



AEX Gold Inc.

MANAGEMENT'S DISCUSSION AND ANALYSIS

QUARTERLY HIGHLIGHTS

Three months ended March 31, 2022

AEX Gold Inc.

Management Discussion & Analysis – Quarterly Highlights

Three months ended March 31, 2022

The following quarterly highlights management discussion and analysis (the “MD&A”) should be read in conjunction with the unaudited condensed interim consolidated financial statements of AEX Gold Inc. (the “Corporation” or “AEX”) for the three months ended March 31, 2022 prepared in accordance with the International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) as well as with the MD&A for the year ended December 31, 2021. All figures are in Canadian dollars unless otherwise noted. This MD&A is current as of May 29, 2022.

Further information regarding the Corporation and its operations are filed electronically on the System for Electronic Document Analysis and Retrieval (SEDAR) in Canada and can be found on www.sedar.com. The following abbreviations are used to describe the periods under review throughout this MD&A:

Abbreviation	Period
Q4-20	October 1, 2020 to December 31, 2020
Q1-21	January 1, 2021 to March 31, 2021
Q2-21	April 1, 2021 to June 30, 2021
Q3-21	July 1, 2021 to September 30, 2021
Q4-21	October 1, 2021 to December 31, 2021
2021	January 1, 2021 to December 31, 2021
Q1-22	January 1, 2022 to March 31, 2022
Q2-22	April 1, 2022 to June 30, 2022
Q3-22	July 1, 2022 to September 30, 2022
Q4-22	October 1, 2022 to December 31, 2022
2022	January 1, 2022 to December 31, 2022

1. NATURE OF ACTIVITIES

AEX was incorporated on February 22, 2017 under the *Canada Business Corporations Act*. The Corporation’s head office is situated at 3400, One First Canadian Place, P.O. Box 130, Toronto, Ontario, M5X 1A4, Canada. The Corporation operates in one industry segment, being the acquisition, exploration and development of mineral properties. It owns interests in properties located in Greenland. Since July 2017, the Corporation’s shares have been listed on the TSX Venture Exchange (the “Exchange”) under the AEX ticker and since July 2020, the Corporation’s shares have also been admitted to trading on the AIM market of the London Stock Exchange (“AIM”) under the AEXG ticker.

At the time of the AIM admission, AEX announced the development of the Nalunaq Project and the main engineering and constructing activities commenced for this in Q4-20. The Nalunaq Project was put on hold in February 2021 due to unforeseen cost increases associated with the COVID-19 global pandemic.

2. CORPORATE UPDATE

2.1 Financial Highlights

The Corporation reported a net loss of \$4,135,498 in Q1-22 compared to \$3,289,052 for Q1-21. The main variations are as follow:

- Exploration and evaluation expenses of \$1,010,330 (\$1,247,147 in Q1-21) mainly representing costs of geological work, exploration camp care and maintenance and core samples analysis at Nalunaq (see section Exploration and Evaluation Expenses for details).
- General and administrative of \$2,988,769 (\$1,585,071 in Q1-21).
 - Salaries and benefits of \$639,999 (\$387,508 in Q1-21), reflect a fully on-boarded organization and full-time employees on payroll.

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2. CORPORATE UPDATE (CONT'D)

- Share-based compensation of \$1,443,862 (\$nil in Q1-21). On January 17, 2022, the Corporation granted to its officers, employees and consultant 4,100,000 stock options with an exercise price of \$0.60 and expiry date of January 17, 2027. The stock options vested 100% at the grant date. The options were granted at an exercise price equal to the closing market price of the shares the day prior to the grant. Total stock-based compensation costs amount to \$1,435,000 for an estimated fair value of \$0.35 per option. The fair value of the options granted was estimated using the Black-Scholes model with no expected dividend yield, 69.38% expected volatility, 1.51% risk-free interest rate and a 5 year term. The expected life and expected volatility were estimated by benchmarking comparable companies to the Corporation. In 2021 no Stock options were granted in Q1.
- Director's fees of \$157,000 (\$119,500 in Q1-21). The Board in Q1 2021 consisted of 6 directors compared to 8 in Q1-22 .
- Professional fees of \$275,708 (\$556,355 in Q1-21). Decrease is mainly due to lower legal and tax consulting fees as well as lower accounting service fees because of the fully-onboarded corporate accounting function.
- Investor Relations and Communication of \$168,867 (\$165,723 in Q1-21) is mainly unchanged and represents a fully-onboarded Investor Relations corporate function.
- Insurance of \$101,019 (\$117,965 in Q1-21). The Q1-22 decrease is mainly due to a single additional insurance taken out in Q1-21.
- Travel and other expenses of \$145,913 (\$130,209 in Q1-21). The increase in fees in Q1-22 is mainly due to higher rental costs.
- Regulatory fees of \$34,264 (\$85,265 in Q1-21). The Q1-22 cost decrease is related to the Corporation's regular activity during the first three month of 2022.
- Foreign exchange loss of \$147,188 (loss of \$490,599 in Q1-21) is mainly explained by the effects of exchange rate changes on US\$ and EUR cash which have depreciated.

The Corporation has working capital of \$22,812,025 as of March 31, 2022 (\$25,542,242 as of December 31, 2021).

On April 20, 2022, the Corporation granted a senior employee 73,333 stock options with an exercise price of \$0.75 and expiry date of April 20, 2027. The stock options vested 100% at the grant date. The options were granted with an exercise price equal to the closing market price of the shares the day prior to the grant.

2.2 Acquisition of Significant Strategic Mineral Land Package in South Greenland

On May 12, 2022, the Corporation announced that it has acquired mineral exploration licences No. 2020/41 and 2021/11 (the "Licences") covering areas in South Greenland from Orano Group ("Orano") for zero upfront consideration but in exchange for a 0.5% contractual, gross revenue royalty (GRR), based on potential future sales of minerals exploited on the licences. The GRR is paid annually and capped at US\$10 million ("Royalties Cap"). The Royalties Cap is subject to an annual inflation adjustment, with an ultimate cap limited to the current market capitalisation of the Corporation. Orano has a right of first refusal on any sales or transfer of licenses. The acquisition is subject to approval from the Greenland Government.

3. PROPERTY ACQUISITION

Property acquisitions are capitalized in the consolidated statement of financial position.

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3. PROPERTY ACQUISITION (CONT'D)

Siga Licence

The exploration rights have been granted to the Corporation under a new separate Exploration Licence 2022/08, referred to as Siga. The licence application has been approved and all required documentation was signed by the Corporation on May 10, 2022 and the licence will become effective once signed by the Government of Greenland. The Corporation acquired the right to conduct exploration activities on approximately 251km² of land in an areas between the Nanoq and Jokum's Shear project on the east coast of South Greenland

Stendalen Licence

The Corporation acquired the right to conduct exploration activities on approximately 2,486km² of the existing 2021/11 licence split into two areas around the Qasingortoq and Kangerlussuatsiaq areas of South Greenland through the acquisition from the Orano as announced May 12, 2022 and are referred to as Stendalen. All related transfer documents have been signed by the Corporation and are awaiting approval by the Government of Greenland.

North Sava Licence

The Corporation acquired the right to conduct exploration activities on approximately 1,042km² of the existing 2020/41 licence split into two areas around the Akuliarutsip and Narsaviarsuasiit areas of South Greenland through the acquisition from the Orano as announced May 12, 2022 and are referred to as North Sava. All related transfer documents have been signed by the Corporation and are awaiting approval by the Government of Greenland.

4. EXPLORATION AND EVALUATION EXPENSES

Exploration and evaluation expenses are included in the operating loss in the consolidated statement of comprehensive loss.

The Corporation incurred the following exploration and evaluation expenses:

	Q1-22	Q1-21
	\$	\$
Nalunaq		
Geology	137,708	102,313
Drilling	40,462	-
Analysis	141,382	77,500
Transport	89,139	-
Logistic support	11,752	21,202
Insurance	13,200	8,663
Maintenance infrastructure	370,247	-
Project Engineering costs	-	931,866
Government fees	-	(4,452)
Depreciation	181,833	49,316
	985,723	1,186,408
Tartoq		
Geology	-	7,157
Transport	-	957
Government fees	-	8,419
	-	16,533

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4. EXPLORATION AND EVALUATION EXPENSES (CONT'D)

	Q1-22	Q1-21
	\$	\$
Naalagaaffiup Portornga		
Geology	-	(3,873)
	-	(3,873)
Vagar		
Geology	-	26,023
Analysis	-	1,250
Government fees	7,894	8,419
	7,894	35,692
Nuna Nutaaq		
Geology	13,145	6,992
Analysis	-	469
	13,145	7,461
Saarloq		
Geology	-	1,642
	-	1,642
Anoritooq		
Geology	-	1,642
	-	1,642
Sava		
Geology	3,568	1,642
	3,568	1,642
Total		
Geology	154,421	143,538
Underground works	-	-
Drilling	40,462	-
Analysis	141,382	79,219
Transport	89,139	957
Logistic support	11,752	21,202
Insurance	13,200	8,663
Maintenance infrastructure	370,247	-
Project Engineering costs	-	931,866
Government fees	7,894	12,386
Depreciation	181,833	49,316
Total exploration and evaluation expenses	1,010,330	1,247,147

James Gilbertson CGeol, Vice President – Exploration of the Corporation and a Chartered Geologist with the Geological Society of London and as such a qualified person as defined in NI 43-101, supervised the preparation of the technical information in this section.

4.1 Nalunaq

a) Property description

The Nalunaq Property is located in Southern Greenland at 60°21'N latitude and 44°50'W longitude in the Municipality of Kujalleq. Greenland is an autonomous territory within the Danish realm. It is the largest island in the world with an area of 2,166,086 km² although it has a small population of just 56,000 people. Most of the island is covered by the Greenland ice sheet, thus the population lives along the coastal fringe which is heavily incised by fjords. Most of the population is located on the west and south coasts and the largest settlement is the capital, Nuuk. The Nalunaq Property is located on the northern side of the Kirkespirdalen Valley, about 33 km northeast of the town of Nanortalik.

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4. EXPLORATION AND EVALUATION EXPENSES (CONT'D)

The Nalunaq Exploration Project area lies within exploitation licence #2003/05 issued by the Government of Greenland, Mineral Licence and Safety Authority (the "Nalunaq Licence"), which covers an area of 22 km² and includes the former underground mine which ceased operating in 2013 (the "Nalunaq Gold Mine").

The Nalunaq Licence was granted in April 2003 by the Government of Greenland to Nalunaq Gold Mine A/S, a subsidiary of Crew Gold Corporation ("Crew Gold") and is valid until April 24, 2033.

b) Nalunaq exploration results

The Corporation conducted a new core drilling programme across the lower reaches of the Main Vein primarily targeting the southern extension of the South Block, the newly identified Valley Block as well as exploration holes into further potential downdip and lateral extensions and announced the results of the 11,044.1m of drilling on April 4, 2022.

The key focus of the program was the development of the Valley Block, a new parallel resource area predicted by AEX's new structural model, the 'Dolerite Dyke Model'. The results announced provided further evidence that the Valley Block is a new high-grade zone, unrecognised or developed by previous operators and corroborate the Dolerite Dyke Model.

The Valley Block Block now exists as a target for initial resource growth. These surface drillhole intersection grades are considered comparable to those historically encountered across the other three mined blocks.

AEX's Dolerite Dyke Model uses structural intersections to predict a series of prospective domains for high-grade mineralisation. The confirmation of the effectiveness of this model now provides the Corporation with up to five high-grade zone targets for progressive resource growth. These prospective domains are now being used to better focus AEX's future drilling activities.

In parallel with the drilling program, AEX has been working alongside SRK to assess new Mineral Resource estimation procedures the incorporate the Dolerite Dyke Model and the nugget effect from core to better reflect the full resource potential at the Valley Block and the rest of the Nalunaq project. AEX believe that these new approaches will allow for an increase in resources and provides the Corporation with a robust procedure to estimate in situ mineralisation through surface drilling without the need for close space underground sampling.

c) Further exploration discoveries

The 2021 programme also targeted a downdip extension of the South Block and identified a potential further high-grade zone (which would take the total to five), which was predicted by the Dolerite Dyke Model.

It is AEX's intention to continue to explore these resource growth areas.

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4. EXPLORATION AND EVALUATION EXPENSES (CONT'D)

4.2 Vagar

a) Property description

Nalunaq A/S entered into a sale and purchase agreement with NunaMinerals A/S, acting through its bankruptcy receiver, on February 6, 2017 to acquire the exploration licence #2006/10 issued by the MLSA (the "Vagar Licence"), along with all mineral exploration and mining-related data, maps and reports pertaining to the Vagar Licence, conditional upon the MLSA's approval on terms acceptable to Nalunaq A/S. The approval was received and on October 30, 2017, Nalunaq A/S signed the paperwork to complete the licence transfer, becoming effective upon the Greenland authorities executing the document on January 18, 2018. The licence originally expired December 31, 2021 with a possible 6-year extension. In response to the COVID 19 pandemic, the Government of Greenland gave an extension of the licence period for all exploration licences by two years, therefore the licence expires December 31, 2023. After a reduction of the size of the area, the Vagar Licence covers an official area of 292 km² and comprises three sub-areas. The acquisition of this licence area is potentially important to the Corporation since it is close to the Nalunaq Property and hosts a number of gold prospects that lie along the prospective Nanortalik Gold Belt, some of which show similarities to Nalunaq.

b) Exploration work - Vagar Ridge and the Vagar Licence Area

The Corporation conducted a campaign of further exploration across the Vagar licence in 2021 including Mineral System Modelling, airborne geophysics, rock chip sampling and spectral imagery. The result of these were announced May 9, 2022.

Mineral System Modelling highlighted the importance of the Vagar area to the controlling geodynamics of the Nanortalik Gold Belt of Southern Greenland. The licence is located on the controlling boundary of an important sedimentary basin within an interpreted subduction-arc system that transects Greenland and into Eastern Canada.

The licence wide airborne geophysics has allowed AEX to build on this model and has further highlighted a significant deformation zone which extends for more than 50 km across the licence with abundant elevated gold associated with major structural releasing bends. A combination of these two studies has resulted in the identification of six high priority targets with the central target existing over the Vagar Ridge area.

Follow up reconnaissance sampling in the Vagar Ridge area has confirmed the presence of high grade Orogenic style gold mineralisation as well as mineralisation within the granodiorite. Grab samples have returned up to 86.7g/t gold in a newly identified quartz vein system on the eastern flanks of the Vagar Ridge area. These results have allowed AEX to define an advanced gold target of significant size centring on Vagar Ridge. This ~4x3 km target area hosts the previously recognised Orogenic Veins 1 and 2, as well as at least two further auriferous veins and widespread granodiorite mineralisation indicative of an IRG system.

c) Exploration work - Saaqqa Dyke

Within the Nalunaq East sub area of the Vagar license, the Saaqaa peridotite dyke is known to host semi-massive and disseminated magmatic sulphide mineralisation, with elevated concentrations of Nickel (up to >1%), Copper (up to 6% in float samples), and Platinum Group Elements (up to 10 g/t Pd in channel samples). This mineralisation was revisited during 2021. and the Corporation conducted additional sampling and a drone survey to further define the geometry of the dyke ahead of a more detailed sampling program in 2022. The result of this work are yet to be released.

In addition to this, a number of ground geophysical lines were conducted along the Kirkespir valley to determine the dyke's strike and depth extension into the valley area aiding in potential drill targeting as part of future exploration programs.

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4. EXPLORATION AND EVALUATION EXPENSES (CONT'D)

The result of this work are yet to be released.

A review of other ultramafic intrusives which occur in AEX's licences is ongoing. Commodity prices are significantly higher than in the 1980s, when systematic exploration for platinum group elements was last carried out in the region, in particular for palladium.

4.3 Tartog

a) Property description

The exploration project on the Tartog Property as described in the Tartog Report (the "Tartog Exploration Project") is comprised of the area covered by the Mineral Exploration Licence 2015/17 (the "Tartog Licence") in which Nalunaq A/S holds an undivided 100% interest. The Tartog Licence conveys the exclusive right to explore for all mineral resources except hydrocarbons and radioactive elements. The licence originally expired December 31, 2024 with the 5-year extension. The renewal for a period of five years has been confirmed with Addendum No. 3 dated February 2020 which was signed by Nalunaq A/S on February 13, 2020 and became effective on March 13, 2020 when it was signed by the Government of Greenland. In response to the COVID 19 pandemic, the Government of Greenland gave an extension of the licence period for all exploration licences by two years, therefore the licence expires December 31, 2026. At the expiration of the second term of the Tartog Licence, Nalunaq A/S may, upon application to the MLSA, be granted up to four consecutive three-year extensions for an aggregate additional 12-year period.

The Tartog Exploration Project covers an "official area" (all parts of the licence excluding those covered by sea) of 78 km² in south-western Greenland, some 330 km from the capital, Nuuk. The approximate centre of the project is 61°30'N latitude and 48°40'W longitude. The Tartog Exploration Project flanks the Sermilgaarsuk Fjord and is split into two licence sub-blocks: Nuuluk on the southern side of the fjord and Ilerlak on the northern side to the east.

There is no infrastructure within the licence area and access is by boat and then on foot to reach the main target areas, or by helicopter. Given the remote location of the project, any development of the site for mineral exploration and mining would require self-sufficiency in terms of utilities and infrastructure. Some staffing may be sourced from Paamiut or Arsuk, but a skilled workforce will likely need to come from Nuuk.

b) Exploration work

Desktop work is ongoing for the Nuuluk and Ilerlak sub licence areas to prioritise targets for future drilling.

A high resolution airborne magnetic and radiometric survey covering 84km² has been completed that covers both the Nuuluk and Ilerlak subareas with a 50 metre line spacing over priority areas and 100 metre line spacing over the remainder of the licence.

The results of this survey were reviewed and interpreted by GoldSpot and allowed the Corporation to refine and focus its ground targets ahead of future sampling, trenching and or drilling.

The adjoining Naalagaaffiup Portornga licence (also referred to as Tartog NP) has been assessed on a desk bases during 2021 including an assessment of the potential for base and critical metal mineralisation within the major geological unconformity hosted within the licence.

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4. EXPLORATION AND EVALUATION EXPENSES (CONT'D)

4.4 Naalagaaffiup Portornga

a) Property description

The Corporation has acquired the right to conduct exploration activities on approximately 170km² of land in an area adjacent to the Tartoq Licence. The exploration rights have been granted to the Corporation under a new separate Exploration Licence 2018/17 Naalagaaffiup Portornga and the licence originally expired December 31, 2022 with a possible 5-year extension. The licence application has been approved and all required documentation was signed by the Corporation on January 16, 2018 and the licence became effective on February 19, 2018 when it was signed by the Government of Greenland. In response to the COVID 19 pandemic, the Government of Greenland gave an extension of the licence period for all exploration licences by two years, therefore the licence expires December 31, 2024.

b) Exploration work

No field work has been conducted with all work carried out being in the form of desk-based studies, mainly consisting of historical data review and preliminary geological modeling.

4.5 Nuna Nutaaq

a) Property description

AEX has been granted the exclusive exploration rights under a new licence in South Greenland: licence 2019/113. The licence is comprised of five sub-areas and covers a total of 266 km² within the Nanortalik Gold Belt. The licence application has been approved and all required documentation was signed by the Corporation on September 13, 2019 and the licence became effective on September 26, 2019 when it was signed by the Government of Greenland. The licence originally expired December 31, 2023 with a possible 5-year extension. In response to the COVID 19 pandemic, the Government of Greenland gave an extension of the licence period for all exploration licences by two years, therefore the licence expires December 31, 2025.

b) Exploration work - Nørrearm

At Nørrearm the graphite-sulphide horizon discovered in 2019 has been revisited to further assess the form and extent of this mineralised body. In addition, a large (>50kg) sample was collected dispatched to Wardel Armstrong for preliminary ore characterisation, grind test work and metallurgical testwork, including characterising the flake size, in order to assess likely concentration characteristics.

It is anticipated that these results will be available in Q2-22.

Similar mineralisation has been described at Ippatit and along the main Nalunaq thrust exposed on the North face of Nalunaq mountain. These will be further assessed during 2022.

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4. EXPLORATION AND EVALUATION EXPENSES (CONT'D)

c) Exploration work - Nanoq

During the 2020 field season, AEX conducted reconnaissance mapping and sampling to support additional progression of the geological baseline at the Nanoq gold prospect at Kangerluluk fjord in South East Greenland (previously called Kangerluluk). This project was historically help by Goldcorp in 1997 who reported the project to be promising, although in a time of low gold prices. Following the positive result from AEX's sampling program, announce in February 2021, AEX conducted a detailed structural mapping exercise across the target area in order to better understand the controls on mineralisation. This program has identified a folded system of sediments and volcanics hosting at least two mineralised shears with strike extensions of between 800m to 2km. Coupled with this mapping program, additional samples have been taken on both the gold mineralised structures as well as cross cutting structures that have graded up to 3.8% Cu from samples taken in 2020.

Result from this programme will be announced soon.

d) Exploration work – Jokum's Shear

During the 2021 field season, exploratory mapping and sampling took place over the Jokum's Shear sub area, following up on sulphide bearing float rock identified in glacial moraines.

4.6 Saarloq

a) Property description

The Corporation has acquired the right to conduct exploration activities on approximately 818km² of land in an areas of Quassugaarsuk and Sermeq Kangilleq in South Greenland. The exploration rights have been granted to the Corporation under a new separate Exploration Licence 2020/31, referred to as Saarloq. The licence application has been approved and all required documentation was signed by the Corporation on May 15, 2020 and the licence became effective on May 28, 2020 when it was signed by the Government of Greenland. The licence originally expired December 31, 2024 with a possible 5-year extension. In response to the COVID 19 pandemic, the Government of Greenland gave an extension of the licence period for all exploration licences by two years, therefore the licence expires December 31, 2026.

b) Exploration work

In 2021, AEX conducted reconnaissance visits to the licence, based on preliminary target generation from GoldSpot.

4.7 Anoritoq

a) Property description

The Corporation has acquired the right to conduct exploration activities on approximately 1,710km² of land in the areas of Anoritoq and Kangerluluk in South Greenland. The exploration rights have been granted to the Corporation under a new separate Exploration Licence 2020/36, referred to as Anoritoq. The licence application has been approved and all required documentation was signed by the Corporation on June 11, 2020 and the licence became effective on June 24, 2020 when it was signed by the Government of Greenland. In October 2020, the Corporation was granted an addendum to the Anoritoq Licence, increasing the size of the licence to 1,889km² and became effective November 6, 2020 when it was signed by the Government of Greenland. The licence originally expired December 31, 2024 with a possible 5-year extension. In response to the COVID 19 pandemic, the Government of Greenland gave an extension of the licence period for all exploration licences by two years, therefore the licence expires December 31, 2026.

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4. EXPLORATION AND EVALUATION EXPENSES (CONT'D)

b) Exploration work – Eagle's Nest

In 2021, the Corporation's geological team conducted reconnaissance mapping and sampling over the Eagle's nest sub area aimed at following up on a number of >50g/t gold grab samples taking in the area historically.

The exploration was successful in identifying a number of outcropping narrow quartz veins that hold the potential for mineralisation similar to that seen at Nalunaq. These opportunities warrant further investigation through into 2022.

Result from 2021 will be announced shortly.

4.8 Sava (previously called Kangerluarsuk)

a) Property description

The Corporation acquired the right to conduct exploration activities on approximately 335km² of land in the area of Eqaluit Iluat in South Greenland. The exploration rights have been granted to the Corporation under a new separate Exploration Licence 2021/02, referred to as Kangerluarsuk. The licence application has been approved and all required documentation was signed by the Corporation on October 13, 2020 and the licence became effective on November 6, 2020 when it was signed by the Government of Greenland. The licence originally expired December 31, 2025 with a possible 5-year extension. In response to the COVID 19 pandemic, the Government of Greenland gave in December 2020, an extension of the licence period for all exploration licences by one year, therefore the licence expires December 31, 2026.

b) Exploration work

The Corporation's Mineral Systems model for South Greenland has highlighted the geodynamic association of the Sava area to the Gardar and Voisey's Bay provinces that host globally significant magmatic sulphide and REE deposits.

Further to this study, the Corporation conducted remote sensing, airborne geophysics, geological mapping, rock chip sampling, ionic geochemistry and spectral imagery during the 2021 field season the results of which were announced April 12, 2022.

Spectral remote sensing was carried out to guide geological fieldwork conducted in July 2021. Several priority targets were identified based on the remote sensing study, a structural lineament assessment and historic geochemistry data. AEX's field program concluded having assessed the highest priority targets within the license. This program saw geological mapping, grab sampling and an ionic geochemistry survey designed to assess the anomalous altered and mineralized areas. One target in particular has been identified in the north west of the license that hosts intense hydrothermal (potassic) alteration over 500 m.

In addition to this an airborne magnetic and radiometric survey has been conducted in September 2021 over the whole license with a line spacing of 100 meters. The full results from this survey are expected during November 2021.

The conclusion of the 2021 were that, three significant and coherent multi element anomalies were identified that provide important insights to the alteration, lithologies present and the style of mineralization. These targets are open and required additional investigations but appear to have the geochemical and alteration signatures akin to IOCG style mineralization. The Corporation's geological resource also suggest that these occurrences may be linked to similar deposits both in Canada and Scandinavia.

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4. EXPLORATION AND EVALUATION EXPENSES (CONT'D)

4.9 Kobberrminebugt Licence

a) Property description

The Corporation acquired the right to conduct exploration activities on approximately 220km² of land in an areas of Aputaajuitsoq in South Greenland. The exploration rights have been granted to the Corporation under a new separate Exploration Licence 2022/01, referred to as Kobberrminebugt. The licence application has been approved and all required documentation was signed by the Corporation on November 24, 2021 and the licence became effective on February 23, 2022 when it was signed by the Government of Greenland.

The area hosts numerous copper-gold showings including the small past-producing Josva copper mine, which was last worked in 1914 with reported grades up to 5% Copper, 1.5 g/t Gold and 250 g/t Silver. Copper mineralisation discovered to date is found within volcanic and sedimentary sequences as disseminated stratabound sulphides, and locally enriched into layers due to strong folding or in quartz veins and breccias. Sulphide concentrations vary from 1-50% volume depending on the style of mineralisation. Some showings can be followed for several hundred metres along strike with widths of up to several metres.

Mineralisation has been interpreted as Iron-Oxide-Copper-Gold (IOCG) style by the Geological Survey of Denmark and Greenland (GEUS). The new licence is located approximately 100 km west of AEX's Sava exploration project (formerly known as Kangerluarsuk), which is similarly targeting granite hosted IOCG mineralisation in the Julianehåb granitic batholith. AEX believes that the region is underexplored for IOCG deposits and shows many geological similarities to the IOCG province of northern Sweden, which hosts several operating mines.

b) Exploration work

Data compilation work is ongoing. One priority target was briefly visited during 2021. the Corporation's geologist team have now interpreted the site to host copper skarn style mineralisation.

4.10 Additional Exploration Target Generation

Geological research is actively progressing with GoldSpot, SRK and AEX's internal team to define the resource potential within our full licence area, as we continue to develop our exploration portfolio. In addition, there is strong geological prospectivity for other strategic minerals including copper, molybdenum, graphite, platinum group elements, rare earth elements and others across the licence portfolio and the wider region. Priority targets have been visited by AEX geoscientists during the 2021 field season.

This has included several prospective targets within the Anoritoq license and in particular on the east coast in the Kangerluluk and Igutsaat fjord areas, and north of the Vagar license, close to the Saarloq shear zone.

The Corporation may apply for further licences in due course.

May 30, 2022

(s) "Eldur Ólafsson"
Eldur Ólafsson
President, CEO and Director

(s) "Jaco Crouse"
Jaco Crouse
CFO