Risk Factors". Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results, performance or achievement may vary materially from those expressed or implied by the forward-looking information contained in this MD&A. These factors should be carefully considered and readers are cautioned not to place undue reliance on forward-looking information, which speaks only as of the date of this MD&A. All subsequent forward-looking information attributable to the Company herein is expressly qualified in its entirety by the cautionary statements contained in or referred to herein. The Company does not undertake any obligation to release publicly any revisions to, or otherwise update, this forward-looking information to reflect events or circumstances that occur after the date of this MD&A or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

OVERVIEW

ZEB Nickel Corp. (formerly Blue Rhino Capital Corp). (the "Company") was incorporated under the Business Corporations Act (British Columbia) on February 6, 2019. The Company was formed for the primary purpose of completing an Initial Public Offering ("IPO" or "Offering") on the TSX Venture Exchange ("Exchange") as a Capital Pool Company ("CPC") as defined in Policy 2.4 of the Exchange. On July 14, 2020, the Company completed its IPO and started trading on the Exchange under the symbol "RHNO.P".

On August 1, 2021, the Company completed the Transaction acquiring Zebediela (below). Upon completion of the Transaction, the Company continues to carry on the business of Zebediela as currently constituted, which is the exploration and development of mineral properties in South Africa. The Company's head office is Suite 507 – 837 West Hastings Street, Vancouver, British Columbia, V6C 3N6, Canada. The Company's registered and records office is located at 2200 – 885 West Georgia Street, Vancouver, British Columbia V6C 3E8, Canada.

Immediately prior to completion of the Transaction, the Company also consolidated its issued and outstanding common shares on a 2.3:1 basis. This MD&A has been retrospectively adjusted to reflect the share consolidation. The Company also changed its name to ZEB Nickel Corp. and trades under the ticker symbol "ZBNI".

The condensed interim consolidated financial statements have been prepared in accordance with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company has not generated any revenues and its continuing operations as intended are dependent upon its ability to raise further equity. These material uncertainties may cast significant doubt on the entity's ability to continue as a going concern. The consolidated financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue business. Such adjustments could be material.

The Company may face risks related to COVID-19, which could significantly disrupt its operations and may materially and adversely affect its business and financial conditions. In December 2019, a novel strain of the coronavirus emerged in China, and the virus has now spread globally, including Canada, resulting in a global pandemic. The extent to which COVID-19 will impact the Company's business, including its business and the market for its securities, will depend on future developments, which are highly uncertain and cannot be predicted at this time, and include the duration, severity and scope of the outbreak and the actions taken to contain or treat the coronavirus outbreak. In particular, the continued spread of COVID-19 globally could materially and adversely impact the Company's business, including, without limitation, employee health, workforce productivity, increased insurance premiums, limitations on travel, the availability of industry experts and personnel, and other factors that will depend on future developments beyond the Company's control, which may have a material and adverse effect on the its business, financial condition and results of its business. There can be no assurance that the Company's personnel will not be impacted by these pandemic diseases and ultimately see its workforce productivity reduced or incur increased medical costs/insurance premiums as a result of these health risks. In addition, a significant outbreak of COVID-19 could result in a widespread global health crisis that could adversely affect global economies and financial markets resulting in an economic downturn that could have an adverse effect on the Company's future prospects.

MINERAL PROPERTY, SOUTH AFRICA

The Company controls the rights to a project located in the Limpopo Province in the Republic of South Africa, near the platinum mining town of Mokopane. The Project comprises various portions of the farms Uitloop 3 KS, Amatava 41 KS, Bloemhof 4 KS and Piet Potgietersrust Town and Townlands 44 KS, and is located approximately 9 km northeast of the town of Mokopane, in the Mogalakwena Local, and Waterberg District Municipalities of the Limpopo Province, South Africa. The project consists of three prospecting areas, which have now been amalgamated into a single area by a mining right application that is currently being processed by the DMRE (submitted on July 26, 2019) (the "Mining Right Application").

Additional details about the project can be found on the Company website https://zebnickel.com/ and in the Filing Statement and Technical Report (NI-43-101) filed on www.sedar.com on July 31, 2021.

On March 15, 2022, the Company completed Phase 2 of exploration drilling on the Zebediela Project and has successfully intersected Critical Zone lithologies in all drillholes with reported assay results in this recent phase, located beneath the historical 43-101- compliant 1.5 billion-ton sulfide nickel resource which contains approximately 3,955 kt of nickel.

A weighted average calculation using a cut-off grade of 0.31% Ni from this phase of drilling has resulted in an increased grade of 76% higher than that declared in the historical resource used in the existing Preliminary Economic Assessment (PEA). This existing historical resource consists of an Indicated Resource of 485.4 million tonnes averaging 0.245% Ni, with an additional Inferred Resource of 1,115.1 million tonnes at 0.248% Ni using a cut-off grade of 0.1% Ni.

The Critical Zone of the Bushveld Complex is the geological horizon that hosts Platreef-style mineralization in the Northern Limb, which is the mineralised zone currently being mined at Anglo American Platinum's flagship Mogalakwena Mine, and Ivanhoe Mines Platreef Mine (average depth of 800 m). The location of the project in relation to Mogalakwena Mine and Platreef Mine is shown in Figure 1 below.

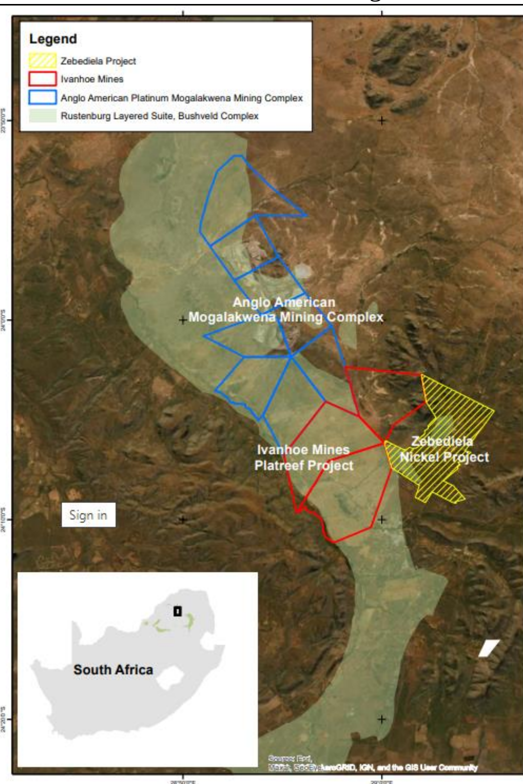

Figure 1: Location of the Zebediela Project in relation to Mogalakwena Mining Complex and Platreef Mine.

This phase of drilling is a continuation of the first phase conducted by the Company for a total of 4,901 m in both Phase 1 and Phase 2, targeting higher grade nickel PGE mineralisation in Critical Zone rocks found beneath the existing NI43-101 compliant nickel resource.

The Company announced that these Critical Zone rocks have been discovered along a strike length of at least 3 km. 6 holes were completed in the Phase 1 drill campaign and a further 8 holes were completed in the Phase 2 drill campaign (assay results for 5 holes are outstanding).

Exploration results from the drilling campaign are presented in the table below, and the location of these holes are presented in Figure 2 below. Drill core diameter for all holes is NQ and drill holes are drilled at an inclination of 50 degrees on an azimuth of approximately 45 degrees.

Table 1: Exploration Program Results from the drill program

Drillhole ID	Depth From	Depth To	Sample Interval	Depth Below Surface	Ni^	Cu	Pt	Pd	Rh	Au	3PGE + Au*	Mineralisation Style
	meters	*meters*	*meters*	*meters*	*%*	*%*	*g/t*	*g/t*	*g/t*	*g/t*	*g/t*	
Z017	37.43	415.00	377.57	23.61	0.24	0.01					**	Lower Zone (Target 1)
including	38.00	110.00	72.00	23.97	0.25	0.01					**	Lower Zone (Target 1)
including	124.00	136.00	12.00	78.20	0.33	0.02					**	Lower Zone (Target 1)
including	170.00	178.00	8.00	107.21	0.28	0.01					**	Lower Zone (Target 1)
including	193.00	198.00	5.00	121.72	0.37	0.01					**	Lower Zone (Target 1)
including	212.10	239.60	27.50	133.76	0.25	0.01					**	Lower Zone (Target 1)
including	304.00	308.00	4.00	191.73	0.40	0.02					**	Lower Zone (Target 1)
including	319.63	386.00	66.37	201.58	0.27	0.01					**	Lower Zone (Target 1)
including	412.75	415.00	2.25	260.31	1.67	0.51	0.21	0.41	0.03	0.06	0.71	Lower Zone (Target 1)
Z018	33.00	394.00	361.00	21.48	0.25	0.01					**	Lower Zone (Target 1)
including	88.00	125.19	37.19	57.27	0.30	0.01					**	Lower Zone (Target 1)
including	144.00	171.80	27.80	93.71	0.28	0.01					**	Lower Zone (Target 1)
including	328.00	348.00	20.00	213.45	0.31	0.01					**	Lower Zone (Target 1)
Z019	89.00	103.00	14.00	52.81	0.22	0.06	0.20	0.36	0.02	0.03	0.61	Critical Zone (Target 2)
Z019	133.00	170.80	37.80	78.92	0.29	0.09	0.40	0.68	0.07	0.04	1.19	Critical Zone (Target 2)
including	133.00	142.00	9.00	78.92	0.42	0.15	0.60	1.22	0.08	0.07	1.97	Critical Zone (Target 2)
including	169.00	170.60	1.60	100.29	0.50	0.12	0.73	0.92	0.22	0.04	1.90	Critical Zone (Target 2)
Z020	53.00	71.00	18.00	41.19	0.41	0.13	0.53	1.07	0.10	0.05	1.75	Critical Zone (Target 2)
including	55.00	64.00	9.00	42.74	0.51	0.18	0.73	1.47	0.13	0.07	2.45	Critical Zone (Target 2)
Z020	106.00	Sign in	39.00	82.38	0.30	0.11	0.31	0.64	0.06	0.04	1.05	Critical Zone (Target 2)
Z020	174.00	176.07	2.07	135.22	0.59	0.15	0.90	0.95	0.11	0.05	2.00	Critical Zone (Target 2)
Z021	187.00	210.00	23.00	169.62	0.32	0.10	0.36	0.79	0.05	0.05	1.25	Critical Zone (Target 2)
including	194.00	199.00	5.00	175.97	0.48	0.12	0.57	1.45	0.08	0.06	2.16	Critical Zone (Target 2)
Z022	38.08	41.74	3.66	28.87	0.35	0.08	0.30	0.46	0.10	0.03	0.89	Critical Zone (Target 2)
Z022	69.00	76.00	7.00	52.31	0.25	0.08	0.20	0.42	0.02	0.03	0.67	Critical Zone (Target 2)
Z022	95.00	95.50	0.50	72.02	0.39	0.13	5.68	0.63	0.02	0.04	6.37	Critical Zone (Target 2)
Z026	277.50	290.00	12.50	209.43	0.35	0.15	0.74	0.97	0.06	0.06	1.82	Critical Zone (Target 2)
including	284.00	287.00	3.00	214.35	0.47	0.19	0.70	1.30	0.07	0.06	2.13	Critical Zone (Target 2)
including	288.50	290.00	1.50	217.73	0.41	0.16	0.55	1.20	0.07	0.06	1.88	Critical Zone (Target 2)
Z027	406.50	411.50	5.00	310.02	0.31	0.11	0.23	0.52	0.03	0.05	0.84	Critical Zone (Target 2)
including	406.50	408.50	2.00	310.02	0.32	0.11	0.26	0.59	0.04	0.05	0.94	Critical Zone (Target 2)
Z027	413.00	426.00	13.00	314.98	0.17	0.04	0.15	0.28	0.04	0.03	0.50	Critical Zone (Target 2)
Including	420.00	421.50	1.50	320.32	0.69	0.11	0.31	0.67	0.25	0.25	1.27	Critical Zone (Target 2)
Z028	413.00	449.50	36.00	314.98	0.22	0.08	0.24	0.48	0.04	0.03	0.80	Critical Zone (Target 2)
Including	427.00	433.50	6.50	325.65	0.37	0.18	0.54	1.10	0.10	0.06	1.80	Critical Zone (Target 2)

* 3PGE+Au equals platinum + palladium + rhodium + gold by fire assay with ICP-AES Finish;
^Total Ni assay by complete digestion, representing the silicate and sulfide portion of Ni;
Additional drilling is required to determine true thickness;
"Depth From", "Depth To" and "Sample Thickness" reported are depths from surface down the drill hole.

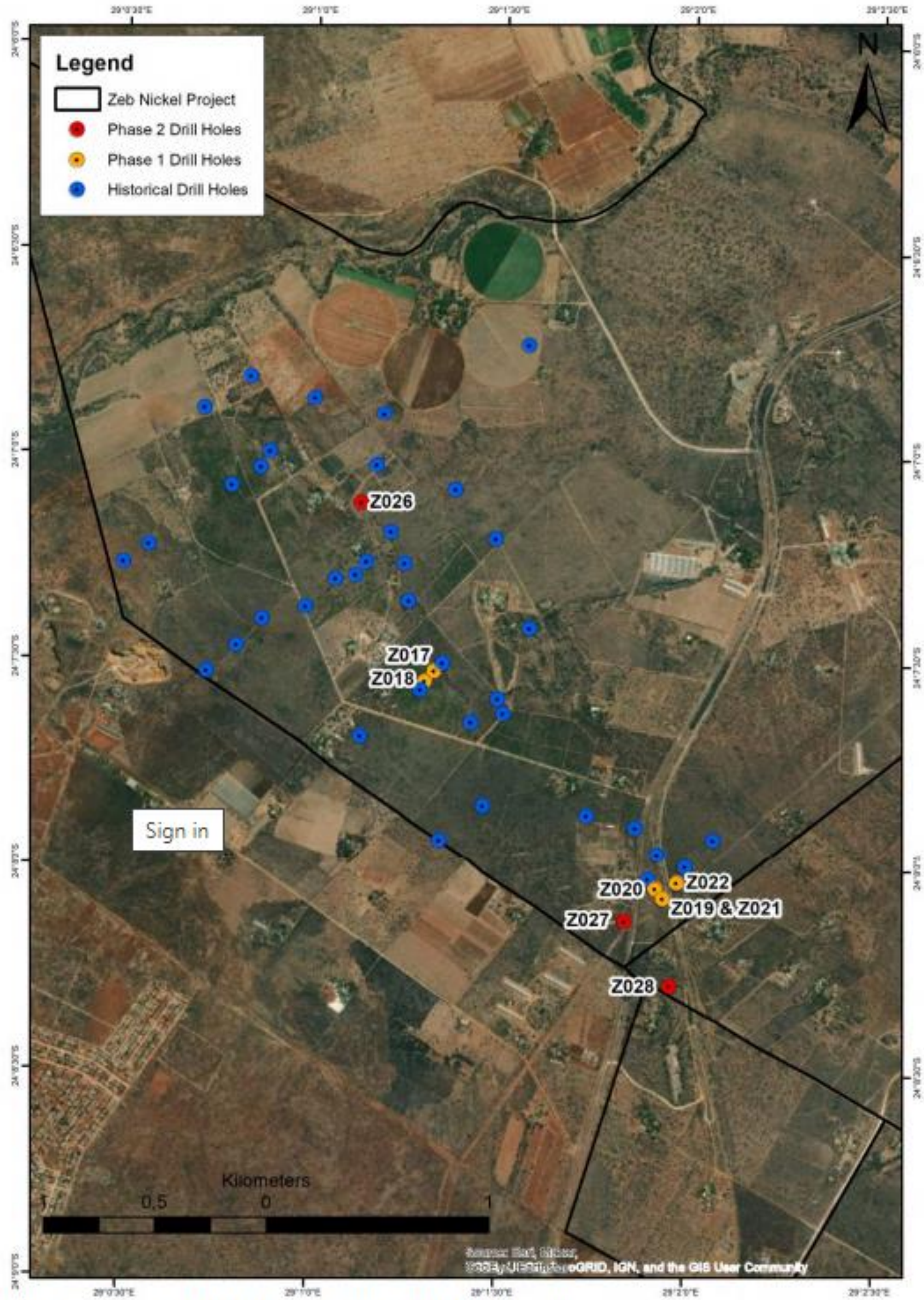

Figure 2: Location of drillholes overlain on satellite imagery

Based on whole rock geochemistry and methodologies developed by the Zebediela technical team, this exploration program has now conclusively proved that mineralized Critical Zone rocks are present beneath the historical NI43-101 resource that could be mined using open pit mining methods.

The Company is extremely pleased with the successful drill campaign which has confirmed the geological model targeting higher-grade Ni-PGE mineralization beneath the historical NI43-101 resource, and towards the north and south, expanding the strike length of the Critical Zone mineralization. The Company looks forward to reporting the outstanding results from this phase of the drilling program, as well as commencing with the next phase of drilling. This next phase should allow for the declaration of a maiden Ni-PGE resource statement on this higher-grade NiPGE mineralization target and allow for a new PEA with improved project economics.

SUMMARY OF QUARTERLY RESULTS

The Company was incorporated on November 6, 2020, comparative figures prior to that are not available. The following is a summary of the Company's financial results for the most recently completed quarters which have been prepared using accounting policies consistent with IFRS:

Quarterly period ended	**Mar 31 2022 $**	**Dec 31 2021 $**	**Sep 30 2021 $**	**Jun 30 2021 $**	**Mar 31 2021 $**	**From the date of Incorporation on November 6, 2020 to Dec 31, 2020 $**
Net revenues	Nil	Nil	Nil	Nil	Nil	Nil
Net loss for period						
Total	(348,698)	(308,953)	(669,280)	(12,665)	(12,665)	(1,006,490)
Per share	(0.01)	(0.02)	(0.02)	(0.00)	(0.00)	(0.00)

Fiscal 2022

During the quarter ended March 31, 2022, the Company's loss of $348,698 increased from a loss of $308,953 incurred during the three months ended December 31, 2021. The increase in loss is primarily due to the increased of share-based compensation from the vest of option, filing and regulatory fees, management fees, and professional fees related to general legal administrative services.

Fiscal 2021

During the quarter ended December 31, 2021, the Company's loss of $334,283 decreased from a loss of $669,280 incurred during the three months ended September 30, 2021. The decrease in loss is primarily due to the decrease of share-based compensation from the grant of option, and professional fees related to legal services for the RTO transaction.

During the quarter ended September 30, 2021, the Company's loss of $669,280 increased from $nil during the three months ended June 30, 2021. The increase in loss is primarily due to listing expenses related to the RTO.

RESULTS OF OPERATIONS

Three months ended March 31, 2022

For the period ended March 31, 2022, the Company had a net loss of $348,698 (2021 - $12,665). The loss is primarily a result of:

i) Management fees of $15,000 (2020 - $Nil). The increase is related to services provided by the CEO of the Company during the current period compared to management group exploration fees in the prior period.

ii) Professional fees of $29,356 (2020 - $Nil). The increase is primarily for legal services related to the general administrative services during the current period.

iii) Share based payments of $182,651 (2020 - $Nil). The increase is related to options vested during the current period.

iv) Accretion of long-term payable of $36,991 (2020 - $Nil) related to interest accrued on the long-term payable during the current period.

LIQUIDITY AND CAPITAL RESOURCES

As of March 31, 2022, Company reported cash of $1,174,419 (December 31, 2021 - $1,922,185), and working capital of $1,106,401 (December 31, 2021 - $1,551,530).

The Company incurred a loss of $348,698 for the period ended March 31, 2022. Material uncertainties as mentioned above cast significant doubt upon the Company's ability to continue as a going concern.

During the period ended March 31, 2022, the Company:

- issued 25,200 common shares pursuant to the exercise of options for gross proceeds of $5,796, and accordingly, allocated $10,665 from contribution surplus to share capital.

The numbers included in this MD&A came from the financial statements that were prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. If the going concern assumption was not appropriate for the financial statements, then adjustments would be necessary in the carrying values of assets and liabilities, the reported expenses, and the financial statement classifications used. Such adjustments could be material.

RELATED PARTY TRANSACTIONS

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel includes the Company's executive officers and Board of Director members.

During the period ended March 31, 2022, the Company paid or accrued:

i) $15,000 (2021 - $Nil) in management fees to the CEO.

ii) $20,000 (2021 - $Nil) in professional fees to an accounting firm in which the CFO has an interest.

iii) $6,000 (2021 - $Nil) in consulting fees to a director.

iv) $49,136 (2021 - $Nil) in exploration expenditures, relating to field work, administration and other, to a corporation who has an officer who is also a director of the Company.

During the year ended December 31, 2021, the Company granted 2,785,000 stock options, of which 1,597,500 stock options were to its directors and officers, and recorded $151,810 of share-based compensating related to the vesting period to the related parties. During the period ended March 31, 2022, the Company recorded $104,770 of share-based compensating related to the vesting period to the related parties.

During the year ended December 31, 2021, the Company recorded listing expenses of $112,500 related to $50,000 accrued cash costs and $62,500 in common shares issued to a director in consideration for facilitating the negotiation and completion of the Transaction.

At March 31, 2022, the Company had $57,893 (December 31, 2021 - $318,338) in accounts payable and accrued liabilities relating to amounts owed to officers and directors of the Company.

At March 31, 2022, the Company had $Nil (December 31, 2021 - $80) in loan payable relating to amounts owed to a director of the Company.

DIRECTORS AND OFFICERS

Our Board of Directors are as follows:

Wayne Isaacs
Richard Montjoie
Tom Panoulias
Anton Drescher
Gregory McKenzie
Jay Vieira

Our officers are:

Wayne Isaacs	*Chief Executive Officer*
David Cross	*Chief Financial Officer*

SHARE CAPITAL

As at May 26, 2022, the Company had the following outstanding:

Common shares: 54,884,826 outstanding

Stock Options:

Options Outstanding	Exercise Price	Expiry Date
2,785,000	$0.25	9-Nov-25

Warrants:

Warrants Outstanding	Exercise Price	Expiry Date
61,758	$0.23	14-July-22

FUTURE ACCOUNTING PRONOUNCEMENTS

Please refer to the condensed interim consolidated financial statements on www.sedar.com.

FINANCIAL INSTRUMENTS

Please refer to the condensed interim consolidated financial statements on www.sedar.com.

CAPITAL MANAGEMENT AND FINANCIAL RISK FACTORS

The Company considers its capital structure to consist of shareholders' equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the completion of a Qualifying Transaction. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the period ended March 31, 2022. The Company is not currently subject to externally imposed capital requirements.

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

Credit Risk
Credit risk is the risk of loss associated with counterparty's inability to fulfil its obligations. The Company's management believes it has no significant credit risk as its cash is held with a major Canadian financial institution

Liquidity Risk
The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. At March 31, 2022, the Company had a cash balance of $1,174,419 (December 31, 2021 - $1,922,185), and $174,255 (December 31, 2021 - $505,001) of accounts payable and accrued liabilities. The Company's accounts payable and accrued liabilities have contractual maturities of less than 30 days and are subjected to normal trade terms.

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 prices. The Company is not exposed to any significant market risk

As at March 31, 2021, the carrying and fair value amounts of cash, accounts payable and accrued liabilities are approximately the same because of the short term nature of these instruments.

GENERAL RISKS

Issuance of Securities
The Company may issue equity securities to finance its activities, including to finance acquisitions. If the Company were to issue additional common shares, existing holders of such shares may experience dilution. Moreover, if the Company's intention to issue additional equity securities becomes publicly known, the Company's share price may be materially adversely affected.

Shareholder Influence
One shareholder ("URU") owns approximately 74.82% of the Company's shares on a non-diluted basis. URU may therefore be in a position to exercise significant influence over all matters requiring shareholder approval, including the election of directors, determination of significant corporate actions, amendments to the Company's articles of incorporation and the approval of any business combinations, mergers or takeover attempts, in a manner that could conflict with the interests of other shareholders. URU can exert more influence over the Company during shareholder votes than other shareholders. As a result, the Company will be controlled by URU, whose interests may be different from those of the other shareholders. Where certain transactions, require the approval of shareholders, though URU may not be able to unilaterally authorize the transaction they may be able to unilaterally block it. This concentration of ownership and voting power may also delay, defer or prevent an acquisition by a third party or other change of control of URU and may make some transactions more difficult or impossible without the support of URU even if they are in the best interests of the shareholders. Collectively, these considerations may have a negative effect on the price of the Company's Shares. URU's interests may not be fully aligned with those of the other shareholders which, given URU's power and influence, could lead to actions that are not in the best interests of the other shareholders. For example, URU may have a different tax position from the other shareholders, which could influence its decisions regarding whether and when the Company should dispose of assets or incur new, or refinance existing, indebtedness. URU might also be motivated to take actions to retain its controlling stake in the Company at the expense of maximizing the overall value of the Company. URU's fiduciary duties and the consent rights of the shareholders may serve as a check on any such motivation, but shareholders cannot be assured that the potential divergence of URU's interests and theirs might not hurt the value of the Company Shares.

Competitive Conditions
The Company will actively compete for resource acquisitions, exploration leases, licenses and concessions and skilled industry personnel with a substantial number of other mining companies, many of which have significantly greater financial resources than the Company. The Company's competitors will include major integrated mining companies and numerous other independent mining companies and individual producers and operators.

Reliance Upon Management
The Company will be dependent upon the continued support and involvement of its principals and management. Should the Company lose the services of one or more of the principals or management, the ability of the Company to achieve its objectives could be adversely affected.

Title to Properties

The Company will diligently investigate all title matters concerning the ownership of all mining claims and plans to do so for all new claims and rights to be acquired. Any newly acquired options entitling the Company to acquire mining properties may be affected by undetected defects in title, such as the reduction in size of the mining titles and other third party claims affecting the Company's interests. Maintenance of such interests is subject to ongoing compliance with the terms governing such mining titles. Mining properties sometimes contain claims or transfer histories that examiners cannot verify. A successful claim that the Company does not have title to any of its mining properties could cause the Company to lose any rights to explore, develop and extract any ore on that property, without compensation for its prior expenditures relating to such property.

Conflicts of Interest

The Board of Directors may become directors of other reporting companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the Board of Directors may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. The Company and the Board of Directors will attempt to minimize such conflicts. In the event that such a conflict of interest arises at a meeting of the Board of Directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In appropriate cases, the Company will establish a special committee of independent directors to review a matter in which several directors, or management, may have a conflict. Conflicts, if any, will be subject to the procedures and remedies as provided under the BCBCA. The provisions of the BCBCA require a director or officer of a corporation who has a material interest in a contract or transaction of the corporation, or a director or officer of a corporation who is a director or officer of or has a material interest in a Person who has a material interest in a contract or transaction with the corporation, to disclose his or her interest and, in the case of directors, to refrain from voting on any matter in respect of such contract unless permitted under the BCBCA, as the case may be. Other than as indicated, the Company has no other procedures or mechanisms to deal with conflicts of interest.

Permits and Licences

The operations of the Company will require licences and permits from various governmental and nongovernmental authorities. The Company will obtain all necessary licences and permits required to carry on with activities which it proposes to conduct under applicable laws and regulations. However, such licences and permits are subject to changes in regulations and in various operating circumstances. There can be no assurance that the Company will be able to obtain all necessary licences and permits required to carry out exploration, development and extraction operations on its mining properties. See Part III: "Information concerning the Project".

Environmental and other Regulatory Requirements

Environmental and other regulatory requirements will affect the future operations of the Company, including exploration and development activities and commencement of production on the Company's mining properties. Such projects will require permits from various federal and local governmental authorities and such operations are and will be governed by laws and regulations governing exploration, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. The Company believes it is in substantial compliance with all material laws and regulations which currently apply to its activities. Companies engaged in the development and operation of mines and related facilities often experience increased costs, and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. Additional permits and studies, which may include environmental impact studies conducted before permits can be obtained, may be necessary prior to operation of the Company's mining properties and there can be no assurance that the Company will be able to obtain or maintain all necessary permits that may be required to commence construction, development or operation of ore extraction facilities at the Company's mining properties on terms which enable operations to be conducted at economically justifiable costs. See Part III: "Information concerning the Project". Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining exploration activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reductions in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Political Regulatory Risks

Any changes in government policy may result in changes to laws affecting ownership of assets, exploration policies, monetary policies, taxation, rates of exchange, environmental regulations, labour relations and return of capital. This may affect both the Company's ability to undertake exploration and development activities in respect of present and future properties in the manner currently contemplated, as well as its ability to continue to explore, develop and operate those properties in which it has an interest or in respect of which it has obtained exploration and development rights to date. The possibility that future governments may adopt substantially different policies, which might extend to expropriation of assets, cannot be ruled out.

In recent years, the securities markets in the United States and Canada, and the Exchange in particular, have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price that have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Company Shares will be subject to market trends and conditions generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings.

Liquidity

The Company cannot predict at what prices the Company Shares will trade upon completion of the Transaction, and there can be no assurance that an active trading market in the Company Shares will develop or be sustained. Acceptance of the Exchange has not yet been obtained. There is a significant liquidity risk associated with an investment in the Company Shares. Dividends At the present time it is unlikely shareholders will receive a dividend on the Company Shares.

MINING RELATED RISKS

No Known Mineral Reserves or Mineral Resources

There are no known bodies of commercial minerals on the Project. The exploration programs undertaken and proposed constitute an exploratory search for mineral resources or programs to qualify identified mineralization as mineral resources. There is no assurance that the Company will be successful in its search for mineral resources and mineral reserves.

Exploration Risks

The Project is in early exploration stages and is without a known body of commercially exploitable ore. Exploration for mineral resources involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. The risks and uncertainties inherent in exploration activities include but are not limited to: general economic, market and business conditions, the regulatory process and actions, failure to obtain necessary permits and approvals, technical issues, new legislation, competitive and general economic factors and conditions, the uncertainties resulting from potential delays or changes in plans, the occurrence of unexpected events and management's capacity to execute and implement its future plans. The discovery of mineral deposits is dependent upon a number of factors, not the least of which are the technical skills of the exploration personnel involved and the capital required for the programs. The cost of conducting exploration programs may be substantial and the likelihood of success is difficult to assess. There is no assurance that the Company's mineral exploration activities will result in any discoveries of new bodies of commercial ore. There is also no assurance that even if commercial quantities of ore are discovered that a new ore body will be developed and brought into commercial production. The commercial viability of a mineral deposit once discovered is also dependent upon a number of factors, most of which factors are beyond the control of the Company and may result in the Company not receiving adequate return on investment capital.