NorthWestcopper

MANAGEMENT DISCUSSION AND ANALYSIS

For the Three Months Ended March 31, 2022

Introduction and Forward-Looking Statements

NorthWest Copper Corp. (also referred to as "NorthWest", or the "Company", or "we", or "our", or "its" or "us" within this MD&A) is a mineral exploration and development company advancing its portfolio of projects in north-central British Columbia. The Company's corporate office is located at Suite 1900-1055 West Hastings Street, Vancouver British Columbia, Canada V6E 2E9 and its registered and records office is located at 2200-885 West Georgia Street, Vancouver British Columbia, Canada V6C 3E8. The Company was incorporated under the Company Act of the Province of British Columbia on March 5, 1973, and on August 30, 2005, the Company transitioned to the Business Corporations Act (British Columbia).

This Management's Discussion and Analysis (the "MD&A"), dated as of May 26, 2022, is for the three months ended March 31, 2022 and should be read in conjunction with the unaudited condensed interim consolidated financial statements for the three months ended March 31, 2022, including the related notes thereto (together, the "Interim Financial Statements") and our other corporate filings including our Annual Information Form for the ten months ended December 31, 2021, dated April 14, 2022 (the "AIF"), available under the Company's profile on SEDAR at www.sedar.com.

The common shares of the Company are currently listed for trading on the TSX Venture Exchange (the "Exchange") under the trading symbol "NWST". The Company is a reporting issuer in British Columbia and Alberta and files its continuous disclosure documents with the Canadian Securities Authorities in such provinces. Such documents are available on SEDAR at www.sedar.com. All dollar amounts stated in the MD&A are expressed in Canadian dollars unless noted otherwise.

During the ten months ended December 31, 2021, the Company changed its fiscal year end to December 31, from February 28 to align the Company with its peer group in the mineral resources sector. The Company's interim period is the three months ended March 31, 2022, and the interim comparative period is the three months ended February 28, 2021. For additional information see the Notice of Change in Financial Year-End filed on SEDAR on June 10, 2021.

On March 5, 2021, following receipt of shareholder approval on February 26, 2021, the Company consolidated all the issued and outstanding common shares on a two for one basis (the "Consolidation").

This MD&A contains forward looking statements that involve numerous risks and uncertainties. The Company continually seeks to minimize its exposure to business risks, but by nature of its business and exploration activities and size, will always have some risk. These risks are not always quantifiable due to their uncertain nature. Should one or more of these risks and uncertainties, including those set forth in this MD&A under the headings "Cautionary Notes Regarding Forward-Looking Statements" materialize, or should underlying assumptions prove incorrect, then actual results may vary materially from those described in forward-looking statements.

The written disclosure of technical information in this MD&A has been reviewed, verified and approved by Ian Neill, P.Geo, Vice President, Exploration of the Company and a Qualified Person ("QP") for the purposes of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101"). Readers are directed to the section entitled "Scientific and Technical Disclosure" included within this MD&A.

Summary of Activities

Recent Highlights

Drilling Results at Kwanika

In February and March 2022, the Company announced final results from 2021 drilling at Kwanika. Highlights include[1]:

- K-21-220: 280 metres[2] of 1.08% copper equivalent ("CuEq")[3] including 13.85 metres at 4.16% CuEq;
- K-21-222: 227.60 metres of 0.82% CuEq including 4.0 metres at 5.05% CuEq;
- K-21-223: 137.00 metres of 0.52% CuEq including 34.00 metres of 1.30% CuEq; and
- K-21-221: 99.70 metres of 0.28% CuEq.

Drilling Results at East Niv

In January 2022, the Company announced it had successfully expanded the footprint of mineralization at East Niv with strongly mineralized intervals, over a 1 by 1.5 km area of previously undrilled prospective geology, open in multiple directions. Highlights include[4]:

- ENV-21-007: 41.00 metres[2] of 1.24 g/t gold, including 2.00 metres of 10.5 g/t;
- ENV-21-005: 100.90 metres of 0.34% CuEq[3], including 12.50 metres of 0.45% CuEq;
- ENV-21-008: 77.30 metres of 0.32% CuEq, including 21.20 metres of 0.43% CuEq; and
- ENV-21-010: 133.85 metres of 0.22% CuEq, including 20.20 metres of 0.37% CuEq.

Second Close of SPA with POSCO

On December 29, 2021, the Company entered into a share purchase agreement ("**SPA**") with POSCO whereby NorthWest agreed to purchase all of POSCO's approximately 31% interest in Kwanika Copper Corp. ("**KCC**"), which owns the Kwanika Property, for total consideration of $11 million, payable in common shares of NorthWest.

On February 23,2022 the Company completed the first issuance of shares ("**Tranche 1**") to POSCO pursuant to the SPA and issued 5,194,805 common shares to POSCO. As part of the Tranche 1 closing, the shareholder joint venture agreement ("**JVA**") entered into among NorthWest, POSCO and KCC was terminated and any interest or rights of POSCO with respect to the Kwanika Project under the JVA, including offtake rights, terminated as well. On April 25, 2022, the Company completed the second issuance of shares ("**Tranche 2**") to POSCO by issuing 5,934,718 common shares. All common shares issued under the SPA are subject to a hold period of four months and one day from the date of issuance. The Company expects to close the third tranche by June 30, 2022, at which time it will hold 100% ownership of Kwanika Copper Corp. and the Kwanika Project.

Tranche	Date of Issue	Value (C$)	NWST Share Price (C$) at date of Issue
Tranche 1	February 23, 2022	$4,000,000	$0.77
Tranche 2	April 25, 2022	$4,000,000	$0.67
Tranche 3	120 days after Tranche 1	$3,000,000	Trailing 20-day VWAP

[1] See News Releases dated February 28, 2022 and March 10, 2022 available at www.northwestcopper.ca and the Company's profile at www.sedar.com

[2] True widths of the reported mineralized intervals have not been determined.

[3] Assumptions used in USD for the copper equivalent calculation were metal prices of $3.25/lb. Copper, $1,600/oz Gold, $20/oz Silver, and recovery is assumed to be 100% given the level of metallurgical test data available. The following equation was used to calculate copper equivalence: CuEq = Copper (%) + (Gold (g/t) x 0.7182) + (Silver (g/t) x 0.0090). For intersections in the South Zone where Molybdenum is present, assumptions used in USD for the copper equivalent calculation also include $9.00/lb. Molybdenum, and recovery is assumed to be 100% given the level of metallurgical test data available. The following equation was used to calculate copper equivalence: CuEq = Copper (%) + (Gold (g/t) x 0.7182) + (Silver (g/t) x 0.0090) + (Molybdenum (%) x 2.77).

[4] See News Release dated January 27, 2022, available at www.northwestcopper.ca and the Company's profile at www.sedar.com

Outlook

NorthWest is focused on continuing to explore and de-risk our portfolio of projects, including Kwanika, Stardust, Lorraine and East Niv. In March 2022 NorthWest commenced an extensive exploration program for 2022 with a total exploration budget of $19.8 million. Details of expected exploration expenditures are below:

Kwanika and Stardust - $10.2 million

- $0.8 million on the first combined 43-101 Mineral Resource Estimate for the Kwanika and Stardust projects; $0.8 million in geophysical IP and EM surveys for additional targeting;
- $3.2 million in exploration drilling at Kwanika, expected to include approximately 6,600 metres;
- $5.4 million in exploration and definition drilling at Stardust, expected to include approximately 15,000 metres and commence in June 2022.

The Company commenced its 2022 drilling at Kwanika in March and is currently drilling with two diamond core rigs. As at the date of this MD&A, 5,300 metres and 19 holes have been completed, with 2 holes in progress.

East Niv - $3.5 million

- $0.9 million in geophysical IP and EM surveys for targeting;
- $2.6 million in exploration drilling, expected to include approximately 3,200 metres and commence in July 2022.

Lorraine - $4.9 million

- $0.1 million on an NI 43-101 compliant Mineral Resource Estimate;
- $1.2 million in geophysical IP and EM surveys for targeting;
- $3.6 million in proposed exploration drilling, subject to approvals, expected to include approximately 5,000 metres and commence in September 2022.

Arjay – $1.2 million

- $0.3 million in geophysical IP and EM surveys for targeting;
- $0.9 million on a proposed first exploration drilling program, subject to approvals, expected to include approximately 900 metres and commence in August 2022.

The Company expects to adjust planned activities and expenditures based on the results of early season drilling and geophysical targeting surveys.

Q1 2022 Exploration Activities

During the three months ended March 31, 2022, the Company spent $1.3 million on exploration activities at Kwanika, Stardust, East Niv, Lorraine, and other projects owned by the Company (includes $0.2 million incurred on behalf of KCC prior to the close of Tranche 1 of the SPA in February 2022 – see “Contractual Obligations” below). The amount spent is slightly higher than the Q1 budget of $1.2 million primarily due to increased costs of supplies.

The activities conducted in Q1 2022 include:

- **Kwanika and Stardust Projects** - $1.1 million on the commencement of field work, opening camp and 680 metres of diamond drilling at Kwanika. This amount includes $0.2 million spend on the commencement of a 43-101 mineral resource estimate for Kwanika and Stardust;
- **East Niv and Lorraine Projects** - $0.2 million on the commencement of preliminary field work in preparation for drilling programs expected to commence in Q3 2022.

Summary of Projects

Kwanika Project

Overview

The Kwanika Project is located in the prolific Quesnel Terrane, which hosts numerous porphyry copper-gold deposits such as Mount Milligan, New Afton, and Highland Valley. It is easily accessible by road from the town of Fort St. James, British Columbia.

Kwanika hosts two bulk tonnage calc-alkaline porphyry deposits, the primary Central Zone Cu-Au porphyry deposit, and secondary South Zone Cu-Au-Mo porphyry deposit. The Central Zone was discovered by the Company in 2006 and features both a near surface open-pit resource, and a higher-grade underground resource that has the potential for block cave mining.

Following the close of Tranche 1 of the SPA, the Company owns 82.61% of Kwanika Copper Corporation ("KCC") which owns the Kwanika Project.

The Kwanika project lies within the territory of the Takla Lake Nation (Takla) with whom NorthWest holds an exploration agreement to conduct mineral exploration. NorthWest continues to engage and work with Takla to ensure exploration activities are conducted in a culturally and environmentally respectful manner.

Mineral Resource

An updated mineral resource estimate was published for the Central Zone in April 2019[5]. The updated resource estimate was completed by Moose Mountain Technical Services (MMTS) of Victoria, British Columbia under the direction of Sue Bird, P. Eng., an independent QP. The Measured and Indicated ("M+I") resource is estimated to contain 1.32 billion pounds of Cu and 1.83 million ounces of Au in addition to a significant Inferred resource (see table below). Importantly, the resource estimate has identified coherent higher-grade domains within the open pit and underground M&I resources. Highlights of the resource estimate include:

- An overall increase in contained metal from the 2016 resource estimate, including increases of 44% for Cu, 32% for Au, and 52% for Ag in the M+I categories;
- Conversion of 42.9 million tonnes of Indicated resources to Measured category, representing approximately 20% of the combined open pit and underground M+I resource; and
- Combined M+I resource of 223.6 million tonnes grading 0.27% copper, 0.25 g/t gold and 0.87 g/t silver containing 1.32 billion pounds of Cu, 1.83 million ounces of Au and 6.27 million ounces of Ag as summarized in the table below.

The 2019 Central Zone resource was based on 143 holes totaling 65,695 metres drilled at the Central Zone by the Company since 2006 and incorporated drilling results from the 2018 program at Kwanika.

Table 1: Summary of Total Pit and Underground Resource - Kwanika Central (effective date: December 14, 2018)

Pit-Constrained									
Classification	Quantity (Mt)	Cut-off (CuEq%)	Grade				Contained metal		
			CuEq (%)	Cu (%)	Au (g/t)	Ag (g/t)	Cu (Mlbs)	Au (koz)	Ag (koz)
Measured	24.2	0.13	0.51	0.34	0.33	1.07	179	254	833

[5] Please see NI 43-101 technical report titled "NI 43-101 Technical Report for the Kwanika Project Resource Estimate Update 2019," dated April 17, 2019 for further information with respect to the 2019 Kwanika Mineral Resource Estimate, filed under the Company's SEDAR profile at www.sedar.com. As a result of the 2019 Central Zone resource estimate, the NI 43-101 technical report titled "NI 43-101 Technical Report for the Kwanika Project Preliminary Economic Assessment Update 2017" dated April 3, 2017, and filed on the Company's SEDAR profile is considered a historical report and is no longer current.

Indicated	80.4		0.30	0.20	0.18	0.69	360	454	1,784
Total M+I	**104.6**		**0.35**	**0.23**	**0.21**	**0.78**	**540**	**708**	**2,617**
Inferred	5.7		0.23	0.16	0.13	0.65	20	25	119
Underground									
Classification	**Quantity (Mt)**	**Confining**	**Grade**				**Contained metal**		
		Shape Basis (CuEq%)	**CuEq (%)**	**Cu (%)**	**Au (g/t)**	**Ag (g/t)**	**Cu (Mlbs)**	**Au (koz)**	**Ag (koz)**
Measured	18.7	0.27 confining shape -	0.58	0.36	0.40	1.15	151	239	692
Indicated	100.2		0.44	0.29	0.27	0.92	634	884	2,964
Total M+I	**118.9**		**0.46**	**0.30**	**0.29**	**0.96**	**784**	**1,123**	**3,656**
Inferred	84.7		0.27	0.17	0.18	0.60	319	480	1,634
Combined Pit and Underground									
Classification	**Quantity (Mt)**	**Cut-off (CuEq%)**	**Grade**				**Contained metal**		
			CuEq (%)	**Cu (%)**	**Au (g/t)**	**Ag (g/t)**	**Cu (Mlbs)**	**Au (koz)**	**Ag (koz)**
Measured	42.9	As applicable for pit and ug from above	0.54	0.35	0.36	1.10	330	493	1,525
Indicated	180.6		0.38	0.25	0.23	0.82	994	1,338	4,748
Total M+I	**223.6**		**0.41**	**0.27**	**0.25**	**0.87**	**1,324**	**1,831**	**6,273**
Inferred	90.4		0.26	0.17	0.17	0.60	339	504	1,753

Central Zone Resource Notes:

- Resources are reported within a combined open pit and underground shape to define “reasonable prospects of eventual economic extraction”. Open-pit constrained mineral resources are confined to an open pit shell above the potential block cave and created using an NSR cut-off grade of CAD$11.30. Underground resources contain all material confined within a shape defined by the 0.27% CuEq cut-off. Mineral resources are not mineral reserves and do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate.
- Open pit constrained mineral resources are reported at a copper equivalent cut-off of 0.13% and underground resources report all material within shapes defined by the 0.27% CuEq grade shell. The cut-offs are based on prices of US$3.25/lb of copper, US$1,350/oz of gold, US$17/oz of silver and assumed recoveries of 91% for copper, 75% for gold, 75% for silver.
- Copper equivalents are calculated using the formula below based on metal prices of US$3.25/lb of copper, US$1,350/oz of gold and US$17/oz of silver. Metal recoveries of 91% for copper, 75% for gold and 75% for silver have been applied to the copper equivalent calculations.
- CuEq = Cu% + ((Augpt/31.1034*AuPrice*AuRecovery) + (Aggpt/31.1034*AgPrice*AgRecovery)) / (CuPrice*CuRecovery*22.0462)

Stardust Project

Overview

Pursuant to the merger with Sun Metals Corp, (“Sun Metals”) in 2021, the Company acquired a 100% interest in the Stardust Project, a carbonate replacement deposit (“CRD”) located in north-central British Columbia. Stardust is a large mineralized system with true district potential. It features a 2.2-km corridor of mineralization including four mineralization styles typical of a CRD system: porphyry, skarn, manto and epithermal vein. Stardust is one of the few CRD systems with all CRD components fully intact.

The project is located 38 km east of a rail spur which connects to Prince George, British Columbia, and is located the same distance from a single-phase power grid. A 230-kV power line, which connects the currently closed Kemess mine to the British Columbia power grid, is located approximately 80 km northeast of the project. The project is accessible by well-maintained Forest Service roads and is approximately a two-hour drive north from Fort St James.

The Stardust project lies within the territory of the Takla Lake Nation (Takla) with whom NorthWest held an exploration agreement to conduct mineral exploration. NorthWest is currently working with Takla to renew this agreement and continues to engage and work with Takla to ensure exploration activities are conducted in a culturally and environmentally respectful manner.

Mineral Resource

On May 17, 2021, the Company announced a new updated mineral resource estimate for Stardust[6] which incorporates the 421 zone and the Canyon Creek zone, and consists of Indicated mineral resources totaling 1,962,900 tonnes at 2.59% CuEq[7], 1.31% Cu, 1.44 g/t Au and 27.1 g/t Ag and Inferred mineral resources totaling 5,843,200 tonnes at 1.88% CuEq, 0.86% Cu, 1.17 g/t Au and 20.0 g/t Ag all at a cut-off of US $65/tonne and 2.5 metre minimum mining width.

Table 1 – Summary of Indicated and Inferred Resources

Resource Classification	Tonnes > COG	Grades			
		%Cu	g/t Au	g/t Ag	CuEq
Indicated	1,962,900	1.31	1.44	27.1	2.59
Inferred	5,843,200	0.86	1.17	20.0	1.88

Table 2- Resource Sensitivity to changes in cut-off grade

Indicated		Grades			
COG $/t	Tonnes > COG	%Cu	g/t Au	g/t Ag	CuEq
65	1,962,888	1.31	1.44	27.1	2.59
85	1,603,223	1.48	1.62	30.2	2.93
105	1,309,183	1.65	1.82	33.2	3.25
125	1,061,374	1.83	2.02	36.2	3.60

Inferred		Grades			
COG $/t	Tonnes > COG	%Cu	g/t Au	g/t Ag	CuEq
65	5,843,160	0.86	1.17	20.0	1.88
85	4,317,343	0.97	1.35	22.6	2.15
105	3,091,762	1.10	1.54	24.9	2.43
125	2,158,409	1.24	1.73	27.6	2.73

Notes:

- Mineral resources are not mineral reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the mineral resources estimated will be converted into mineral reserves. The estimate of mineral resources may be materially affected by geology, environment, permitting, legal, title, taxation, sociopolitical, marketing or other relevant issues. Inferred mineral resources have a great amount of uncertainty as to their existence and as to whether they can be mined economically. It cannot be assumed that all or part of the Inferred mineral resources will ever be upgraded to a higher category.

The updated Stardust mineral resource estimate was prepared by Ronald G. Simpson, P.Geo, of GeoSim Services Inc. with an effective date of May 17, 2021, and replaces the previous Stardust mineral resource estimate[8]. Mr. Simpson is an independent QP.

The data cut-off used for the resource estimate is March 31, 2021. The base case cut-off of US$65/t was determined based on metal prices of US $3.25/lb copper, US $1,600/oz gold and US $20/oz silver, underground mining cost of US $45/t, processing cost of US $15/t and G&A cost of US $5/t. Recoveries used in calculation of the base case cut-off were based on recent metallurgical test results and were assumed to be 94% for gold and copper and 86% for silver.

East Niv Project

Overview

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[6] See the technical report entitled "Stardust Project Updated Mineral Resource Estimate NI 43-101 Technical Report", with an effective date of May 17, 2021, filed under the Company's SEDAR profile at www.sedar.com

[7] The following equation was used to calculate copper equivalence: CuEq = Copper (%) + (Gold (g/t) x 0.718) + (Silver (g/t) x 0.009).

[8] Please see NI 43-101 technical report titled "Stardust Project NI 43-101 Technical Report" with an effective date of January 8, 2018, available under Sun Metals Corp.'s SEDAR profile at www.sedar.com for the previous mineral resource on the Stardust deposit.

The Company acquired East Niv by claim staking in 2018 and conducted a limited field program which returned some encouraging results. East Niv lies within Mesozoic volcanic rocks of the Stikine Terrane along the unconformity between the Upper Triassic Takla and Early Jurassic Hazelton Groups and is located approximately 40 km SW of the Kemess Minesite, owned by Centerra Gold.

In July 2021, the Company announced it had staked 16 additional claims, expanding the property size to 43,297 Hectares. The East Niv project lies within the territories of the Takla Lake Nation (Takla); the Tsay Keh Dene (Tsay Keh); and the Gitxsan Nation - Nii Gyap sustut with whom NorthWest holds exploration agreements to conduct mineral exploration. NorthWest is currently working with Takla, Tsay Keh and the Nii Gyap hereditary chiefs to implement these agreements and continues to engage and work with the Nations to ensure exploration activities are conducted in a culturally and environmentally respectful manner.

Lorraine Project

Overview

Pursuant to the merger with Sun Metals, the Company acquired the Lorraine copper-gold project, located in northcentral B.C., 40 km north of the Stardust project and 270 km northwest of the city of Prince George, B.C. The Lorraine project comprises two contiguous properties, the Lorraine-Jajay and the Jan-Tam-Misty properties. The Company owns 100% of the Lorraine-Jajay property, and 90% of the adjacent Tam-Misty property, and Commander Resources holds a 10% carried interest. The combined properties consist of 140 mineral claims and cover an area of approximately 39,046 hectares. The Lorraine project is well served by resource infrastructure, including all-season roads, the Kemess power corridor to the northeast and the Canadian National Railway line to the southwest.

The Tam-Misty property is subject to a 3% Net Smelter Return (“NSR”) royalty, which can be reduced to 1% NSR royalty and is subject to a capped advanced royalty payment of $500,000, of which $500,000 has been paid as of December 31, 2021.

The Lorraine project lies within the territories of the Takla Lake Nation (Takla); the Tsay Keh Dene (Tsay Keh); and the Nak’azdli Whut’en Nation (Nak’azdli). NorthWest is currently working with the Takla, Tsay Keh and the Nak’azdli Nations on establishing exploration agreements. These agreements will frame the working relationship and provide guidance to support exploration activities which are conducted in a culturally and environmentally respectful manner.

Historic Mineral Resource

The Upper Main, Lower Main and Bishop zones at Lorraine were the subject of a 2012, NI 43-101 resource estimate published by Lorraine Copper Corp. titled “Summary Report on the Lorraine-Jajay Property Omineca Mining Division, B.C.”[9] with an effective date of December 16, 2015. In that report, Gary Giroux, P.Eng. a QP, provided the following estimate:

Resource Category[10]	Tonnes	Copper (%)	Gold (g/t)
Indicated	6,419,000	0.61	0.23
Inferred	28,823,000	0.45	0.19

A QP as defined under NI 43-101 has not completed sufficient work to classify the above historical estimate as a current mineral resource. NorthWest is not treating the historical estimate as a current mineral resource. Mineral

[9] See updated and amended NI 43-101 Technical Report entitled “Summary Report on the Lorraine-Jajay Property Omineca Mining Division, B.C.” with an effective date of December 16, 2015, as amended July 22, 2016, which can be found on Lorraine Copper Corp.’s profile on SEDAR at www.sedar.com.

[10] The cut-off grade used in the resource estimate was 0.2% copper (Cu).

resources are not mineral reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the mineral resources estimated will be converted into mineral reserves.

Other Projects

NorthWest also holds a 100% interest in several other properties, including the Arjay, Croy-Bloom and Tchentlo properties, as well as an approximately 56.3% interest in one additional property in joint venture partnership with Fjordland Exploration Inc, and an option to acquire the Top Cat property.

The majority of the properties are located in the Quesnel Trough of British Columbia and eastern limb of the Stikine Terrane. The Quesnel Trough is host to the Kemess, Mt. Milligan, Mt. Polley, New Afton, and Copper Mountain porphyry copper-gold deposits.

On March 11, 2022, the Company received 267,159 common shares from Alpha Copper Corp. ("Alpha"), a CSE-listed company (the "Alpha Shares"), representing the first payment under a property option agreement dated January 13, 2022, among Eastfield Resources Ltd., Alpha and the Company (the "Option Agreement").

Pursuant to the terms of the Option Agreement, Alpha may acquire a 100% interest in the Okeover property, subject to 2% net smelter return to be retained by the Company (the "NSR Royalty"), by issuing the following additional common shares and incurring the following expenditures:

1. Issuing common shares with a value of $500,000 on or before March 11, 2023;
2. Issuing common shares with a value of $750,000 on or before March 11, 2024;
3. Issuing additional common shares such that NorthWest holds a 10% interest in Alpha on or before March 11, 2025; and
4. Incurring staged expenditures of not less than $5,000,000 on or before March 11, 2025.

The issuance of the next $500,000 in common shares and the first $500,000 in expenditures are obligations of Alpha pursuant to the Option Agreement. The NSR Royalty will entitle the Company to a 2% royalty on the sale of all ores, doré, concentrates, metals, minerals and mineral by-products that are produced or extracted by or on behalf of Alpha from the Property, which may be bought down by Alpha by one half with a cash payment of $1,000,000.

Details of NorthWest's property portfolio in British Columbia can be found on the Company's website at www.northwestcopper.ca.

Selected Financial Information

Management is responsible for the financial statements referred to in this MD&A and provides officers' disclosure certifications filed to the Canadian provincial securities commissions. The Interim Financial Statements have been prepared in compliance with IAS 34 - Interim Financial Reporting and should be read in conjunction with NorthWest's audited consolidated financial statements for the period ended December 31, 2021 which have been prepared using accounting policies in compliance with International Financial Reporting Standards ("IFRS") and interpretations of the IFRS Interpretations Committee ("IFRIC") as issued by the International Accounting Standards Board ("IASB"), effective December 31, 2021. The Interim Financial Statements have been prepared using accounting policies consistent with those used in the audited consolidated financial statements for the period ended December 31, 2021. The Audit Committee of the Company's Board approved the Interim Financial Statements.

Our significant accounting policies are presented in Note 2 of the audited consolidated financial statements for the period ended December 31, 2021. As disclosed in the Company's consolidated financial statements as at December 31, 2021, in order to enhance the relevance of the Company's financial to the economic decision-making needs of users and improve comparability with our peers, the Company voluntarily changed its accounting policy with respect to mineral properties and capitalized exploration expenditures, consistent with the guidance provided in IFRS 6 – Exploration and Evaluation of Mineral Resources and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors. In prior periods the Company's policy was to capitalize exploration and evaluation expenditures. The Company elected to change this accounting policy to expense exploration expenditures as incurred, effective with the presentation of the December 31, 2021, consolidated financial statements, on a retrospective basis.

The financial information below has been restated to reflect the change in accounting policy which was adopted at December 31, 2021. Where such changes have been made, we have indicated by labeling such information as "restated".

Results of Operations

The financial data presented below for the current and comparative periods was derived from the Interim Financial Statements. NorthWest raises its financing and incurs head office expenses in Canadian dollars and therefore, it has been determined to have a Canadian dollar functional currency. The Company conducts its business in a single operating segment which is the mineral exploration business in Canada. The Company's exploration and evaluation assets are located in Canada.

The Company's operations and levels of expenditure vary from year-to-year and quarter-to-quarter as exploration activity is carried out or curtailed, which impacts total expenses and net loss as the Company expenses expenditures associated with the ongoing exploration associated with its mineral property projects. Furthermore, the Company's expenses and net loss can fluctuate depending on the extent and value of share-based payment awards during a period.

Financial period ended:	**Three months ended March 31, 2022**	**Three months ended February 28, 2021 (restated)**
	$	$
Total revenues	Nil	Nil
General and administrative expenses	(1,753,222)	(311,832)
Exploration and evaluation expenses	(1,153,246)	(53,647)
	(2,906,468)	(365,479)
Other income (expense)	960,738	(213,435)
Net loss and comprehensive loss		
Total	(1,945,730)	(578,914)
Per share [1]	(0.01)	(0.01)

[1]Fully diluted per share amounts are not shown as the effect is anti-dilutive.

Three Months Ended March 31, 2022 vs. Three Months Ended February 28, 2021

For the three months ended March 31, 2022, the Company realized a net loss of $1.9 million compared to the net loss of $0.6 million for the three months ended February 28, 2021. Major variances are as follows:

- An increase in exploration and evaluation expenditures of $1.1 million, due to the drilling program commenced at Kwanika in March 2022 and other exploration activities at the Company's projects during the quarter.
- An increase in general and administrative expenses over the comparative quarter of $1.4 million primarily resulting from:
  (i) An increase in share-based compensation of $1.0 million related to the granting and vesting of stock options and restricted share units ("RSUs") during the period. Stock options and RSUs granted to employees and consultants are subject to vesting restrictions over a three-year period with the corresponding share-based compensation expense being recognized over this period, while stock options and Deferred Share Units ("DSUs") granted to directors vest immediately on grant with the corresponding expenses recognized at the time of grant. Generally, share-based compensation expense should be expected to vary from period to period depending on several factors, including whether options are granted in a period and whether options and RSUs have fully vested or are cancelled in a period. The continued vesting of options granted during the ten-month period ended December 31, 2021, along with the vesting of options granted during the quarter ended March 31, 2022, led to the increase in the current quarter.

(ii) An increase in salaries, management consulting and director fees of $0.2 million as a result of the strengthened board and management team following the merger with Sun Metals in March 2021.
(iii) An increase in investor relations fees of $0.1 million as a result of additional investor relations travel and conferences to support shareholder communications and marketing efforts.

- Other income of $0.9 million was comprised principally of $0.3 million from the recognition of flow-through share premium during the quarter as qualifying expenditures were incurred, a $0.8 million gain on the option of the Okeover property to Alpha, partially offset by a $0.1 million loss on the share of KCC expenditures incurred prior to obtaining control on February 23, 2022. In the comparative period, the other expense was principally comprised of the Company's share of KCC's equity loss of $0.4 million.

Additional disclosure concerning the Company's exploration and evaluation expenses by property is provided in note 6 to the Company's Interim Financial Statements which are available on the Company's website or on its profile on SEDAR at www.sedar.com.

Additional disclosure concerning the Company's general and administrative expenses is provided in the Company's Interim Financial Statements which are available on the Company's website or on its profile on SEDAR at www.sedar.com.

Financial Condition

The financial data presented below for the current and comparative periods was derived from the Interim Financial Statements and audited consolidated financial statements for the period ended December 31, 2021.

	March 31, 2022	December 31, 2021
Total assets	$ 103,867,595	$ 93,924,671
Current liabilities	14,264,430	7,056,693
Non-current liabilities	190,550	243,317
No dividends were declared or paid nor are any contemplated		

The increase in total assets at March 31, 2022, is primarily due to the consolidation and the allocation of the fair value of the consideration due to POSCO to purchase their remaining interest in Kwanika upon closing of the SPA, partially offset by cash expenditures of $2.1 million, which includes exploration and evaluation activities, and salaries, management consulting and director fees.

Current liabilities at March 31, 2022, primarily increased due to the $7.0 million accrued relating to the remaining consideration to be paid to POSCO under the SPA in the form of common shares to be issued. Other current liabilities include a $5.3 million flow-through share premium liability and trade payables and accrued liabilities of $1.8 million which includes a $0.5 million liability recognized in regard to the remaining payment to Teck for the Lorraine project.

Summary of Quarterly Results

Fiscal period ended[1]	Revenues	Net loss for the period attributable to shareholders[1]	Total comprehensive loss for the period[1]	Net income (loss) - per share[1]
	$	$	$	$
March 31, 2022	Nil	(1,945,730)	(1,945,730)	(0.01)
December 31, 2021	Nil	(4,313,880)	(4,313,880)	(0.03)
September 30, 2021	Nil	(6,428,238)	(6,428,238)	(0.05)
June 30, 2021	Nil	(5,586,598)	(5,586,598)	(0.05)
February 28, 2021	Nil	(578,914)	(578,914)	(0.01)
November 30, 2020	Nil	(865,393)	(865,393)	(0.02)
August 31, 2020	Nil	(446,953)	(446,953)	(0.01)
May 31, 2020	Nil	(228,274)	(228,274)	-

[1]Periods prior to December 31, 2021, have been restated

The Company's net loss for the quarter ended March 31, 2022, decreased by $2.4 million compared to the net loss for the three months ended December 31, 2021, primarily due to:

- A decrease of $0.4 million in exploration and evaluation expenditures in the current quarter due to the completion of the Company's 2021 field program in October 2021.
- A decrease in share-based compensation expense of $0.4 million.
- A decrease in investor relations and professional fees of $0.5 million due to the completion of a digital marketing campaign and increased corporate development activities in the prior quarter.
- The recognition of a gain on the option of the Okeover property to Alpha of $0.8 million.

The Company's net loss for the quarter ended December 31, 2021, decreased by $2.1 million compared to the net loss for the three months ended September 30, 2021, primarily due to:

- A decrease of $3.0 million in exploration and evaluation expenditures in the current quarter due to the completion of the Company's 2021 field program in October 2021.
- A decreased share of the KCC JV loss of $1.7 million in the current quarter as a result of the active drill program that was taking place at Kwanika during the quarter ended September 30, 2021.
- The decrease is also partially offset by a reduced partial recovery of the flow-through premium in the current quarter of $1.6 million relating to qualifying resource expenditures incurred during the period.

The Company's net loss for the quarter ended September 30,2021 increased by $0.8 million compared to the net loss for the four months ended June 30, 2021, primarily due to:

- An increase in exploration and evaluation expenditures of $3.9 million during the quarter ended September 30, 2021, as a result of the active drill programs at East Niv and Stardust.
- An increased share of the KCC JV loss of $0.6 million in the quarter ended September 30,2021 as a result of the active drill program that commenced at Kwanika in May 2021.
- A decrease in non-cash share-based compensation expense during the current period of $1.4 million as a result of stock options and RSUs issued in the prior period.
- Salaries, management consulting, and director fees were also $0.8 million lower than the prior period primarily due to a termination payment made to the Company's former President & CEO, in the prior period, as well as the additional month in the prior period.
- The increase was also partially offset by an increased partial recovery of the flow-through premium in the period of $1.5 million relating to qualifying resource expenditures incurred during the period.

The Company's net loss for the four months ended June 30,2021 increased by $5.0 million compared to the net loss for the quarter ended February 28, 2021, primarily due to:

- A general increase in expenditures owing to the additional month in the period.
- An increase in non-cash share-based compensation expense of $2.4 million in the period as a result of stock options, RSUs and DSUs issued during the current period.
- Increased salaries and director fees of $0.8 million as a result of the strengthened board and management following the merger with Sun Metals, as well as $0.4 million of a termination payment due to Mr. Moore, the Company's former President & CEO.
- Increased exploration and evaluation expenditures of $0.7 million and an additional share of the KCC JV loss of $0.8 million during the four months ended June 30,2021 as a result of the commencement of field activities at the Company's East Niv project and other regional projects, and the drill program at Kwanika that commenced in May 2021.
- The increase was partially offset by an increased partial recovery of the flow-through premium recognized of $0.4 million in relation to qualifying resource expenditures incurred during the period.

The Company's net loss for the quarter ended February 28,2021 decreased by $0.3 million compared to the net loss for the quarter ended November 30, 2020, primarily due to a reduction in the Company's share of the KCC JV loss of in the three months ended February 28, 2021, as a result of the active drill program that took place at Kwanika during the quarter ended November 30, 2020.

The Company's net loss for the quarter ended November 30,2020 increased by $0.4 million compared to the net loss for the quarter ended August 31, 2020, primarily due to an increase in the Company's share of the KCC JV loss in the three months ended November 30, 2021, as a result of the active drill program that took place at Kwanika during the current period.

The Company's net loss for the quarter ended August 31,2020 increased by $0.2 million compared to the net loss for the quarter ended May 31, 2020, primarily due to the commencement of field activities at Kwanika during the three months ended August 31, 2020.

Cash Flows

Cash used in operating activities increased by $2.0 million for the three months ended March 31, 2022, compared to the three months ended February 28, 2021, primarily due to exploration and evaluation expenditures of $1.2 million in the current period, as well as other cash operating expenses and changes in working capital accounts of $0.9 million. Cash used in investing activities for the three months ended March 31,2022 decreased by $0.2 million compared to the three months ended February 28, 2021, due to higher cash transaction costs in the comparative period relating to the merger with Sun Metals. Cash provided by financing activities decreased by $0.2 million for the three months ended March 31, 2022, compared to the three months ended February 28, 2021, primarily due to the additional proceeds of a short-term loan received in the comparative period.

Liquidity and Capital Resources

At March 31, 2022, the Company had not achieved profitable operations, had a net loss of $1.9 million for the three months ended March 31, 2022 (three months ended February 28, 2021 - $0.6 million) and accumulated losses of $60.8 million (December 31, 2021 - $58.8 million) since inception, all of which indicate a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent on its ability to raise sufficient funds through equity capital or borrowings to meet its expenditure and obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future. In particular, the Company's access to capital and its liquidity will be impacted by global macroeconomic trends, fluctuating commodity prices and general investor sentiment to the Company's industry. Failure to obtain additional funding on a timely basis may cause the Company to postpone exploration and/or evaluation plans or reduce its operations.

Since March 2020, the outbreak of the novel strain of coronavirus, specifically identified as "COVID- 19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, quarantine periods and social distancing, have caused material disruption to businesses globally and have resulted in significant volatility in global equity and commodity markets. The duration and ultimate impact of the COVID-19 outbreak is unknown at this time however it could adversely impact the Company's ability to carry out its plans and raise capital. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operations in future periods.

Outstanding Share Data

At March 31, 2022, there were 151,581,880 issued and fully paid common shares, and nil preferred shares. During the three months ended March 31, 2022, the Company issued the following shares:

i) On February 23, 2022, the Company issued 5,194,805 common shares with a fair value of $3,324,675 pursuant to the SPA with POSCO.

ii) During the three months ended March 31, 2022, 475,000 stock options were exercised for gross proceeds of $153,300 and 552,446 warrants were exercised for gross proceeds of $287,272.

As at May 26, 2022, the following common shares, stock options, share purchase warrants, RSUs and DSUs were outstanding:

	Quantity		Weighted average exercise price	Expiry date range
Shares	157,516,598		N/A	N/A
Stock Options	11,891,815	$	0.82	August 10, 2022 - April 25, 2027
Warrants	13,478,006	$	1.11	December 17, 2022 - May 2, 2023
RSUs	3,325,000		N/A	April 8, 2024 - May 25, 2025
DSUs	1,000,000		N/A	N/A

The expiry date for DSUs issued is not applicable as long as the individual continues in their role as director.

Significant Transactions with Related Parties

Related party balances

Oxygen Capital Corp ("Oxygen") is a private company owned by two directors of the Company, Mark O'Dea and Sean Tetzlaff, and provides technical and administrative services to the Company under a Technical and Administrative Services Agreement dated September 1, 2021 (the "Oxygen Agreement") at cost, including providing some staffing who are seconded to the Company, office facilities and other administrative functions. As at March 31, 2022, Oxygen holds a refundable security deposit of $112,500 on behalf of the Company (February 28, 2021 - $112,500).

During the three months ended March 31, 2022, a total of $0.1 million was paid or accrued to Oxygen as a reimbursement of costs incurred by Oxygen on behalf of the Company (year ended February 28, 2021 - $nil). As at December 31, 2021, the Company has a payable amount to Oxygen of $36,305 (February 28, 2021 – $nil). This amount was paid subsequent to March 31, 2022.

Further the Company leases its head office space from Oxygen, for details see "Contractual Obligations" below.

Key management personnel compensation – paid or accrued

Key management includes the members of the Board of Directors, the President and Chief Executive Officer, the Chief Financial Officer, the Vice President, Exploration and the Vice President, Sustainability. The aggregate total compensation paid or payable to key management for services is as follows:

	Three months ended			
		March 31, 2022		February 28, 2021
Salaries and management consulting fees	$	211,250	$	121,122
Termination payment - D. Moore		-		3,000
Director fees		77,917		19,000
Non-cash share-based payments		708,093		-
	$	**997,260**	**$**	**143,122**

Share-based payments are the fair value of options, RSUs and DSUs granted and vested to key management personnel. These amounts have been included in the table above.

Contractual Obligations

Technical and Administrative Services Agreement

The Company's general and administrative costs, including office costs, with respect to its head office premises are paid by Oxygen pursuant to the Oxygen Agreement, and may be terminated by either party giving at least 180 days' prior written notice of such termination. Upon termination, by the Company, of the Oxygen Agreement, the Company shall pay to Oxygen an amount equal to the average general and administrative monthly costs incurred under the Oxygen Agreement for the previous six month period, the Company's share of committed lease costs, any employee termination fees due under the Oxygen Agreement as a result of the termination as such term is defined under the Oxygen Agreement, and the Company's share of any contractual obligations entered into on its behalf by Oxygen.

Minimum lease payments in respect of the above head office lease and the effects of discounting are as follows:

	Up to 1 year	1 - 3 years	Total
Minimum lease payments	$ 116,791	$ 58,396	$ 175,187
Finance Charge	(9,280)	(1,339)	(7,941)
Total Payments	**$ 107,511**	**$ 57,057**	**$ 164,568**

Flow-Through Obligation

The Company will from time to time, issue flow-through common shares to finance a portion of its Canadian exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into: i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. For the purposes of calculating any premium related to the issuances of the flow-through shares, the Company compares the market price of its shares to the subscription price of flow-through shares to determine if there was a premium paid on the flow-through shares.

As at March 31, 2022, the Company is committed to incur a further $18.5 million in connection with its December 2021 flow-through offering by December 31, 2022. If the Company does not spend these funds in compliance with the Government of Canada flow-through regulations, it may be subject to litigation from various counterparties. The Company intends to fulfill its flow-through commitments within the given time constraints.

The Company derecognizes the flow-through share premium liability to the extent the qualifying resource expenditures have been made as of the reporting date and records such amount in determining in other income in the consolidated statement of loss. During the three-month period ended March 31, 2022, the Company recognized in other income $0.3 million based on qualifying resource expenditures incurred through the end of the period.

Mineral Properties

(i) Kwanika Copper Corp.

On December 29, 2021, the Company entered into a share purchase agreement ("SPA") with POSCO whereby NorthWest will purchase all of POSCO's remaining interest in KCC for total consideration of $11 million, payable in common shares of NorthWest. KCC's primary asset is the Kwanika Project and was previously presented as an equity accounted for joint venture. On February 23, 2022, following receipt of all required approvals, the Company completed the first issuance of shares ("Tranche 1") to POSCO pursuant to the SPA by issuing 5,194,805 common shares. As part of the Tranche 1 closing, the shareholder joint venture agreement among the parties has been terminated and any interest or rights of POSCO with respect to the Kwanika Project under the shareholder joint venture agreement, including offtake rights, terminated. Pursuant to the terms of the SPA, NorthWest is obligated to issue to POSCO a further $7 million in common shares within 120 days of Tranche 1. The number of shares to be issued is to be calculated using the trailing 20-day VWAP at the date of issue.

At March 31, 2022, the Company has recorded a liability for the remaining $7 million to be paid to POSCO in the form of common shares to be issued. Following the first close of the SPA and the dissolution of the shareholder joint venture agreement, the Company has assessed it has control over KCC and have consolidated KCC from such point, resulting in the Company consolidating KCC's working capital of $0.1 million and interest in the Kwanika Project of $16.4 million.

The fair value of the total consideration of $10.3 million exceeded POSCO's share of the net assets of KCC at the time of the transaction by $5.7 million and this has been recorded as an addition to the cost of the Kwanika mineral property in the Company consolidated statement of financial position.

(ii) Top Cat Property

On July 12, 2019, the Company optioned a group of claims covering approximately 21,600 hectares in central British Columbia. Details of how the Company may earn a 100% interest are below:

- Making staged cash payments totaling $340,000 over 5 years; $18,000 of which was paid on signing. On November 7, 2019, the Company issued 41,666 common shares at a fair value of $18,333 in lieu of cash payment pursuant to the option agreement. On July 13, 2020, the Company paid $22,000 pursuant to the option agreement. On July 20, 2021, the Company paid $25,000 pursuant to the option agreement;
- Issuing a total of 750,000 common shares in stages over a 5-year period. On August 2, 2019, 50,000 common shares were issued upon Exchange approval of the option agreement. On July 13, 2020, the Company issued 50,000 common shares with fair value of $28,000 pursuant to the option agreement. On July 20, 2021, the Company issued 50,000 common shares with a fair value of $35,000 pursuant to the option agreement;
- Incurring a total of $1,250,000 in exploration expenditures over a 5-year period with a minimum of $100,000 to be spent before the first anniversary of the agreement, which minimum expenditure requirement has been met; and
- Granting the optionors a 3% NSR on the property, subject to the Company's right to purchase a 2% NSR for $2,000,000 at any time prior to the first anniversary of commercial production.

(ii) Lorraine Project

The Company's subsidiary Sun Metals entered into an agreement with Teck Resources Limited ("Teck") in November 2020 pursuant to which they acquired Teck's 51% joint venture interest in the Lorraine Project. Pursuant to the terms of the Teck agreement, NorthWest will make the following future payments to Teck in either cash or common shares of the Company:

- $500,000 payable on November 25, 2022.

The Company may also make the following contingent milestone payments to Teck in either cash or common shares of the Company:

- $500,000 upon a Preliminary Economic Assessment;
- $2,000,000 upon a Feasibility Study; and
- $5,000,000 upon a construction decision.

Pursuant to the terms of the acquisition, Teck has also retained a 1.0% NSR royalty on all claims that are not already burdened by a royalty and a 0.25% NSR royalty on all claims that are subject to the existing Tam-Misty royalties. Additionally, if NorthWest sells or options all or a portion of the property to a third party at any time during a 60-month period commencing from the date of the agreement, NorthWest will pay to Teck 20% of the sale proceeds, net of exploration expenses incurred on the property by NorthWest following closing.

Off-Balance Sheet Arrangements

The Company had no off-balance sheet arrangements as at March 31, 2022, or as at the date hereof.

Significant accounting judgments, estimates and assumptions

The preparation of consolidated financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported revenues and expenses during the year.

Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The most significant accounts that require estimates as the basis for determining the stated amounts include the recoverability of exploration and evaluation assets, property, plant and equipment and the valuation of the investment in joint venture if indicators of impairment are identified and the valuation of share-based payments.

For the three months ended March 31, 2022, there were no indicators of impairment identified with respect to the Company's exploration and evaluation assets, and property, plant and equipment requiring the estimation of a recoverable value.

In order to compute the fair value of share-based payments, the Company uses the Black-Scholes option pricing model which inherently requires management to make various estimates and assumptions in relation to the expected life of the award, expected volatility, risk-free rate and forfeiture rates. Changes in any of these inputs could cause a significant change in the share-based compensation expense charged in the statement of loss and to equity reserves in a given period. Key assumptions with respect to the valuation of share-based payments are disclosed in Note 11 to the audited consolidated financial statements for the ten months ended December 31, 2021.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the Interim Financial Statements are as follows:

i) Going concern
Management has determined that the Company will be able to continue as a going concern for the next twelve months.

ii) Exploration and Evaluation Assets
The application of the Company's accounting policy for exploration and evaluation assets and expenditures requires judgment to determine whether future economic benefits are likely, from either future exploitation or sale, or whether activities have not reached a stage that permits a reasonable assessment of the existence of reserves.

Resource exploration is a speculative business and involves a high degree of risk. There is no certainty that the expenditures made by the Company in the exploration of its property interests will result in discoveries of commercial quantities of minerals. Exploration for mineral deposits involves risks which even a combination of professional evaluation and management experience may not eliminate. Significant expenditures are required to locate and estimate ore reserves, and further the development of a property. Capital expenditures to bring a property to a commercial production stage are also significant. There is no assurance the Company has, or will have, commercially viable ore bodies and there is no assurance that the Company will be able to arrange sufficient financing to bring ore bodies into production.

The Company considered the impact of the COVID-19 pandemic on the significant judgments and estimates made in these consolidated financial statements and determined that the effects of COVID-19 did not have a material impact on the estimates and judgments applied for the three months ended March 31, 2022.

Financial instruments

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is summarized as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company is exposed to credit risk is on its cash, short-term investments, receivables and deposits. The majority of cash and short-term investments is deposited in bank accounts at a major bank in Canada for which there is low credit risk. As most of the Company's cash and cash equivalents are held by one bank there is a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies.

The Company is also exposed to credit risk with respect to receivables and deposits. To reduce credit risk, the Company regularly reviews the collectability of its amounts receivable and establishes an allowance based on its best estimate of potentially uncollectible amounts. The Company historically has not had difficulty collecting its amounts receivable and has no provision for credit loss recorded at either March 31, 2022, or December 31, 2021. The Company's deposits are with the government or financial institutions for reclamation and with a related party for which credit risk is assessed as low.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company aims to have sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from its ability to raise equity capital or borrowings sufficient funds and its holdings of cash and cash equivalents.

The Company's cash and short-term investments are liquid and available to meet the Company's ongoing obligations. The contractual maturities of the Company's trade payables and accrued liabilities are less than one year and the contractual maturities of the Company's lease obligations are disclosed above.

The Company's term loan is in relation to the Canadian government's COVID-19 financial assistance program. The loan is due on December 25, 2025. The loan is interest free until December 31 2022, and bears interest at 5% per annum thereafter. If at least 75% of the loan principal is paid on or before December 31, 2022, the balance of the loan will be forgiven.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is primarily exposed to interest rate risk with respect to interest earned on cash. A 1% change in the interest rate during the three months ended March 31, 2022, or three months ended February 28, 2021, would not have had a material impact on the Company.

Capital Management

The Company's policy is, if permitted by market conditions, to maintain a strong capital base so as to support investor and creditor confidence and support future development of the business. The capital structure of the Company consists of equity, comprising share capital and reserves net of accumulated deficit. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can continue to explore its mineral property interests and continue its operations for the benefit of its shareholders. There were no changes in the Company's approach to capital management during the period. The Company is not subject to any externally imposed capital requirements.

Legal Matters

NorthWest is not currently and was not at any time during the three months ended March 31, 2022, party to, nor has any of its property interests been the subject of, any material legal proceedings or regulatory actions.

Subsequent Events Not Otherwise Described Herein

Other than disclosed above, the following items of significance occurred after March 31, 2022:
Share Capital Transactions

a) On April 25, 2022, the Company completed the second issuance of shares ("Tranche 2") to POSCO pursuant to the SPA by issuing 5,934,718 common shares. All common shares issued under the SPA are subject to a hold period of four months and one day from the date of issuance.

b) On April 25, 2022, the Company granted 150,000 stock options with an exercise price of $0.65 and 50,000 RSUs to an employee of the Company. The stock options vest over three years and expire after 5 years. The RSUs vest over three years and expire on May 25, 2025.

c) Subsequent to March 31, 2022, 50,525 vested stock options with a weighted average exercise price of $1.13 expired and 90,000 unvested stock options with a weighted average exercise price of $0.86 were forfeited due to employee departures.

d) Subsequent to March 31, 2022, 757,338 warrants with an exercise price of $0.70 expired.

Business Risks and Uncertainties

Additional information on risks and uncertainties related to NorthWest's business is provided in the Company's Annual Information Form dated April 14, 2022, under the heading "Risk Factors". The Annual Information Form is available under the Company's profile on SEDAR at www.sedar.com. In particular, there are currently significant uncertainties in capital markets impacting the availability of equity financing for the purposes of mineral exploration and development. There are also significant uncertainties relating to the global economy, economy (including COVID-19), political uncertainties and increasing geopolitical risk, increased volatility in the prices of gold, copper, other precious and base metals and other minerals, as well as increasing volatility in the foreign currency exchange markets which impact our business and may impact our ability to remain a going concern.

Disclosure Controls and Procedures and Internal Controls Over Financial Reporting

Disclosure controls and procedures ("DC&P") are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized and reported within the time periods specified by securities regulations and that information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting ("ICFR") are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with IFRS.

Venture Issuer companies are not required to provide representations in the annual or interim filings relating to the establishment and maintenance of DC&P and ICFR, as defined in National Instrument 52-109, *Certification of Disclosure in Issuers' Annual and Interim Filings* ("NI 52-109"). In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual or interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation, and (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding the absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitations on the ability of certifying officers of a Venture Issuer (as defined in NI 52-109) to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of annual filings and other reports provided under securities legislation.

Controls and Procedures

In connection with NI 52-109 the CEO and CFO of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the Interim Financial Statements and respective accompanying MD&A as at March 31, 2022 (together the "Interim Filings").

In contrast to the certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information, the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Interim Filings on SEDAR at www.sedar.com.

Scientific and Technical Disclosure

The Company's material properties for the purposes of applicable Canadian securities laws are the Stardust and Kwanika Projects. Unless otherwise indicated, NorthWest has prepared the technical information in this MD&A ("Technical Information") based on information contained in the following technical reports:

"NI 43-101 Technical Report for the Kwanika Project Resource Estimate Update 2019," dated April 17, 2019, filed under the Company's SEDAR profile at www.sedar.com (the "Kwanika Technical Report").

"Stardust Project Updated Mineral Resource Estimate NI 43-101 Technical Report", dated May 17, 2021, filed under the Company's SEDAR profile at www.sedar.com (the "Stardust Technical Report").

The Technical Information was also based on information contained in news releases (available under NorthWest and Sun Metals' company profiles on SEDAR at www.sedar.com). These news releases are each intended to be read as a whole, and sections should not be read or relied upon out of context. The Technical Information is subject to the assumptions and qualifications contained in those news releases.

Certain of our news releases were in part prepared by or under the supervision of an independent QP. Readers are encouraged to review the full text of the news releases which qualifies the Technical Information. Readers are advised that mineral resources that are not mineral reserves do not have demonstrated economic viability. Mineral resource estimates relating to Stardust and Kwanika are only estimates and no assurance can be given that any particular level of recovery of minerals will be realized or that an identified mineral resource will ever qualify as a commercially mineable or viable deposit which can be legally and economically exploited.

Although there has been no economic analysis summarized in this MD&A, readers are cautioned that the Kwanika Technical Report and Stardust Technical Report are preliminary in nature and includes Inferred and Indicated mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that this will indeed occur. Further studies, including engineering and economics, are required (typically as a Feasibility Study) with regards to infrastructure and operational methodologies. Ian Neill, P.Geo, NorthWest's VP of Exploration, is the Company's QP for the purposes of NI 43-101, and has reviewed and approved that the scientific or technical information contained in this MD&A related to the Kwanika Technical Report and the Stardust Technical Report, is consistent with that provided by the QPs responsible for preparing the Kwanika Technical Report and Stardust Technical Report, and has reviewed, verified and approved the technical data disclosed in this document relating to those projects in which the Company holds an interest. Mr. Neill has consented to the inclusion of the Technical Information in the form and context in which it appears in this MD&A.

Cautionary Notes Regarding Forward-Looking Statements

This MD&A contains "forward-looking information" and "forward-looking statements" within the meaning of applicable securities laws, which include, but are not limited to, statements or information concerning; the completion and timing of technical reports; the timing and availability of refunds related to various tax credits; future financial or operating performance of NorthWest and its business, operations, properties and the future price of copper, zinc, gold, silver and other metal prices; the potential quantity and/or grade of minerals; the potential size of a mineralized zone or potential expansion of mineralization; proposed exploration and development of NorthWest's exploration property interests including potential size of budget and type of exploration being conducted; the timing and amount of estimated future production, costs of production and mine life of the various mineral projects of NorthWest; the interpretation and actual results of historical production and drill results at certain of our exploration properties, and the reliance on technical information provided by third parties; the timing and amount of estimated capital, operating and exploration expenditures, costs and timing of the development of new deposits and of future exploration, acquisition and development activities, estimated exploration budgets and timing of expenditures and community relations activities, requirements for additional capital; government regulation of exploration and mining operations; environmental risks and reclamation expenses, other claims or existing, pending or threatened litigation or other proceedings; title disputes; the ability to maintain exploration licenses for its properties in accordance with the requirements of applicable mining laws in Canada; limitations of insurance coverage, future issuances of common shares to satisfy obligations under any option and earn-in agreements or the acquisition of exploration properties and the timing and possible outcome of regulatory and permitting matters; the potential impact of the COVID-19 pandemic on the Company and its operations; and any other statement that may predict, forecast, indicate or imply future plans, intentions, levels of activity, results, performance or achievements, and involve known and unknown risks, uncertainties and other factors which may cause the actual plans, intentions, activities, results, performance or achievements of NorthWest to be materially different from any future plans, intentions, activities, results, performance or achievements expressed or implied by such forward-looking statements and information. Except for statements of historical fact, information contained herein or incorporated by reference herein constitutes forward-looking statements and forward-looking information. Often, but not always, forward-looking statements and forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "will", "projects", or "believes" or variations (including negative variations) of such words and phrases, or statements that certain actions, events, results or conditions "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking statements and forward-looking information are not guarantees of future performance and are based upon a number of estimates and assumptions of management at the date the statements are made including among other things, assumptions about future prices of copper, zinc, gold, silver, and other metal prices, changes in the worldwide price of other commodities such as coal, fuel and electricity fluctuations in resource prices, currency exchange rates and interest rates, favourable operating conditions, political stability, obtaining governmental approvals and financing on time, obtaining renewals for existing licenses and permits and obtaining required licenses and permits, labour stability, stability in market conditions, stability of relationship with joint venture partners, availability of equipment, accuracy of any mineral resources and mineral reserves, anticipated costs and expenditures, , assumptions about the effect of the COVID-19 pandemic and our ability to achieve our goals. While we consider these assumptions to be reasonable, the assumptions are inherently subject to significant business, social, economic, political, regulatory, competitive and other risks and uncertainties, contingencies and other factors that could cause actual performance, achievements, actions, events, results or conditions to be materially different from those projected in the forward-looking statements and forward-looking information. Many assumptions are based on factors and events that are not within the control of NorthWest and there is no assurance they will prove to be correct.

Furthermore, such forward-looking statements and forward-looking information involve 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 such forward-looking statements or forward-looking information. Such factors include, among others; risks with respect to meeting applicable tax credit criteria; risks related to joint venture partners; continued availability of applicable tax credit programs; general business, economic, competitive, political, regulatory and social uncertainties; disruptions or changes in the credit or securities markets and market fluctuations in prices for the Company's' securities; judgement of management when exercising discretion in their use of proceeds from a financing; potential dilution of common share voting power or earnings per common share as a result of the exercise of incentive stock options, future financings or future acquisitions financed by the issuance of equity; discrepancies between actual and estimated mineral reserves and resources; the Company is an exploration and development stage company with no history of pre-tax profit and no income from its operations and there can be no assurance that the Company's operations will be profitable in the future; changes in project parameters as plans continue to be refined; changes in labour costs or other costs of production; possible variations of mineral grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry, including but not limited to environmental risks and hazards, cave-ins, pitwall failures, flooding, rock bursts and other acts of God or natural disasters or unfavourable operating conditions and losses; political instability, hostilities, insurrection or acts of war or terrorism; the speculative nature of mineral exploration and development, including the risk of diminishing quantities or grades of mineralization; the Company's ability to renew existing licenses and permits or obtain required licenses and permits; changes in government legislation and regulation; fluctuations in commodity prices; requirements for future funding to satisfy contractual obligations and additional capital needs generally; changes or disruptions in market conditions; market price volatility; increased infrastructure and/or operating costs; reclamation costs; the Company has limited operating history and no history of earnings; reliance on a finite number of properties; limits of insurance coverage and uninsurable risk; contests over title to properties; environmental risks and hazards; limitations on the use of community water sources; the need to obtain and maintain licenses and permits and comply with laws and regulations or other regulatory requirements; competitive conditions in mineral exploration and mining business; the ability of the Company to retain its key management employees and shortages of skilled personnel and contractors; potential acquisitions and their integration with the Company's current business; influence of third party stakeholders; risks of litigation; the Company's system of internal controls; conflicts of interest; credit and/or liquidity risks; changes to the Company's dividend policy; and the risks involved in the exploration, development and mining business generally. Although we have attempted to identify important factors that could cause actual performance, achievements, actions, events, results or conditions to differ materially from those described in forward looking statements or forward-looking information, there may be other factors that cause performance, achievements, actions, events, results or conditions to differ from those anticipated, estimated or intended.

Forward-looking statements and forward-looking information contained herein are made as of the date of this MD&A and we disclaim any obligation to update or revise any forward-looking statements or forward-looking information, whether as a result of new information, future events or results or otherwise, except as required by applicable law. There can be no assurance that forward-looking statements or forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements or forward-looking information. All forward-looking statements and forward-looking information attributable to us is expressly qualified by these cautionary statements.

Additional Information

Additional information relating to NorthWest is available on SEDAR at www.sedar.com. Additional information relating to NorthWest can also be obtained on the Company's website at www.northwestcopper.ca.