



Amaroq Minerals

AMAROQ Minerals – Q2 Financial Results and Operational Update

TORONTO, ONTARIO – August 25th - 2022 - Amaroq Minerals Ltd. (“Amaroq” or the “Company” or the “Corporation”) (AIM, TSXV: AMRQ), the independent mining company with an unrivalled land package of gold and strategic mineral assets covering an area of 7,866.85 km² in Southern Greenland, is pleased to provide an update on its Q2 financials and operational activities in the first half of 2022.

H1 2022 highlights

Precious Metals targets

- Nalunaq: Construction of mountain access roads required to facilitate the 2022 core drilling programme completed ahead of schedule and under budget.
- Nalunaq: Drilling ahead of schedule with 7,300m of core drilling out of a scheduled 9,100m completed across the Valley Block with geological logging and sampling now underway. 2022 drilling focused on providing further resource confidence with a view to increasing the Mineral Resource Estimate (MRE) in due course.
- Nalunaq: Preliminary Economic Assessment (PEA) commenced to assess bulk sample and eventual mine re-opening optionality.
- Vagar Ridge: Exploration aimed at understanding the styles and geological controls on mineralisation continues, with 65% of planned core drilling now complete despite unseasonal weather during the period, targeting both Orogenic gold and Intrusion Related Gold mineralisation.
- Vagar Licence: Further geological mapping and sampling across new targets identified by the 2021 exploration programme scheduled for later in the season.
- Nanoq: Contractors are mobilising to conduct an airborne geophysical survey across the target, and along an interpreted 20km structural corridor linking the discovery to the Jokum's Shear gold/copper occurrence. This area is now held by Amaroq under the newly acquired Siku licence securing access to multiple potential Orogenic gold targets.

Strategic Mineral Targets

- Sava: A 320m maiden scout core drilling programme to test Iron Oxide, Copper, Gold (IOCG) mineralisation has targeted two areas and samples are due to be dispatched to ALS Geochemistry imminently.
- North Sava: Contractors are mobilising to conduct an airborne geophysical survey across North Sava to extend geological understanding from Sava into the former Orano licence.
- Stendalen: Amaroq is in negotiations to conduct an MT geophysical survey across this Iron-Vanadium-Titanium layered intrusive with additional Nickel and Copper potential.
- Regional: Further geological reconnaissance and sampling across the Eagle's Nest gold target, Kobbermineburgt copper targets and the Paatusoq Rare Earth target are scheduled for later in the 2022 season.

Operational Update

- Further investment in operational infrastructure and equipment upgrades. With the 50 person all-weather camp in place at Nalunaq and a satellite field camp in situ at Vagar Ridge, the Company is now able to function more efficiently and to shorter operational lead-times. The ALS on-site Containerised Preparation Laboratory (CPL) has been installed and commissioned with the first samples being dispatched.
- Operational efficiency across all aspects of the Company's Greenland assets significantly increased through key longer term contracts with carefully selected service providers.

Corporate Update

- Significant 3,527.75 km² mineral licence area has been acquired from Orano substantially increasing the Company's exposure to Base and Strategic Minerals. When coupled with the newly awarded 251 km² Siku licence, takes Amaroq's total land package in South Greenland to 7,866.85km².
- Establishment of non-binding Joint Venture agreement with ACAM LP for the exploration and development of Amaroq's Strategic Mineral assets for a combined contribution of £36.7 million with initial equity funding of £18 million following completion.

- Cash balance of \$19.5 at June 30, 2022.
- Approval of special resolution to change the name of the Company to Amaroq Minerals Ltd.

Eldur Olafsson, CEO of Amaroq Minerals, commented:

"I am pleased to present an update on our activities for Q2 2022. Our field season for 2022 is well underway and we are making solid progress with our drilling programmes at Nalunaq, Vagar Ridge and Sava. We expect to share the results from this programme with the market in late Q3 to Q4.

We are progressing with our strategic mineral exploration programme in Southern Greenland with the support of our partners. We remain focused on accelerating Greenland's contribution to the energy transition as a frontier jurisdiction at a time when access to these critical minerals for Western Governments and companies is limited by Chinese and Russian control of supply.

We continue to invest in our highly qualified senior management team, as well as selecting strong and reliable partners for contract appointments. In addition, we are now benefitting from considerably upgraded corporate governance systems and a strengthened Board, which continues to guide the strategic vision of our business."

Precious Metals 2022 Exploration Programme:

Nalunaq

- The 2022 exploration programme is targeting further resource development through both infill and strike extension drilling across the Valley Block, informed by the Dolerite Dyke Model developed and tested in 2021.
- Two new mountain access roads to facilitate the extension drilling have been completed ahead of schedule and under budget (totalling \$0.74m) and now are being utilised by two core drill rigs.
- To date approximately 7,300m of core (2,600m infill and 4,700m extension) drilling has been completed and geological logging and sampling is now underway. A further 1,800m of core drilling is scheduled for 2022.
- ALS has completed the construction and commissioned an on-site Containerised Preparation Laboratory (CPL) at Nalunaq to oversee the preparation of all samples ahead of shipment to Ireland for chemical assaying.
- Amaroq geological teams have re-entered the historic mine to assess the extension opportunities within the Mountain Block and have identified further surface outcrops of the Main Vein, which they intend to channel sample during this season to further define this extension area.
- Amaroq has continued to work with SRK to adapt the MRE procedures to account for the Dolerite Dyke Model and the 2020 and 2021 drilling results with the aim of providing a further update to the contained resources later in 2022.
- A PEA for the project to assess bulk sample and eventual mine re-opening optionality has been commenced.
- Subject to results from the 2022 exploration programme, Amaroq will continue to assess additional underground infrastructure and underground bulk sample options for 2023, which may include off-site toll treatment, subject to discussions with the Government of Greenland. This would be used as a development step to increase resource confidence and de-risk the resource ahead of potential mine construction in 2024/2025.
- The Corporation remains in discussion with mine development contractors in order to mitigate programme delays, as the industry average lead time today is 12 months.
- The Company is in the process of updating its Environmental Impact Assessment (EIA) and Social Impact Assessment (SIA), which as previously announced it expects to complete over the course of the next year.

Vagar Ridge

- Following the exploration conducted in 2021, which significantly increased the Vagar Ridge footprint, Amaroq have commenced an approximately 2,000m core drilling programme across the target to further understand its scale and geological controls on mineralisation as a necessary step towards defining potential resources.
- At the time of reporting, approximately 1,300m has been drilled across four drillholes with geological logging and sampling in progress.
- Geological reconnaissance and mapping is also underway over the area, and Amaroq aims to supplement the drilling with a chip channel sampling programme across the southern low grade granite hosted areas of Vagar Ridge.

- Unseasonal low cloud and sea fog in the last month has hampered helicopter availability, a supply and health and safety requirement for drilling in this remote location. This has slowed drilling and delayed completion of the programme. Amaroq is looking to reduce the impact of this by deploying a remote tented camp on site.
- Amaroq is utilising its experience and strong regional understanding of South Greenland to progress with drilling and gain a fuller understanding of the targets, and intends to update the market on developments in due course.

Vagar Licence Targets

- Due to the unseasonal weather, Amaroq has not yet commenced the planned regional investigation of the target areas developed following the interpretation of the 2021 geophysical programme, which defined a significant deformation zone that extends for more than 50km across the Vagar licence and into Amaroq's neighbouring licences. This is currently scheduled for later in September.

Nanoq Gold

- Amaroq's geophysical contractor New Resolution Geophysics (NRG) began mobilising helicopter and equipment to Southern Greenland on 22nd August and plans to commence an approximately 4,500 line km magnetic, radiometric and gravity survey over the Nanoq target and the area connecting this target to Jokum's Shear in the Nanortalik gold belt.
- This area (located within the Corporation's newly awarded 251km² Siku mineral licence) hosts an interpreted 20km long regional structure that could host multiple Orogenic gold targets.

Eagle's Nest

- Following an assessment of the 2021 exploration results in the area, which are still being analysed, the Company intends to continue its early stage geological reconnaissance mapping and sampling aimed at making further Orogenic gold discoveries north of Nalunaq.
- This field work is provisionally scheduled for mid-September.

Strategic Mineral Targets 2022 Exploration Work Programme:

General

- Significant 3,527.75 km² mineral licence area has been acquired from Orano, which, with the newly awarded Siku licences, takes Amaroq's total land package in South Greenland to 7,866.85km² and substantially increasing the Company's exposure to Base and Strategic Minerals. The acquisition means the Company will become the largest licence holder in South Greenland, and the third largest in Greenland, after Anglo American and Greenfields Exploration.
- Amaroq's ongoing Mineral System Modelling highlights the potential of Southern Greenland to host significant strategic metal deposits. These new licences sit within an interpreted Laurasian Mineral Belt connecting Eastern Canada through Greenland to Scandinavia that hosts World Class mineral deposits such as Voisey's Bay (Canada), Gardar Province (Greenland), and the Kiruna IOCG belt (Scandinavia). Work programmes at Sava have illustrated Iron Ore, Copper, Gold ("IOCG") style signatures across three target areas.

Sava and North Sava

- Following the successful 2021 season, which identified three initial priority targets across the Sava IOCG and Porphyry Copper licence, Amaroq has completed a 320m scout core drilling programme over two drillholes on Targets West and Target South.
- These samples have subsequently been prepared in the ALS CPL at Nalunaq and are awaiting dispatch to Ireland for chemical assaying.
- A further sample has been sent to Durham University for geological age dating to assess if the observed mineralisation is related to the Gardar Intrusion suite that host the significant deposits at Kavanefjeld and Tanbreez.
- The Amaroq geological team has also conducted further surface exploration and sampling aimed at expanding the current targets and defining further targets for future investigation.
- Building upon previous Orano geological interpretations, Amaroq intends to conduct a similar geophysical survey to that completed over Sava across the newly acquired North Sava licence. This approximately 5,000 line km programme will be conducted by NRG following completion of the Nanoq survey.
- Multiple zones of veining and brecciation have been discovered containing Copper Iron Sulphide mineralisation including chalcopyrite and bornite mapped at surface at Sava, giving further evidence of IOCG occurrence.

The Stendalen Iron-Vanadium-Titanium layered intrusive

- Previously explored by GEUS, Softrock Mineral and NunaMineral A/S. This intrusive is 8km in diameter and hosts a magnetic layer up to 20m thick which has provided historical samples yielding between 1-10.5% Titanium Dioxide (TiO₂) (average of 4.8%) and 226-5,753ppm Vanadium (V) (average 2,335ppm).
- Stendalen also hosts potential for Nickel (Ni), Copper (Cu) and Platinum Group Element (PGE) mineralisation with grab samples proving grades of 0.8% Copper (Cu), 0.5% Nickel (Ni) and 0.1% Cobalt (Co).
- The Company is in negotiations to conduct an airborne geophysical (MT) survey over the intrusion in order to understand its scale, structure and potential for deep sulphide mineralisation signatures. This survey will be coupled with a ground assessment of the reported Ni/Cu sulphide mineralisation in the contact areas of the intrusion. Finally, the Company will assess drill locations and site logistics ahead of a core drilling programme in 2023 subject to results.

The Paatusoq Rare Earth Element, Niobium, Tantalum, Zirconium project

- This syenite complex is 20 km in diameter covering an area of ~240 km² within an unexplored section of the Gardar Province.
- Amaroq plans to visit this new critical metals target within the licences acquired from Orano during a regional exploration programme in September. The aim of this will be to conduct additional geochemical sampling to test the styles of mineralisation and its relationship to the wider Gardar Province that also hosts the Kvanefjeld and Tanbreez rare earth projects.

Amaroq Minerals Infrastructure support

- Amaroq has successfully continued the use of its all-weather 50-person camp as well as operating a small satellite tented camp at Vagar Ridge to facilitate drilling there.
- Since June, Amaroq has been operating with four drill rigs across three sites and the Company is now assessing rig requirements for 2023.
- The Company has also finalised contracts with ALS Geochemistry to install the Containerised Preparation Laboratory (CPL) at Nalunaq, which has been fully installed and commissioned.
- Amaroq is experiencing material increases in its operational efficiency during the 2022 season as a result of partnering with key, carefully selected, contractors across its Greenland business. This has resulted in programme objectives being met ahead of schedule, increased drilling rates, greater logistical flexibility and aims to result in quicker return on sample results through the second half of 2022.

Amaroq Minerals Financial Results

- The Corporation had a cash balance of \$19.5 million at June 30, 2022 (\$23.8 million at March 31, 2022), with no debt, and total working capital of \$16.8 million (\$22.6 million at March 31, 2022).
- Exploration and evaluation expenses during the period were \$5.4 million (Q2 2021: \$3.2 million), predominantly on the Nalunaq Property.
- General and administrative expenses during the period were \$5.1 million (Q2 2021: \$4.0 million).

Selected Financial Information

The following selected financial data is extracted from the Financial Statements for the six months ended June 30, 2022.

Financial Results

	Six months ended June 30,	
	2022	2021
	\$	\$
Exploration and evaluation expenses	5,435,831	3,245,196
General and administrative	5,086,708	4,038,649
Net loss and comprehensive loss	(10,460,137)	(7,866,015)
Basic and diluted loss per common share	(0.06)	(0.04)

Financial Position

	As at June 30, 2022 \$	As at December 31, 2021 \$
Cash on hand	19,494,000	27,324,459
Total assets	34,618,121	42,781,664
Total current liabilities	2,880,555	2,100,084
Shareholders' equity	31,043,925	39,968,502
Working capital	16,678,108	25,542,242

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Amaroq Minerals Ltd: Unaudited Condensed Interim Consolidated Financial Statements for the Three Months Ended June 30, 2022

**Consolidated Statements of Financial Position
(Unaudited, in Canadian Dollars)**

	Notes	As at June 30, 2022 \$	As at December 31, 2021 \$
ASSETS			
Current assets			
Cash		19,494,000	27,324,459
Sales tax receivable		84,429	51,250
Prepaid expenses and others		84,234	266,617
Total current assets		19,662,663	27,642,326
Non-current assets			
Deposit		27,944	9,805
Escrow account for environmental monitoring		397,115	424,637
Mineral properties	3	62,244	62,244
Capital assets	4	14,468,155	14,642,652
Total non-current assets		14,955,458	15,139,338
TOTAL ASSETS		34,618,121	42,781,664
LIABILITIES AND EQUITY			
Current liabilities			
Trade and other payables		2,810,526	2,049,249
Lease liabilities – current portion	5	70,029	50,835
Total current liabilities		2,880,555	2,100,084
Non-current liabilities			
Lease liabilities	5	693,641	713,078
Total non-current liabilities		693,641	713,078
Total liabilities		3,574,196	2,813,162
Equity			
Capital stock		88,595,905	88,500,205
Contributed surplus		4,740,583	3,300,723
Accumulated other comprehensive loss		(36,772)	(36,772)
Deficit		(62,255,791)	(51,795,654)
Total equity		31,043,925	39,968,502
TOTAL LIABILITIES AND EQUITY		34,618,121	42,781,664

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

**Consolidated Statements of Comprehensive Loss
(Unaudited, in Canadian Dollars)**

	Notes	Three months ended June 30,		Six months ended June 30,	
		2022	2021	2022	2021
Expenses					
Exploration and evaluation expenses	7	4,425,501	1,998,049	5,435,831	3,245,196

General and administrative	8	2,097,937	2,453,578	5,086,708	4,038,649
Foreign exchange loss (gain)		(173,880)	157,092	(26,693)	647,691
Operating loss		6,349,558	4,608,719	10,495,846	7,931,536
Other expenses (income)					
Interest income		(34,392)	(41,859)	(54,717)	(85,929)
Finance costs		9,473	10,103	19,008	20,408
Net loss and comprehensive loss		(6,324,639)	(4,576,963)	(10,460,137)	(7,866,015)

Weighted average number of common shares outstanding - basic and diluted	177,109,616	177,098,737	177,104,206	177,098,737
Basic and diluted loss per common share	(0.04)	(0.03)	(0.06)	(0.04)

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

Consolidated Statements of Changes in Equity
(Unaudited, in Canadian Dollars)

	Number of common shares outstanding	Capital Stock	Contributed surplus	Accumulated other comprehensive loss	Deficit	Total Equity
		\$	\$	\$	\$	\$
Balance at January 1, 2021	177,098,737	88,500,205	2,925,952	(36,772)	(27,106,415)	64,282,970
Net loss and comprehensive loss	-	-	-	-	(7,866,015)	(7,866,015)
Stock-based compensation	-	-	360,000	-	-	360,000
Balance at June 30, 2021	177,098,737	88,500,205	3,285,952	(36,772)	(34,972,430)	56,776,955
Balance at January 1, 2022	177,098,737	88,500,205	3,300,723	(36,772)	(51,795,654)	39,968,502
Net loss and comprehensive loss	-	-	-	-	(10,460,137)	(10,460,137)
Options exercised	110,000	95,700	(40,700)	-	-	55,000
Stock-based compensation	-	-	1,480,560	-	-	1,480,560
Balance at June 30, 2022	177,208,737	88,595,905	4,740,583	(36,772)	(62,255,791)	31,043,925

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

Consolidated Statements of Cash Flows
(Unaudited, in Canadian Dollars)

	Notes	Six months ended June 30,	
		2022	2021
		\$	\$
Operating activities			
Net loss for the period		(10,460,137)	(7,866,015)
Adjustments for:			
Depreciation	4	418,075	143,723
Stock-based compensation		1,480,560	360,000
Other expenses (income)		9,048	-
Foreign exchange		(13,571)	644,430
		(8,566,025)	(6,717,862)
Changes in non-cash working capital items:			
Sales tax receivable		(33,179)	(1,732)
Prepaid expenses and others		182,383	280,536
Trade and other payables		815,210	231,188
		964,414	509,992
Cash flow used in operating activities		(7,601,611)	(6,207,870)
Investing activities			
Acquisition of capital assets	4	(301,958)	(2,084,161)
Deposit on order		-	(3,474,030)
Cash flow used in investing activities		(301,958)	(5,558,191)
Financing activities			
Principal repayment – lease liabilities	5	(22,551)	(32,539)
Exercise of stock options		55,000	-
Cash flow from financing activities		32,449	(32,539)
Net change in cash before effects of exchange rate changes on cash during the period		(7,871,120)	(11,798,600)
Effects of exchange rate changes on cash		40,661	(482,763)
Net change in cash during the period		(7,830,459)	(12,281,363)
Cash, beginning of period		27,324,459	61,874,999
Cash, end of period		19,494,000	49,593,636
Supplemental cash flow information			
Interest received		54,717	85,929
Exercise of stock options credited to capital stock		40,700	-

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

Condensed Notes to the interim Consolidated Financial Statements
Three and six months ended June 30, 2022 and 2021
(Unaudited, in Canadian Dollars)

NATURE OF OPERATIONS, BASIS OF PRESENTATION

Amaroq Minerals Ltd. (the “Corporation”) (previously known as AEX Gold Inc.) 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. The Corporation’s financial year ends on December 31. Since July 2017, the Corporation’s shares are listed on the TSX Venture Exchange (the “TSX-V”) under the AMRQ ticker and since July 2020, the

Corporation's shares are also listed on the AIM market of the London Stock Exchange ("AIM") under the AMRQ ticker.

These unaudited condensed interim consolidated financial statements for the three and six months ended June 30, 2022 ("Financial Statements") were approved by the Board of Directors on August 24, 2022.

1.1 Basis of presentation

The Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") including International Accounting Standard ("IAS") 34, Interim Financial Reporting. The Financial Statements have been prepared under the historical cost convention.

The Financial Statements should be read in conjunction with the annual financial statements for the year ended December 31, 2021 which have been prepared in accordance with IFRS as issued by the IASB. The accounting policies, methods of computation and presentation applied in these Financial Statements are consistent with those of the previous financial year ended December 31, 2021.

2. CRITICAL ACCOUNTING JUDGMENTS AND ASSUMPTIONS

The preparation of the Financial Statements requires Management to make judgments and form assumptions that affect the reported amounts of assets and liabilities at the date of the Financial Statements and reported amounts of expenses during the reporting period. On an ongoing basis, Management evaluates its judgments in relation to assets, liabilities and expenses. Management uses past experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments. Actual outcomes may differ from these estimates under different assumptions and conditions.

In preparing the Financial Statements, the significant judgements made by Management in applying the Corporation accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Corporation's audited annual financial statements for the year ended December 31, 2021. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3. MINERAL PROPERTIES

	As at December 31, 2021	Additions	As at June 30, 2022
	\$	\$	\$
Nalunaq	1	-	1
Tartoq	18,431	-	18,431
Vagar	11,103	-	11,103
Naalagaaffiup Portornga	6,334	-	6,334
Nuna Nutaag	6,076	-	6,076
Saarloq	7,348	-	7,348
Anoritoog	6,389	-	6,389
Sava	6,562	-	6,562
Total mineral properties	62,244	-	62,244

	As at December 31, 2020	Additions	As at December 31, 2021
	\$	\$	\$
Nalunaq	1	-	1
Tartoq	18,431	-	18,431
Vagar	11,103	-	11,103
Naalagaaffiup Portornga	6,334	-	6,334
Nuna Nutaag	6,076	-	6,076
Saarloq	7,348	-	7,348

Anoritoq	6,389	-	6,389
Sava	6,562	-	6,562
Total mineral properties	62,244	-	62,244

4. CAPITAL ASSETS

	Field equipment and infrastructure	Vehicles and rolling stock	Equipment (including software)	Construc- tion In Progress	Right-of- use assets	Total
	\$	\$	\$	\$	\$	\$
Six months ended June 30, 2022						
Opening net book value	1,989,114	4,304,709	156,011	7,452,668	740,150	14,642,652
Additions	-	-	179,041	69,417	-	248,458
Adjustment	-	-	-	-	(4,880)	(4,880)
Depreciation	(129,183)	(219,223)	(29,895)	-	(39,774)	(418,075)
Closing net book value	1,859,931	4,085,486	305,157	7,522,085	695,496	14,468,155
As at June 30, 2022						
Cost	2,351,041	4,605,320	364,919	7,522,085	836,200	15,679,565
Accumulated depreciation	(491,110)	(519,834)	(59,762)	-	(140,704)	(1,211,410)
Closing net book value	1,859,931	4,085,486	305,157	7,522,085	695,496	14,468,155

4. CAPITAL ASSETS (CONT'D)

Depreciation of capital assets related to exploration and evaluation properties is being recorded in exploration and evaluation expenses in the consolidated statement of comprehensive loss, under depreciation. Depreciation of \$363,461 (\$98,632 for the six months ended June 30, 2021) was expensed as exploration and evaluation expenses during the six months ended June 30, 2022.

As at June 30, 2022, the Corporation had capital asset purchase commitments, net of deposit on order, of \$nil (\$6,030,167 as at June 30, 2021). These commitments related to purchases of equipment, infrastructure and vehicles.

As of June 30, 2022, the amount of \$7,522,085 of construction in progress is related to equipment and infrastructure received or in storage and which will be installed at the appropriate time. Equipment and infrastructure include process plant components that are not yet available for use.

5. LEASE LIABILITIES

	As at June 30 2022
	\$
Balance beginning	763,913
Principal repayment	(22,551)
Adjustment	22,308
Balance ending	763,670
Non-current portion – lease liabilities	(693,641)
Current portion – lease liabilities	70,029

6. STOCK OPTIONS

An incentive stock option plan (the “Plan”) was approved initially in 2017 and renewed by shareholders on June 16, 2022. The Plan is a “rolling” plan whereby a maximum of 10% of the issued shares at the time of the grant are reserved for issue under the Plan to executive officers, directors, employees and consultants. The Board of directors grants the stock options and the exercise price of the options shall not be less than the closing price on the last trading day, preceding the grant date. The options have a maximum term of ten years. Options granted pursuant to the Plan shall vest and become exercisable at such time or times as may be determined by the Board, except options granted to consultants providing investor relations activities shall vest in stages over a 12-month period with a maximum of one-quarter of the options vesting in any three-month period. The Corporation has no legal or constructive obligation to repurchase or settle the options in cash.

On January 17, 2022, the Corporation granted 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.

6. STOCK OPTIONS (CONT'D)

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. Total stock-based compensation costs amount to \$32,267 for an estimated fair value of \$0.44 per option. The fair value of the options granted was estimated using the Black-Scholes model with no expected dividend yield, 68.9% expected volatility, 2.7% risk-free interest rate and a 5-year term. The expected life and expected volatility were estimated by benchmarking comparable companies to the Corporation.

Changes in stock options are as follows:

Six months ended June 30, 2022		
	Number of options	Weighted average exercise price
		\$
Balance, beginning	6,935,000	0.51
Granted	4,173,333	0.60
Exercised	(110,000)	0.50
Balance, end	10,998,333	0.55
Balance, end exercisable	10,865,000	0.55

Stock options outstanding and exercisable as at June 30, 2022 are as follows:

Number of options outstanding	Number of options exercisable	Exercise price	Expiry date
		\$	
1,050,000	1,050,000	0.50	July 13, 2022 (expired)
1,360,000	1,360,000	0.45	August 22, 2023
1,820,000	1,820,000	0.38	December 31, 2025
100,000	33,333	0.50	July 5, 2026
100,000	33,333	0.50	September 13, 2026
1,495,000	1,495,000	0.70	December 31, 2026
4,100,000	4,100,000	0.60	January 17, 2027
900,000	900,000	0.59	December 31, 2027
73,333	73,333	0.75	April 20, 2027
10,998,333	10,864,999		

7. EXPLORATION AND EVALUATION EXPENSES

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
	\$	\$	\$	\$
Geology	651,211	562,416	805,632	705,954
Lodging and on-site support	35,255	64,523	35,255	64,523
Underground work	-	18,588	-	18,589
Drilling	1,250,066	287,760	1,290,527	287,760
Analysis	-	5,362	141,382	84,581
Transport	54,076	21,455	143,215	22,413
Supplies and equipment	360,158	-	360,158	-
Helicopter charter	442,824	109,024	442,824	109,024
Logistic support	90,356	64,913	102,108	86,114
Insurance	(13,200)	45	-	8,707
Maintenance infrastructure	1,373,127	-	1,743,375	-
Project Engineering costs	-	804,267	-	1,736,133
Government fees	-	10,380	7,894	22,766
Depreciation	181,628	49,316	363,461	98,632
Exploration and evaluation expenses	4,425,501	1,998,049	5,435,831	3,245,196

8. GENERAL AND ADMINISTRATION

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
	\$	\$	\$	\$
Salaries and benefits	601,769	667,453	1,241,768	1,054,961
Stock-based compensation	36,698	360,000	1,480,560	360,000
Director's fees	157,000	116,879	314,000	236,379
Professional fees	748,904	690,594	1,024,612	1,246,949
Marketing and industry involvement	133,811	190,609	302,678	356,332
Insurance	104,651	148,377	205,670	266,342
Travel and other expenses	238,656	172,156	384,571	302,365
Regulatory fees	43,971	84,965	78,235	170,230
Depreciation	32,477	22,545	54,614	45,091
General and administration	2,097,937	2,453,578	5,086,708	4,038,649

9. SUBSEQUENT EVENTS

9.1 Options granted

On July 14, 2022, the Corporation granted an employee 39,062 stock options with an exercise price of \$0.64 and expiry date of July 14, 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.

9.2 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.

9.3 ACAM LP To Invest Upfront Capital in Strategic Mineral Asset Joint Venture with Amaroq

On June 10, 2022, the Corporation announced that it has now signed a non-binding head of terms with ACAM LP ("ACAM") to establish a special purpose vehicle (the "SPV") and create a joint venture (the "JV") for the exploration and development of its Strategic Mineral assets for a combined contribution of GBP36.7 million (circa \$58.0 million). Subject to negotiation of the final terms of the JV, ACAM will invest GBP18.0 million (circa \$28.5 million) in exchange for a 49% shareholding in the SPV, with Amaroq holding 51%. Amaroq is expected to contribute its Strategic non-precious Mineral (i.e. non-gold) licences as well as a contribution in kind, valued, in aggregate, at GBP18.7 million (circa \$29.5 million) in the form of site support, logistics and overhead costs associated with utilizing its existing infrastructure in Southern Greenland to support the JV's activities. The transfer of these licences is subject to approval from the Greenland Government. An option for further future funding of GBP10.0 million (circa \$16.0 million) is to be available on the achievement of agreed milestones.

Further Information:

About Amaroq Minerals

Amaroq Minerals' principal business objectives are the identification, acquisition, exploration, and development of gold and strategic metal properties in Greenland. The Company's principal asset is a 100% interest in the Nalunaq Project, an advanced exploration stage property with an exploitation license including the previously operating Nalunaq gold mine. The Corporation has a portfolio of gold and strategic metal assets covering 7,615.85km², the largest mineral portfolio in Southern Greenland covering the two known gold belts in the region. Amaroq Minerals is incorporated under the *Canada Business Corporations Act* and wholly owns Nalunaq A/S, incorporated under the *Greenland Public Companies Act*.

Forward-Looking Information

This press release contains forward-looking information within the meaning of applicable securities legislation, which reflects the Company's current expectations regarding future events and the future growth of the Company's business. In this press release there is forward-looking information based on a number of assumptions and subject to a number of risks and uncertainties, many of which are beyond the Company's control, that could cause actual results and events to differ materially from those that are disclosed in or implied by such forward-looking information. Such risks and uncertainties include but are not limited to the factors discussed under "Risk Factors" in the Final Prospectus available under the Company's profile on SEDAR at www.sedar.com. Any forward-looking information included in this press release is based only on information currently available to the Company and speaks only as of the date on which it is made. Except as required by applicable securities laws, the Company assumes no obligation to update or revise any forward-looking information to reflect new circumstances or events. No securities regulatory authority has either approved or disapproved of the contents of this press release. Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Inside Information

This announcement contains inside information for the purposes of Article 7 of the UK version of Regulation (EU) No. 596/2014 on Market Abuse ("UK MAR"), as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018, and Regulation (EU) No. 596/2014 on Market Abuse ("EU MAR").

Qualified Person Statement

The technical information presented in this press release has been approved by James Gilbertson CGeol, VP Exploration for Amaroq Minerals and a Chartered Geologist with the Geological Society of London, and as such a Qualified Person as defined by NI 43-101.