



Amaroq Minerals Ltd.

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2022

Amaroq Minerals Ltd.

Management Discussion & Analysis

For the year ended December 31, 2022

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Amaroq Minerals Ltd.

Management Discussion & Analysis

For the year ended December 31, 2022

The following management discussion and analysis (the “MD&A”) of the financial condition and results of the operations of Amaroq Minerals Ltd. (the “Corporation” or “Amaroq”) (previously known as AEX Gold Inc.) constitutes management’s review of the factors that affected the Corporation’s financial and operating performance for the year ended December 31, 2022. This MD&A should be read in conjunction with the Corporation’s audited consolidated financial statements for the year ended December 31, 2022 (the “Financial Statements”), which are prepared in accordance with the International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). All figures are in Canadian dollars unless otherwise noted. This MD&A is current as of March 30, 2023.

The MD&A contains forward-looking statements not based on historical facts. Forward-looking statements express, as of the date of this report, our estimates, forecasts, projections, expectations and opinions as to future events or results. Forward-looking statements herein expressed are reasonable, but involve a number of risks and uncertainties, and there can be no guarantee that such statements will prove to be accurate. Therefore, actual results and future events could differ materially from those anticipated in such statements. Factors that could cause results or events to differ materially from current expectations expressed or implied by the forward-looking statements include, but are not limited to; economic conjuncture, fluctuations in the market price of precious metals, mining industry risks, uncertainty as to the calculation of mineral reserves and requirements of additional financing and the capacity of the Corporation to obtain financing.

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
2020	January 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
2023	January 1, 2023 to December 31, 2023

1. NATURE OF ACTIVITIES

Amaroq 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 are listed (under the AMRQ ticker) on the TSX Venture Exchange (the “TSX-V”), since July 2020, the Corporation’s shares are also listed on the AIM market of the London Stock Exchange (“AIM”) and from November 1, 2022, on Nasdaq First North Growth Market Iceland (“Nasdaq”).

Amaroq is focused on the development of the cornerstone Nalunaq Project as the means to become self-funded, unlock the true mineral potential of its large licence holdings in Greenland and deliver significant value to all stakeholders. The Corporation is actively exploring what we believe to be world class gold deposits in Vagar and Nanoq and through the recently announced joint venture with ACAM (the “Joint Venture” or “JV”), will expand its focus on exploring for strategic minerals in Sava, Stendalen, Paatusoq and Kobberminebugt to potentially fill the growing supply gap.

2. CORPORATE UPDATE

2.1 Highlights of the 2022 work programme and results

The 2022 Nalunaq drilling programme consisted of 9,119 m of diamond core drilling across 46 drillholes. The objectives of the drill programme were to infill the existing resource and test an up-dip extension of the Valley Block ore-shoot. Of these drillholes, 42 or 92% intersected the Main Vein, and 9 of these intersections contained visible gold. The 2022 drill results extend the high grade core of Valley Block up-dip by around 300 m. In addition to this drilling surface channel samples confirmed thick high-grade Main Vein intersections up to 1.05 m @ 98.6 g/t Au around 100 m vertically up-dip of historic underground workings in Mountain Block.

In addition to the Main Vein drillhole intersections at the Valley Block, additional mineralised vein structures were encountered in the hanging wall. One of these veins, termed the JLP Vein, was identified in multiple drillholes and graded up to 50 cm at 3.85 g/t Au. The extent and potential of additional veins series will be assessed further during 2023, including by drilling.

Alongside the drilling, Amaroq have been assessing all areas of the mine to further the understanding of the geological model and while working with SRK Consulting, the Corporation has produced a Mineral Resource estimate (MRE) update, as of 3rd September 2022, for the project resulting in 355 kt @ 28 g/t Au for 320 koz contained gold in the Inferred category which is a 30% increase in resources and 50% increase in grade from the previous estimate produced in 2020. This estimate incorporates all drilling up to and including results from the 2021 field season.

Following the completion of this new MRE, Amaroq have commenced a bulk sample option study to assess the most technically- and cost-effective location and technique for constructing a new access to the orebody. The objective is to sample the mineralisation at a mine scale in order to allow the Corporation to update the confidence and allow for Ore Reserve estimation. This would have the additional benefit of producing a bulk sample that can be third party treated toward cashflow generation, as well as establishing infrastructure to facilitate the transition to full scale mining.

At Vagar Ridge, four diamond drillholes were completed for a total of 1,445 m. Anomalous gold concentrations were intersected in all holes, and along with surface mapping and sampling, this programme has enhanced Amaroq's understanding of gold mineralisation in the licence, which will inform field work within the Vagar licence in 2023, and future drilling campaigns.

At Sava, two scout diamond drillholes were completed for a total of 382 m. One hole drilled at Target West intersected 21 metres of continuous low-grade copper sulphide mineralisation from surface. Surface sampling around Target West returned anomalous grades of copper and high grades of molybdenum in quartz veins and altered granites. Molybdenite in quartz veins was dated and placed at the end of the Ketilidian orogeny which is considered an important time period for ore formation. Results suggest the potential for a large IOCG (Iron Ore, Copper Gold) or Copper porphyry mineral system to be located within the licence. A significant surface sampling programme is planned for the 2023 field season, along with up to 3,000 m of diamond drilling at Target West and other targets in the licence area. A remote sensing study identified an additional 33 targets with IOCG and porphyry mineralisation signatures across licences held or under application by Amaroq.

In the Kobberminebugt licence, the historic mine workings at Josva and Lilian were visited in 2022. A detailed drone survey was flown at Josva to map geological contacts and surface mineralisation. Samples of the main Josva vein returned up to 11.6 % Cu over 0.5 m. Minor gold and silver grades were also reported. Copper mineralisation was confirmed to be skarn related which increases the potential for greater tonnages to be found along strike of Josva or related to the regional granite contact zone which will be further explored in 2023.

High resolution geophysical surveys (magnetics, radiometrics and gravity) were flown by New Resolution Geophysics (NRG) at the North Sava and Siku licences. Results are currently being interpreted by the Amaroq geology team and external consultants and conclusions are expected to be announced in Q2-23.

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2. CORPORATE UPDATE (CONT'D)

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 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 market capitalisation of the Corporation as at the date of the agreement. Orano has a right of first refusal on any sales or transfer of licences. The Government of Greenland approved the transfer of licences to Nalunaq A/S on November 14, 2022.

2.3 Capital Fundraising and First North Listing

On November 3, 2022, the Corporation successfully completed a Capital Fundraising and listing on the Nasdaq First North Growth Market in Iceland. Net proceeds of \$42,981,982 from the Fundraising will be used to expand and delineate the resource base at the Corporation's cornerstone Nalunaq gold project in south Greenland and progress the asset towards mine construction, as well as provide funding to accelerate exploration across the Corporation's significant portfolio of gold assets and other corporate purposes and sits alongside ACAM's Joint Venture investment.

As a result of the raise, a total of 85,714,285 new common shares have been placed with new and existing investors at a price of GBP 0.35 per share for subscriptions made in British pounds sterling, \$0.54 per share for subscription made in Canadian dollars and ISK 56.77 per share for subscription made in Icelandic Krona, raising gross proceeds of \$46 million (GBP 30 million, ISK 4.9 billion). The total Fundraising comprised 53,734,633 Icelandic Depositary Receipts placed as part of the Icelandic Placing, 18,493,925 common shares pursuant to the UK Placing and 13,485,727 common shares of the Corporation pursuant to the Canadian Subscription, which have been issued and admitted to trading on AIM and the TSX-V. Arion Bank hf. and Landsbankinn hf. acted as agents in connection with the Icelandic Fundraising. In consideration for their services, the agents received a cash commission equal to \$1,668,318. Stifel Nicolaus Europe Limited ("Stifel") acted as sole bookrunner, nominated adviser and broker on the UK Placing and Panmure Gordon (UK) Limited ("Panmure Gordon"); together with Stifel, the "UK Banks" acted as manager and broker in relation to the UK Placing. In consideration for their services, they received a cash commission equal to \$451,311. The Corporation incurred total issuance costs of \$3,331,569 in relation to this process.

Certain officers and directors of the Corporation purchased an aggregate of 4,972,871 common shares for gross proceeds of \$2,700,132. The officers and directors of the Corporation subscribed to the Fundraising under the same terms and conditions as set forth for all subscribers.

The total Fundraising Shares represent approximately 33 per cent of the Corporation's enlarged share capital after the completion of the Fundraising. The first day of trading on First North Iceland was November 1, 2022.

2.4 ACAM Joint Venture

The Capital Fundraising is complemented by a joint venture between the Corporation and ACAM, under which the Corporation will establish a strategic mineral focused exploration subsidiary ("Gardaq ApS") to hold certain licences in which the majority of resource is expected to relate to non-gold minerals. Under the terms of the agreement, any gold mineralisation discovered by the Joint Venture entity during the course of exploration activities in these licences, will be offered back to the Corporation.

2. CORPORATE UPDATE (CONT'D)

ACAM, through its affiliate company GCAM, LP, will invest an initial amount of \$28.5 million (GBP 18 million) under a subscription and shareholders' agreement in return for shares in the subsidiary representing up to 49%, to solely fund exploration work programmes. The Corporation will invest \$7.7 million (GBP 5 million) under the Subscription and Shareholders' Agreement, with such amount to be set-off against corporate overhead costs incurred by Nalunaq A/S as the subsidiary's project manager.

The Subscription and Shareholders' Agreement has been signed and placed into escrow and will be released and become effective subject to satisfaction of certain conditions, expected to be satisfied by April 30 2023.

Under the Subscription and Shareholders' Agreement, the JV Company has agreed to grant a right of first refusal to the Corporation in relation to any of the JV Company's licences in Greenland which it does not wish to progress, wishes to withdraw from or on which material gold assets are discovered, and the Corporation has agreed to grant a right of first refusal to the JV Company in relation to any of the Corporation's mineral licences which it does not wish to progress, wishes to withdraw from or on which material non-gold assets are discovered.

2.5 AMAROQ Restricted Share Unit Plan

The Compensation Committee believes that the success of the Corporation will depend to a high degree on the future performance of the Senior Executives in executing the Corporation's growth strategy. As signalled in our AIM Admission document and now approved, the Corporation has implemented a Restricted Share Unit Plan ("RSU") to incentivize delivery of this strategy and to align the interests of Senior Executives with those of shareholders.

Under the RSU, participants will share in a "RSU pool" of up to 10% in excess of the growth in the Corporation's value. The Corporation's value for purposes of the "RSU pool" will be determined using a hurdle rate of 10% pa over a performance period commencing on January 1, 2022. Part of the RSU pool will be reserved for future participants. Growth in value will be based on the change in share price, with an adjustment for any dividends paid during the period (to the extent such distributions are made), based on the same number of shares in issue at the start of the performance period. Awards were granted to participants on December 30, 2022.

2.6 US\$49.5M Debt Financing (the "Financing") and Potential Main Market Listing in Iceland

On March 28, 2023, the Corporation has signed non-binding term sheets for a US\$49.5 million senior secured financing package consisting of:

- US\$18.5 million Senior Debt Revolving Credit Facility ("RCF") with Icelandic banks Landsbanki and Fossar Investment Bank, with a two-year term and interest at the Secured Overnight Financing Rate (SOFR) plus 950bps. The RCF has a 2% arrangement fee and a 0.4% commitment fee on unutilized amounts.
- Up to US\$21 million Syndicated Convertible Notes ("Convertible Note") with an affiliate of ACAM LP, JLE Property Ltd, Livermore Partners and First Pecos with a four-year term, payment-in-kind interest of 5% per annum and a conversion price of 42 pence/share.
 - ACAM LP's main investors are the majority ultimate beneficial owners of GCAM LP.
- US\$10 million, two-year Cost Overrun loan by JLE Property Limited on the same terms as the Convertible Note, plus a 2.5% commitment fee on unutilized amounts, to insure against any potential unexpected cost increases.

The Financing, together with existing capital, is expected to enable the transition from bulk sample stage to trial mining, processing and production of gold doré on site at Nalunaq in a staged approach, ahead of full-scale production. The Corporation will finalise the Financing's legally binding documentation and expects to be in a position to sign binding documents within the next three months.

2. CORPORATE UPDATE (CONT'D)

Alongside the Financing, with a defined path to cashflow, and strong Icelandic investor support, the Corporation intends to explore the possibility of a main market listing on Iceland's Nasdaq Exchange and will update on progress and timing in due course.

2.7 Next 12 months outlook

The main focus for the Corporation will be:

Nalunaq Project Development

1. **Resource Drilling** – commencing in May 2023, a series of drillholes will be conducted at the Mountain Block up-dip from the proposed new mine development in order to increase resources and confidence and ahead of future mine operations
2. **Site Preparation** – June to August, the site will undergo logistical planning, detailed engineering design, mobilisation of equipment and project teams in preparation for underground development as well as construction of associated infrastructure.
3. **Mine Preparation** – August to January, following the mobilisation of equipment and personnel, the existing developments in the Mountain Block will be re-opened and rehabilitated with all required mining services installed.
4. **Mine Operation** – January 2024 onwards, the Corporation intends to commence new operation within the Mountain Block with trial mining an ore production feeding an initial stage (gravity circuit) trial processing facility constructed on the valley floor.
5. In addition to this programme, surface and underground exploration will continue across the three other mine areas in order to define further future mine headings.

Gold Projects Exploration

1. **Vagar Ridge** – the Corporation aims to collect further data and conduct a further ground exploration programme as well as drill preparation at Vagar Ridge to construct a geological model in readiness for a more substantial drill programme in 2024.
2. **Nanoq** – following the review of the 2022 results, the Corporation intends to review a number of further structural target areas and conduct surface exploration in order to characterize the mineralization. A programme of a drill preparation is also intended to assist with site readiness for initial drilling during 2024.

Strategic Minerals Exploration

1. **Sava Copper Belt** – the successful 2022 scout drilling and geological mapping programme at Sava will be expanded to two drill rigs assessing mineralisation style and extend across the observed mineralisation, guided by a number of external Iron Ore Copper Gold (IOCG) experts. This 2023 programme will also incorporate the North Sava licence and the targets developed there from the 2022 geophysical and remote sensing surveys. In parallel and detailed airborne geophysical survey will be conducted across the Kobberminebugt licence area aimed to develop further skarn targets following the characterisation of the mineralisation seen at Josva completed in 2022. These programmes will be continued or expanded into the 2024 season.
2. **Stendalen** – a detailed magnetotellurics (MT) geophysical survey will be conducted across the extend of the layered intrusion hosted at Stendalen in ordered to signature sulphide mineralisation at depth. Following the completion of this programme a deep stratigraphic drillhole will be conducted in August/September 2023 to intersect the known Ti/V mineralisation as well as any potential Ni sulphide mineralisation observed in the MT survey. The 2024 objectives will then be to build upon these intersections in order to understand the true extend of the mineralisation hosted.
Paatasoq – utilising external expertise in Gardar geology, the Corporation will conduct a reconnaissance exploration programme across Paatasoq and the previously identified targets developed from the 2022 desk-based research. The objective will be to identify areas of potential economic Rare Earth and Niobium mineralisation within the intrusion complex.

2. CORPORATE UPDATE (CONT'D)

3. **Saqqaa Dyke** – located within the Nalunaq Valley, the Corporation intend to complete a small drilling campaign from the valley floor to intersect the PGE/Au hosting ultramafic dyke along strike from the outcropping mineralisation guided by the previously completed ground geophysical survey.

Renewable Energy Potential in Greenland

The Corporation will conduct prefeasibility studies to determine South Greenland hydro power potential of supplying that energy to Nalunaq mine and South Greenland community.

Operational Technology and MoU with AB Dynamics PLC (ABD Solutions)

The Corporation continue to pursue its strategic alliance with ABD Solutions for the integration of autonomous vehicles at Nalunaq. It is proposed that over the next 12 months an operations room and associated infrastructure is designed and constructed off site with a series of vehicles undergoing trial conversions before being shipped to site for commission during the second half of 2024.

Supply Chain Services in Greenland

The Corporation will work with a Group Purchasing Organization (GPO) partner specialized in supply chain management for the mining companies to develop a strategic execution model and a blueprint for a Greenlandic GPO leveraging Amaroq's first-hand experience in effectively operating in remote logistically challenging conditions.

3. PROPERTY ACQUISITION

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

Kobberminebugt Licence - Strategic Minerals

The Corporation acquired the right to conduct exploration activities on approximately 220 km² 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 Kobberminebugt. 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.

Siku Licence - Gold

The exploration rights have been granted to the Corporation under a new separate Exploration Licence 2022/08, referred to as Siku. The licence application has been approved and all required documentation was signed by the Corporation on May 10, 2022, and the licence became effective on June 3, 2022 when it was signed by the Government of Greenland. The Corporation acquired the right to conduct exploration activities on approximately 251 km² of land in an area between the Nanoq and Jokum's Shear project on the east coast of South Greenland.

Stendalen Licence - Strategic Minerals

The Corporation acquired the right to conduct exploration activities on approximately 2,486 km² of the existing 2021/11 licence through its acquisition from Orano as announced on May 12, 2022. The licence is split into two areas around the Qasingortoq and Kangerlussuatsiaq areas of South Greenland, and is collectively referred to as the Stendalen licence. All related transfer application documents have been signed by the Corporation and the licence became effective on November 14, 2022 when it was signed by the Government of Greenland.

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3. PROPERTY ACQUISITION (CONT'D)

North Sava Licence - Strategic Minerals

The Corporation acquired the right to conduct exploration activities on approximately 1,042 km² of the existing 2020/41 licence through its acquisition from Orano as announced on May 12, 2022. The licence is split into two areas around the Akuliarutsip and Narsaviarsuasiit areas of South Greenland and is collectively referred to as the North Sava licence. All related transfer documents have been signed by the Corporation and the licence became effective on November 14, 2022 when it was signed by the Government of Greenland.

West Greenland Prospecting Licence

Non-exclusive prospecting rights have been granted to the Corporation under a new Prospecting Licence 2022/77. The licence application has been approved and all required documentation was signed by the Corporation on October 14, 2022 and the licence became effective on October 28, 2022 when it was signed by the Government of Greenland. The Prospecting Licence covers areas in West Greenland, defined as areas south of 78°N and west of 44°W.

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:

	Q4-22	Q4-21	2022	2021
	\$	\$	\$	\$
Nalunaq - Au				
Geology	165,563	911,031	1,001,263	2,332,281
Lodging and on-site support	6,350	248,315	170,024	479,921
Underground works	-	69,499	-	118,017
Drilling	-	2,489,396	2,962,491	3,647,452
Analysis	43,401	16,322	205,304	120,548
Transport	34,647	1,005	222,546	35,324
Supplies and equipment	10,332	-	484,461	1,998
Helicopter Charter	19,545	(530,145)	221,039	181,069
Logistic support	230,183	445,784	904,310	1,009,553
Insurance	-	-	-	41,197
Maintenance infrastructure	37,781	-	2,401,358	-
Project Engineering costs	35,946	1,967,059	35,946	3,753,320
Government fees	-	132,513	2,584	137,453
Depreciation	175,153	177,099	721,072	299,771
	758,901	5,927,878	9,332,398	12,157,904
Tartoq - Au				
Geochemistry	-	80,631	-	80,631
Geology	-	6,076	-	19,413
Lodging and on-site support	-	-	-	248
Drilling	-	130	-	130
Transport	-	-	-	957
Government fees	-	-	-	8,419
	-	86,837	-	109,798

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4. EXPLORATION AND EVALUATION EXPENSES (CONT'D)

	Q4-22	Q4-21	2022	2021
	\$	\$	\$	\$
Vagar - Au				
Geochemistry	-	(290,008)	-	227,764
Geology	20,909	(22,710)	54,524	427,903
Lodging and on-site support	5,952	-	20,900	-
Drilling	-	-	611,610	-
Analysis	85,252	-	86,765	1,250
Transport	2,111	-	84,644	-
Supplies and equipment	9,686	-	21,247	-
Helicopter Charter	-	124,843	424,586	124,843
Logistic support	4,745	-	62,777	-
Maintenance infrastructure	35,420	-	62,431	-
Project Engineering costs	-	14,015	-	20,461
Government fees	-	-	7,893	8,419
	164,075	(173,860)	1,437,377	810,640
Nuna Nutaag - Au				
Geology	12,082	76,440	30,992	113,309
Lodging and on-site support	1,984	-	4,546	-
Analysis	-	-	-	469
Geophysics survey	172,033	-	364,827	-
Transport	704	-	2,028	-
Supplies and equipment	3,229	-	5,211	-
Helicopter Charter	-	128,328	-	128,328
Logistic support	1,582	-	11,530	-
Maintenance infrastructure	11,807	-	16,437	-
Project Engineering costs	-	21,039	-	21,039
	203,421	225,807	435,571	263,145
Anoritoq - Au				
Geology	8,364	51,285	17,966	57,905
Lodging and on-site support	2,381	-	6,652	-
Analysis	775	-	1,208	-
Transport	844	-	3,052	-
Supplies and equipment	3,874	-	7,178	-
Helicopter Charter	-	11,772	19,850	11,772
Logistic support	1,898	-	18,478	-
Maintenance infrastructure	14,168	-	21,886	-
Project Engineering costs	-	1,927	-	1,927
	32,304	64,984	96,270	71,604
Naalagaaffiup Portornga – Strategic Minerals				
Geology	-	-	-	1,105
				1,105
Saarloq – Strategic Minerals				
Geology	-	-	1,919	6,620
Lodging and on-site support	-	-	854	-
Analysis	-	-	87	-
Transport	-	-	442	-
Supplies and equipment	-	-	661	-
Logistic support	-	-	3,316	-
Maintenance infrastructure	-	-	1,544	-
	-	-	8,823	6,620

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4. EXPLORATION AND EVALUATION EXPENSES (CONT'D)

	Q4-22	Q4-21	2022	2021
	\$	\$	\$	\$
Sava – Strategic Minerals				
Geochemistry	-	292,883	-	292,883
Geology	32,275	68,400	75,596	219,458
Lodging and on-site support	7,936	-	29,413	-
Drilling	-	-	144,019	-
Analysis	24,801	-	25,060	-
Transport	2,814	-	37,154	-
Supplies and equipment	12,914	-	20,959	-
Helicopter Charter	-	295,147	267,957	295,147
Logistic support	6,327	-	16,275	-
Maintenance infrastructure	47,226	-	83,558	-
	134,293	656,430	699,991	807,488
Kobberminebugt – Strategic Minerals				
Geology	11,151	-	16,914	-
Lodging and on-site support	3,175	-	5,737	-
Analysis	775	-	1,035	-
Transport	1,126	-	2,450	-
Supplies and equipment	5,166	-	7,148	-
Helicopter Charter	-	-	13,072	-
Logistic support	2,531	-	12,479	-
Maintenance infrastructure	18,890	-	23,521	-
	42,814	-	82,356	-
Stendalen – Strategic Minerals				
Geology	16,360	-	20,202	-
Lodging and on-site support	3,968	-	5,676	-
Analysis	-	-	173	-
Transport	1,407	-	2,290	-
Supplies and equipment	6,457	-	7,779	-
Logistic support	3,164	-	9,796	-
Maintenance infrastructure	23,613	-	26,700	-
	54,969	-	72,616	-
North Sava – Strategic Minerals				
Geology	32,994	-	34,912	-
Lodging and on-site support	7,936	-	8,791	-
Geophysics survey	196,346	-	416,177	-
Transport	2,814	-	3,256	-
Supplies and equipment	12,914	-	13,575	-
Logistic support	6,327	-	9,643	-
Maintenance infrastructure	47,226	-	48,770	-
	306,557	-	535,124	-
Genex				
Geology	-	11,039	-	11,039
Helicopter Charter	-	33,302	-	33,302
Project Engineering costs	-	5,461	-	5,461
Government fees	-	962	-	1,949
	-	50,764	-	51,751

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4. EXPLORATION AND EVALUATION EXPENSES (CONT'D)

	Q4-22	Q4-21	2022	2021
	\$	\$	\$	\$
Total				
Geochemistry	-	83,506	-	601,278
Geology	299,698	1,101,561	1,254,288	3,189,033
Lodging and on-site support	39,682	248,315	252,593	480,169
Underground works	-	69,499	-	118,017
Drilling	-	2,489,526	3,718,120	3,647,582
Analysis	155,004	16,322	319,632	122,267
Geophysics survey	368,379	-	781,004	-
Transport	46,467	1,005	357,862	36,281
Supplies and equipment	64,572	-	568,219	1,998
Helicopter Charter	19,545	63,247	946,504	774,461
Logistic support	256,757	445,784	1,048,604	1,009,553
Insurance	-	-	-	41,197
Maintenance infrastructure	236,131	-	2,686,205	-
Project Engineering costs	35,946	2,009,501	35,946	3,802,208
Government fees	-	133,475	10,477	156,240
Depreciation	175,153	177,099	721,072	299,771
Total exploration and evaluation expenses	1,697,334	6,838,840	12,700,526	14,280,055

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 - Gold

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 world's largest island 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.

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. On the 14th and 15th December 2022 the Corporation signed Addendum 6 to the Nalunaq licence which amended certain of the milestone dates pertaining to the licence including commencing exploitation by 1 January 2026; preparing an Environmental; Impact Assessment and Social Impact Assessment by 31 December 2023; negotiating, concluding and performing an Impact Benefit Agreement by 31 December 2024 and not later than 31 December 2025 agreeing an amendment to the licence to include the terms on royalty. The addendum will become effective when it is signed by the Government of Greenland.

4. EXPLORATION AND EVALUATION EXPENSES (CONT'D)

b) Nalunaq exploration results

The 2022 Nalunaq drilling programme consisted of 9,119 m of diamond core drilling across 46 drillholes. Most drillholes were collared from two new mountain access roads that were completed ahead of schedule by the end of June 2022. The objectives of the drill programme were to infill the existing resource and test an up-dip extension of the Valley Block ore-shoot. Of these drillholes, 42 or 92% intersected the Main Vein, a testament to the improved exploration efficiency from the Corporation's robust geological modelling over the last 24 months. Three of the remaining five drillholes did not reach the depth of the Main Vein due to poor ground conditions and Amaroq will review if these will be redrilled during the 2023 exploration programme.

In addition to the Main Vein intersections at the Valley Block, an additional mineralised vein structure was encountered in the hanging wall. This hanging wall vein, termed the JLP Vein, is more consistent than previously identified veins stratigraphically above the Main Vein and graded up to 50 cm at 3.85 g/t Au. The extent and potential of hanging wall veins will be assessed further during 2023.

Surface channel samples taken near existing underground infrastructure in the Mountain Block confirmed thick, high-grade intersections of up to 98.6 g/t Au. This provides the Corporation with additional confidence in the resource extension in this area of the mine ahead of its bulk sampling program scheduled for 2023.

All samples were submitted to a new Containerised Preparation Laboratory (CPL) built and operated by ALS Geochemistry on site at Nalunaq. The commissioning of the facility allows Amaroq to reduce assay result turn around time and sample shipment costs.

Alongside the drilling, Amaroq have been assessing all areas of the mine to further the understanding of the geological model and while working with SRK Consulting, the Corporation has produced a Mineral Resource Estimate (MRE) update for the project resulting in 355 kt @ 28g/t Au for 320 koz contained gold in the Inferred category which is a 30% increase in resources and 50% increase in grade from the previous estimate produced in 2020. This estimate incorporates all drilling up to and including results from the 2021 field season.

Following the completion of this new MRE, Amaroq have commenced a bulk sample option study to assess the most technically- and cost-effective location and technique for constructing a new access to the orebody. The objective is to sample the mineralisation at a mine scale in order to allow the Corporation to update the confidence and allow for Reserve estimation. This would have the additional benefit of producing a bulk sample that can be third party treated toward cashflow generation, as well as establishing infrastructure to facilitate the transition to full scale mining.

In 2023 additional diamond drilling will target up-dip extensions of Main Vein in Mountain Block, aiming to increase the Inferred Resource envelope and overall Mineral Resources up dip of the area being considered for a potential bulk sample in 2023. The same holes are planned to intersect potential hanging wall and footwall veins which have been identified in drone images of the North Face of Nalunaq mountain. At the time of writing, approximately 2,000 – 2,500 m of surface diamond drilling is planned at Nalunaq in 2023.

4. EXPLORATION AND EVALUATION EXPENSES (CONT'D)

4.2 Tartoq - Gold

a) Property description

The exploration project on the Tartoq Property as described in the 2017 Tartoq NI 43-101 Report (the "Tartoq Exploration Project") is comprised of the area covered by the Mineral Exploration Licence 2015/17 (the "Tartoq Licence") in which Nalunaq A/S holds an undivided 100% interest. The Tartoq 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 Tartoq 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 Tartoq 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 Tartoq Exploration Project flanks the Sermiligaarsuk 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.

b) Exploration work

No field work was conducted on the project during 2022. Desktop work across the asset has continued towards developing an exploration development plan. In 2023 the Corporation intends to review all compiled data and construct 3D models which may aid targeting for gold and strategic metals within the licence.

4.3 Vagar - Gold

a) Property description

Following the purchase of this licence from NunaMinerals A/S on February 6, 2017, 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.

4. EXPLORATION AND EVALUATION EXPENSES (CONT'D)

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

During 2022 Amaroq completed 1,445 m of scout core drilling in four drillholes at the Vagar Ridge target, with the objective of understanding the extent and styles of mineralisation present. This drilling was supplemented with systematic surface sampling and geological mapping across the Vagar Ridge and East Ridge areas in order to develop understanding of lithologies and controlling structures in areas of potential Intrusion Related Gold mineralisation. The originally planned 2,000 m programme was hampered by unseasonable weather conditions and issues that will be remedied in future drilling seasons by establishment of temporary camps closer to the drill sites.

All cores were logged at Nalunaq, with samples submitted to the CPL and sent on to ALS labs in Ireland for assaying. Results were announced on February 7, 2023. Minor anomalous gold concentrations were intersected in all holes, and this programme has enhanced Amaroq's understanding of gold mineralisation in the licence, which will inform field work on the property in 2023, and future drilling campaigns.

Work in 2023 and future seasons is likely to focus on remaining untested targets in the Vagar Ridge area, in addition to the other five high priority targets identified in a structural interpretation of the 2021 licence wide airborne geophysics survey.

c) Exploration work - Saqqaa Dyke

Within the Nalunaq East sub area of the Vagar licence, the Saqqaa 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 with a number of ground geophysical lines conducted to signature the body in the valley and hence illustrate its strike extend.

No further exploration has been conducted on the project during 2022. Up to 400 m of scout drilling may be carried out on the project in the 2023 field season, making use of available rigs at the nearby Nalunaq project. These holes would be drilled from the Nalunaq mine access road, targeting magnetic anomalies from the 2021 ground-geophysics lines.

4.4 Nuna Nutaaq - Gold

a) Property description

Amaroq has been granted exclusive exploration rights under a Mineral Exploration 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.

4. EXPLORATION AND EVALUATION EXPENSES (CONT'D)

b) Exploration work - Nørrearm

A graphite-sulphide horizon discovered in 2019 was revisited in 2021 to further assess the form and extent of this mineralised body. A large (>50kg) sample was collected and dispatched to Wardell Armstrong for preliminary ore characterisation, grind test work and metallurgical test work, including characterising the flake size, in order to assess likely mineral processing characteristics.

The results of the sample analysis gives a fairly consistent Carbon grade from the graphite content across the sample fractions of 4 - 6 wt%. The flake size is of key interest and was found to be relatively fine with a D80 of 217 µm and D50 of 85µm. This means the material will require significant milling to liberate the graphite, which in itself is likely to further reduce the overall flake size.

The graphite target is undoubtedly large, however no further work was carried out during the 2022 field season. No further work is planned at Nørrearm in 2023. Instead, Amaroq plans to expand its graphite exploration efforts across a number of other occurrences within its portfolio, utilising the geological understanding gained at Nørrearm, with the aim of identifying mineralisation with higher carbon content and flake sizes.

c) Exploration work - Nanoq

Following the successful 2021 field season where the Corporation conducted extensive programme of surface mapping and the creation of a structural model aiding the Amaroq to understand the likely controls on mineralisation, the Corporation have concentrated on building on this understanding in the production a new geophysical survey. During September and October 2022, New Resolution Geophysics (NRG) conducted a helicopter-borne magnetics, radiometrics and gravity survey covering the Nanoq and Jokum's shear targets in the Nuna Nutaaq licence, and area in between these targets in the new Siku licence. This survey has now been completed. Results are currently being interpreted by the Amaroq geology team and external consultants and conclusions are expected to be announced in Q2-23.

d) Exploration work – Jokum's Shear

In order to further the understanding of gold/copper mineralisation discovered at Jokum's Shear, the potential structural connection through to Nanoq was investigated by the NRG geophysical survey described above. This survey has now been completed. Results are currently being interpreted by the Amaroq geology team and external consultants and conclusions are expected to be announced in Q2-23.

4.5 Anoritoq - Gold

a) Property description

The Corporation acquired the exclusive right to conduct exploration activities on approximately 1,710 km² of land in the areas of Anoritoq and Kangerluluk in South Greenland. The exploration rights were granted to the Corporation under a new separate Exploration Licence 2020/36, referred to as Anoritoq.

4. EXPLORATION AND EVALUATION EXPENSES (CONT'D)

The licence application was 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 1,889 km² 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.

b) Exploration work – Eagle’s Nest

Results of 2021 sampling at the Eagle’s Nest gold target were announced on September 1, 2022. Visible gold was discovered in a quartz boulder, which assayed 10.4 g/t Au. Further prospecting and mapping in outcrop above this area is required to locate the source of the mineralised boulder. A candidate quartz vein was identified from the air in 2022 but it could not be reached due to low cloud. Visiting and sampling this vein is a priority for future field work at this target.

c) Exploration work – Other areas

The NRG geophysics survey flown at Nanoq/Jokum’s Shear/Siku also covered parts of the Anoritoq licence on the north side of Kangerluluk fjord. It is possible that structures which control gold mineralisation at the Nanoq target extend across the fjord into the Anoritoq licence. Survey results are currently being interpreted by the Amaroq geology team and external consultants and conclusions are expected to be announced in Q2-23.

The Corporation conducted an initial reconnaissance visit to the Lichtenau appinite (gabbroic) intrusion located 5km north of the town of Alluitsup Paa to conduct a review of the strong magnetic anomaly. Abundant magnetite was observed in outcrop which may explain the anomaly, but the South Greenland appinite suite is also being assessed by Amaroq’s geology team for its potential to host magmatic sulphide and V-Ti mineralisation.

4.6 Naalagaaffiup Portornga (Tartoq NP) - Strategic Minerals

a) Property description

The Corporation has acquired the exclusive right to conduct exploration activities on approximately 170 km² 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 (also known as Tartoq NP) 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. In March 2023, the Corporation was granted an addendum to the Tartoq NP Licence, accepting the transfer of the License from Nalunaq A/S to Gardaq ApS and became effective March 23, 2023, when it was signed by the Government of Greenland. This License transfer was made as part of the joint venture agreement between the Corporation and ACAM described in Section 2.4.

b) Exploration work

No field work has been conducted in 2022 with all work carried out being in the form of desktop studies, mainly consisting of historical data review and preliminary geological modeling. As with the Tartoq licence, in 2023 the Corporation intends to review all compiled data and construct 3D models which may aid targeting for gold and strategic metals within the licence.

4. EXPLORATION AND EVALUATION EXPENSES (CONT'D)

4.7 Saarloq – Strategic Minerals

a) Property description

The Corporation has acquired the right to conduct exploration activities on approximately 818 km² of land in 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. In March 2023, the Corporation was granted an addendum to the Saarloq Licence, accepting the transfer of the License from Nalunaq A/S to Gardaq ApS and became effective March 23, 2023, when it was signed by the Government of Greenland. This License transfer was made as part of the joint venture agreement between the Corporation and ACAM described in Section 2.4. 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

Through 2022 Amaroq have continued its desk-based studies on the prospectivity and exploration objectives. No field-based exploration has taken place during the 2022 field season. Desktop work is ongoing as part of Amaroq's mineral system modelling. No fieldwork is planned in the licence in 2023.

4.8 Sava – Strategic Minerals

a) Property description

The Corporation acquired the exclusive right to conduct exploration activities on approximately 335 km² 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 Sava. 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. In March 2023, the Corporation was granted an addendum to the Sava Licence, accepting the transfer of the License from Nalunaq A/S to Gardaq ApS and became effective March 23, 2023 when it was signed by the Government of Greenland. This License transfer was made as part of the joint venture agreement between the Corporation and ACAM described in Section 2.4. 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

Following on from a successful exploration programme in 2021 which identified at least three key target areas in geophysical and surface geochemical exploration, 2022 was focused on conducting initial scout drilling on two of these targets (Target West and Target South). A total of around 320 m of core drilling were completed and samples were submitted to the CPL at Nalunaq and on to ALS in Ireland for assay. The aim for this drilling was to signature the observed surface exploration at depth.

4. EXPLORATION AND EVALUATION EXPENSES (CONT'D)

Results of the 2022 drilling and surface sampling programmes were announced on November 23, 2022. One hole drilled at Target West intersected 21 metres of continuous low-grade copper sulphide mineralisation from surface. Surface sampling around Target West returned anomalous grades of copper and high grades of molybdenum in quartz veins and altered granites, up to 7.8% Mo. Molybdenite in quartz veins was dated and placed at the end of the Ketilidian orogeny, an important time period for ore formation. Results suggest the potential for a large IOCG or Copper porphyry mineral system to be located within the licence. Quartz-carbonate veining and breccias mapped in the north part of the licence may be related to the regional Gardar event but require further investigation and sampling.

All targets identified to date are open and require additional investigation but appear to have the geochemical and alteration signatures akin to IOCG or porphyry style mineralization. The Corporation's regional mineral system modelling also suggests that these occurrences may be related to similar deposits both in Canada and Scandinavia. Project data has been provided to consultants at SRK Australasia with expertise in IOCG mineral systems. SRK will visit the Sava project in July 2023.

SRK Exploration Services carried out a spectral remote sensing study of the areas north and east of Sava in 2022, which resulted in the identification of a further 33 IOCG and porphyry target areas across the expanding mineral belt. Amaroq intends to follow up on this during its 2023 season and build upon the successful exploration approach now developed.

Work in the 2023 field season will include additional diamond drilling at Target West and other targets in the licence. The objective at Target West is to define the geometry and controls on mineralisation. On other targets, scout drilling may be used to confirm the geometry, style and grade of identified surface mineralisation. Newly identified targets will be visited and sampled by Amaroq's geology team in June-August 2023.

4.9 Kobberminebugt Licence – Strategic Minerals

a) Property description

The Corporation acquired the exclusive right to conduct exploration activities on approximately 220 km² of land in an area 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 Kobberminebugt. 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. In March 2023, the Corporation was granted an addendum to the Kobberminebugt Licence, accepting the transfer of the License from Nalunaq A/S to Gardaq ApS and became effective March 23, 2023 when it was signed by the Government of Greenland. This License transfer was made as part of the joint venture agreement between the Corporation and ACAM described in Section 2.4.

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.

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4. EXPLORATION AND EVALUATION EXPENSES (CONT'D)

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 Amaroq's Sava exploration project (formerly known as Kangerluarsuk), which is similarly targeting granite hosted IOCG mineralisation in the Julianehåb granitic batholith. Amaroq 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

The historic mine workings at Josva and Lilian were visited in 2022 with an aim to understand the style and potential extent of the mineralisation. A detailed drone survey was flown at Josva to map geological contacts and surface mineralisation. Samples of the main Josva vein returned up to 11.6 % Cu over 0.5 m. Minor gold and silver grades were also reported. Copper mineralisation was confirmed to be skarn related which increases the potential for greater tonnages to be found along strike of Josva or related to the regional granite contact zone which will be further explored in 2023.

2023 fieldwork is expected to include an airborne geophysical survey over the entire licence, with follow-up ground truthing of geophysical anomalies and historically documented copper occurrences.

Regionally, the Kobberminebugt copper occurrences may be related to a mineral belt located along the Gardar-Voisey's Bay Fault Zone that straddles Eastern Canada and South Greenland.

4.10 Stendalen Licence – Strategic Minerals

a) Property description

The Corporation acquired the right to conduct exploration activities on 2,486 km² of the existing 2021/11 licence through its acquisition from Orano as announced on May 12, 2022. The licence is split into two areas around the Qasingortoq and Kangerlussuatsiaq areas of South Greenland, and is collectively referred to as the Stendalen licence. All related transfer application documents have been signed by the Corporation and the licence became effective on November 14, 2022 when it was signed by the Government of Greenland. In March 2023, the Corporation was granted an addendum to the Stendalen Licence, accepting the transfer of the License from Nalunaq A/S to Garda ApS and became effective March 23, 2023 when it was signed by the Government of Greenland. This License transfer was made as part of the joint venture agreement between the Corporation and ACAM described in Section 2.4.

The licence package hosts two significant mineral occurrences, the first being the Stendalen layered gabbro intrusion. Stendalen has been previously explored by GEUS, Softrock Minerals and NunaMinerals A/S. The intrusion is 8km in diameter and several hundred metres thick. It hosts a continuous magnetite rich layer up to 20m thick which contains up to 20 vol% ilmenite, 10 vol % magnetite and 5 vol% pyrrhotite. Historical samples of this layer have yielded between 1-10.5 % Titanium Dioxide (TiO₂) (average of 4.8 %) and 226 - 5,753 ppm Vanadium (V) (average 2,335 ppm). Stendalen also hosts the 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). Disseminated Ni-Cu-Co mineralisation is distributed in a 6 km long and 200 m thick contact zone on the west, north and east flanks of the intrusion, close to the contact with the underlying metasediments. There is also potential for massive magmatic sulphides.

4. EXPLORATION AND EVALUATION EXPENSES (CONT'D)

Secondly, the Paatusoq Rare Earth Element, Niobium, Tantalum, Zirconium project is a syenite complex that is 20 km in diameter covering an area of >240 km² within an unexplored section of the Garder Province that also hosts the Kvanefjeld and Tanbreez rare earth projects. A radiometric survey was carried out by NunaMinerals and has resulted in several high priority targets for ground-truthing, but was never followed up before NunaMinerals' bankruptcy in 2015.

Amaroq is collaborating with the University of St Andrews which has expertise in alkaline mineral systems, and significant experience with the Gardar intrusions, including at Paatusoq. Consultants may visit the licence with Amaroq's geologist in 2023.

b) Exploration work

No field work was conducted within the Stendalen licence area in 2022. Data compilation and 3D modelling of known mineralisation has been completed. In 2023 an airborne Magnetotellurics (MT) survey is planned to be flown in June ahead of up to 2,000 metres of initial scout drilling in August-September 2023. Drilling will target geophysical anomalies and the contact nickel sulphide zone. Drillholes will also intersect the Ti-V layer, providing more confidence in its grade and dimensions, and core will also be sampled for platinum group elements (PGEs), to test for hidden PGE horizons in the layered gabbros.

The Paatusoq syenite intrusion will be visited and sampled in 2023, with the main objectives being to follow up on historic radiometric anomalies and identify areas of mineralisation. Drone surveys may be carried out to improve geological maps of the intrusion. A virtually unexplored layered gabbro intrusion in contact with the Paatusoq syenites may also be visited and assessed for its similarities to the Stendalen gabbro intrusion.

4.11 North Sava Licence – Strategic Minerals

a) Property description

The Corporation acquired the right to conduct exploration activities on approximately 1,042 km² of the existing 2020/41 licence through its acquisition from Orano as announced on May 12, 2022. The licence is split into two areas around the Akuliarutsip and Narsaviarsuasiit areas of South Greenland and is collectively referred to as the North Sava licence. All related transfer documents have been signed by the Corporation and the licence became effective on November 14, 2022 when it was signed by the Government of Greenland. In March 2023, the Corporation was granted an addendum to the North Sava Licence, accepting the transfer of the License from Nalunaq A/S to GardaQ ApS and became effective March 23, 2023 when it was signed by the Government of Greenland. This License transfer was made as part of the joint venture agreement between the Corporation and ACAM described in Section 2.4.

The licence package hosts two main mineral occurrences. The first, North Sava, is a continuation of the ground held and explored by Amaroq at Sava within a newly identified IOCG (Iron Ore, Copper Gold) and Porphyry Copper belt situated in close proximity to the international airport at Narsarsuaq.

Secondly, Midternaes is an unconformity and ultramafic hosted nickel, uranium, lead and zinc target within a sublicence adjoining Amaroq's Tartoq NP licence and the Tartoq gold belt in Southwest Greenland.

b) Exploration work

An airborne geophysical survey of approximately 5,100 line-km (magnetic, gravity and radiometrics) was completed across the North Sava sub area targeting the continuation of the mineralisation and mineral potential already identified at Sava. Results are currently being interpreted by the Amaroq geology team and external consultants and conclusions are expected to be announced in Q2-23.

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4. EXPLORATION AND EVALUATION EXPENSES (CONT'D)

4.12 Additional Exploration Target Generation

Geological research is actively progressing with SRK, the University of St Andrews, and Amaroq's internal geology team to define the resource potential within our full licence area, as we continue to develop our exploration portfolio. Amaroq continues to refine its regional mineral systems models which show strong prospectivity for minerals including gold, copper, molybdenum, graphite, platinum group elements, nickel, rare earth elements and others across South Greenland.

Based on these studies and the results of exploration in 2022, additional exploration licences have been applied for at Paatusoq West, Nunarsuit and Johan Dahl Land in South Greenland. Very limited exploration has been carried out in these areas and the corporation believes these licences are prospective for Rare Earth Element, Niobium, Tantalum, Zirconium, Diamond and IOCG style mineralisation. These licences are currently in the application process with the MLSA in Greenland.

Amaroq is keen to employ the latest exploration technologies. In 2022 the Corporation purchased a downhole optical televiwer which captures a continuous 360-degree high-resolution image of the borehole wall, and significantly enhances the speed, quantity and quality of structural data which can be collected during diamond drilling. This has been particularly effective on the Nalunaq project where structural data is being incorporated into and refining mineralisation models. The Corporation has also purchased a portable XRF analyzer which will enable rapid indicative geochemical assays and improve the speed at which targets can be assessed during short field seasons.

The Corporation may apply for further licences in due course.

5. STRATEGY AND ACTION PLAN

5.1 Nalunaq Project Development

The Corporation's focus in 2023 and 2024 is to plan and execute operating activities targeting the confirmation of future mineral resource and reserve potential and estimation of Nalunaq Project through processing of a bulk sample up dip from the Mountain Block. The objective is to sample the mineralisation at a mine scale to allow the Corporation to update the confidence and allow for Ore Reserve estimation. This would have the additional benefit of producing a bulk sample that can be third party treated toward cashflow generation, as well as establishing infrastructure to facilitate the transition to full scale mining. The equipment mobilization and logistics planning activities have started, the Corporation is at final stage of selecting the mining contractor. The Corporation will also continue in-fill and extension drilling at Valley Block.

5.2 Exploration

2023 Exploration strategy for Gold targets

Amaroq's Exploration and Geology team will be focused on the geological mapping and sampling towards building a geological model to direct further drilling, as well as scout drilling to complement geological models at Vagar Ridge.

At Nanoq the team will conduct the reconnaissance sampling from new targets, as well as initial drilling to provide geological signature to the Nanoq mineralization.

2023 Exploration objectives for strategic minerals targets under Gardaq ApS Joint Venture

The Corporation will be conducting renewed exploration on strategic mineral and base metal targets across its non-gold Joint Venture licenses portfolio.

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5. STRATEGY AND ACTION PLAN (CONT'D)

Specific focus areas in 2023 are as follows:

- Further scout drilling on new targets and infill on current targets at Sava Copper Belt under Sava, North Sava and Kobberminebugt licenses. Team will perform systematic assessments of IOCG prospectivity as well as further high-resolution geophysics surveying.
- Detailed airborne geophysics over key target, about 2,000meters of stratigraphic drillholes and surface sampling of Ni/Cu occurrences at Stendalen
- Detailed sampling program, geological mapping and mineral zonation at Paatusoq

6. ENVIRONMENTAL MONITORING EXPENSES

When Nalunaq A/S purchased the Nalunaq Property on October 15, 2015, it came with an escrow account for environmental monitoring and an environmental monitoring provision. This escrow account was set up in favour of the Government of Greenland as security for fulfilling the environmental monitoring expenses following the closure of the Nalunaq Gold Mine. This environmental monitoring program was completed in 2020.

7. SELECTED ANNUAL INFORMATION

	2022	2021	2020
	\$	\$	\$
Financial Results			
Revenue	-	-	-
Exploration and evaluation expenses	12,700,526	14,280,055	7,055,707
General and administrative expenses	10,150,020	9,703,198	3,291,176
Net loss	21,898,963	24,689,239	12,339,112
Net loss per share, basic and diluted	0.11	0.14	0.10
Financial Position			
Cash on hand	50,137,569	27,324,459	61,874,999
Total assets	65,096,061	42,781,664	65,944,682
Total current liabilities	1,210,758	2,100,084	897,799
Shareholders' equity	63,227,863	39,968,502	64,282,970
Working capital	49,472,991	25,542,242	61,411,208

8. RESULTS OF OPERATIONS

The 2022 field activities saw detailed exploration conducted across six of the Corporation's licences. Firstly, a 9,119 m diamond drilling programme at Nalunaq was successful in further defining the Main Vein mineralisation and in extending the up-dip mineralisation within the Valley Block area. In addition, drilling defined a new hanging wall vein system (the JLP vein) and surface sampling provided additional evidence to the high-grade nature of the Mountain Block area. This exploration work came off the back of an updated Mineral Resource estimate (MRE) for the project resulting in 355 kt @ 28 g/t Au for 320 koz contained gold in the Inferred category, a 30% increase in resources and 50% increase in grade from the previous estimate produced in 2020.

Secondly, at Vagar Ridge a scout drilling programme was initiated resulting in 1,445 m of core that provided anomalous gold concentration reflective of a large-scale Intrusion Related gold system.

Thirdly, a new scout drilling programme at Sava was deployed to provided initial testing of two surface target areas that were considered indicative of IOCG style mineralisation from the 2021 results. 382 m were completed intersecting 21 metres of continuous low-grade copper sulphide mineralisation from surface. In addition, surface sampling provided very significant molybdenite veining as well as copper/gold mineralization. This work along with a desk-based targeting exercise has now resulted in 33 IOCG or porphyry targets being generated across the expanding Sava footprint.

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8. RESULTS OF OPERATIONS (CONT'D)

At the Kobberrminebugt licence, and specifically the historic mine workings at Josva and Lilian were reviewed and surveyed to confirm the mineralisation styles, extents and potential ahead of further exploration in 2023.

Lastly, detailed airborne geophysical surveys (magnetics, radiometrics and gravity) were conducted across the North Sava and Nanoq/Siku/Jokum's Shear targets with results being reviewed and interpreted by the Amaroq geology team and external consultants.

8.1 Discussion of 2022 results

The Corporation reported a net loss of \$21,898,963 in 2022 compared to \$24,689,239 for 2021.

The main components are presented below:

- Exploration and evaluation expenses of \$12,700,526 (\$14,280,055 in 2021).
 - In total 9,119 m of core drilling has been completed at Nalunaq, logged and sampled with the drilling activities in 2022 completing approximately two weeks ahead of schedule.
 - ALS Geochemistry have successfully installed and commissioned an on-site sample preparation facility for use on all Amaroq 2022 samples ahead of chemical assaying in Ireland. The lab completed 3,263 samples in during the 2022 field season.
 - Amaroq have completed a Mineral Resource estimate update with SRK Consulting taking in all exploration results up to the end of 2021. This has resulted in an increase in contained gold from 255koz to 320koz at with an average grade increase of 55% from 18g/t to 28g/t Au.
 - A total of 1,445 m of core drilling was completed at Vagar Ridge. Completion of the full planned 2,000 m program was hampered by unseasonal weather.
 - 382 m of core drilling was completed in the Sava licence intersecting low grade copper mineralisation with surface sampling identifying significant high-grade molybdenum.
 - Geophysical surveys across Nanoq and North Sava have been completed and results are being processed.
 - A geophysical survey over Stendalen was postponed until June 2023 due to the early onset of winter in the region.
- General and administrative costs of \$10,150,020 (\$9,703,198 in 2021).
 - Salaries and benefits of \$3,188,032 (\$2,652,938 in 2021). Increase reflects a payment of a performance-based bonus in December 2022 as a recognition of successful year in terms of exploration and drilling results across gold and strategic minerals licenses.
 - Stock-based compensation of \$2,046,342 (\$374,771 in 2021). The Corporation focusses on aligning management and shareholder interests through stock-based compensation. 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. 500,00 stock options out of 4,100,000 stock options have been canceled due to employees' departure. 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. 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. Total stock-based compensation costs amount to \$14,844 for an estimated fair value of \$0.38 per option. On December 30, 2022, the Corporation granted its employees and consultant 1,330,000 stock options with an exercise price of \$0.70 and expiry date of December 30, 2027. The stock options vested 100% at the grant date. The options were granted at an exercise

8. RESULTS OF OPERATIONS (CONT'D)

- price equal to the closing market price of the shares the day prior to the grant. Total stock-based compensation costs amount to \$545,300 for an estimated fair value of \$0.41 per option.
- Professional fees of \$2,258,660 (\$2,382,916 in 2021) are slightly lower compared to 2021 due to fewer external consulting services being used in 2022.
 - Investor Relations and Communication of \$598,447 (\$791,722 in 2021) is lower compared to 2021 due to a lower number of advisors being used in 2022 compared to 2021.
 - Insurance of \$341,793 (\$571,364 in 2021). The 2022 decrease is mainly due to a softening in the D&O Insurance market representing a 53% decrease in premiums.
 - Travel and other expenses of \$746,180 (\$1,884,189 in 2021). The decrease is mainly due to a Halyard Engineering Study costs incurred in 2021.
 - Regulatory fees of \$212,939 (\$326,464 in 2021). Decrease in fees reflects the fact that some of the services are conducted by the full-time in-house counsel and the Corporation relies less on external firms.
- Foreign exchange gain of \$849,773 (loss of \$809,751 in 2021) relating to the funds received from the capital raise and cash savings held in US\$ and GBP. The US\$ strengthened against the CAD from 1.26 to 1.35 in the twelve months of 2022. GBP strengthened against CAD from 1.56 to 1.64 in two months from Nov 1 to Dec 31, 2022. Exchange rate of US\$ to CAD stayed virtually the same in the same period of 2021, EUR and GBP to CAD depreciated from 1.55 to 1.44 and 1.74 to 1.71, respectively.

8.2 Discussion on Q4-22

The Corporation reported a net loss of \$4,426,345 in Q4-22 compared to \$9,814,256 for Q4-21. The main components are as follow:

- Exploration and evaluation expenses of \$1,697,334 (\$6,838,840 in Q4-21).
 - ALS Geochemistry successfully installed and commissioned an on-site sample preparation facility for use on all Amaroq 2022 samples ahead of chemical assaying in Ireland. The lab completed 1,143 samples in Q4-22
 - Geophysical surveys across Nanoq and North Sava have been completed and results are being processed.
 - Geophysical survey over Stendalen has been postponed until early 2023 due to the early onset of winter in the region.
- General and administrative costs of \$3,203,588 (\$2,641,811 in Q4-21).
 - Salaries and benefits of \$1,388,544 (\$897,791 in Q4-21). Increase reflects a payment of a performance-based bonus to the employees of the Corporation in December of 2022 to recognise a successful year in terms of exploration and drilling results across gold and strategic minerals licenses.
 - Stock-based compensation of \$547,314 (\$14,771 in Q4-21). On December 30, 2022, the Corporation granted its employees and consultant 1,330,000 stock options with an exercise price of \$0.70 and expiry date of December 30, 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 \$545,300 for an estimated fair value of \$0.41 per option.
 - Professional fees of \$450,283 (\$404,079 in Q4-21). Professional fees in Q4-22 were slightly higher compared to Q4-21 due to ACAM deal related legal fees.
 - Investor Relations and Communication of \$183,595 (\$214,768 in Q4-21) is lower compared to Q4-21 YTD due to a lower number of advisors being used in Q4-22 compared to Q4-21.
 - Insurance of \$67,338 (\$135,585 in Q4-21). The Q4-22 decrease is mainly due to a softening in the D&O Insurance market representing a 53% decrease in premiums.
 - Travel and other expenses of \$264,590 (\$733,826 in Q4-21). The decrease is mainly due to a Halyard Engineering Study and Golder's Bulkhead study costs incurred in Q4-2021.

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8. RESULTS OF OPERATIONS (CONT'D)

- Foreign exchange gain of \$431,948 (loss of \$348,046 in Q4-21) for the funds received in GBP from UK placement of the 2022 capital raise. The GBP strengthened against the CAD from 1.55 on Nov 3 to 1.64 on Dec 31, 2022. Main reason for loss in Q4-21 was due to weakening of exchange rate of EUR to CAD from 1.47 to 1.44 in Q4-21.

9. SELECTED QUARTERLY INFORMATION

The following table presents selected financial information for each of the most recent eight quarters:

	Q4-22	Q3-22	Q2-22	Q1-22
	\$	\$	\$	\$
Revenue	-	-	-	-
Exploration and evaluation expenses	1,697,334	5,567,361	4,425,501	1,010,330
General and administrative expenses	3,203,588	1,859,725	2,097,937	2,988,769
Net loss	4,426,345	7,012,481	6,324,639	4,135,498
Net loss per share, basic and diluted	0.02	0.04	0.04	0.02
Cash on hand	50,137,569	11,032,487	19,494,000	23,823,441
Total assets	65,096,061	26,028,307	34,618,121	39,195,469
Total current liabilities	1,210,758	1,227,741	2,880,555	1,207,103
Shareholders' equity	63,227,863	24,124,912	31,043,925	37,276,866
Working capital	49,472,991	10,065,234	16,782,108	22,812,025

	Q4-21	Q3-21	Q2-21	Q1-21
	\$	\$	\$	\$
Revenue	-	-	-	-
Exploration and evaluation expenses	6,838,840	4,196,019	1,998,049	1,247,147
General and administrative expenses	2,641,811	3,022,738	2,453,578	1,585,071
Net loss	9,814,256	7,008,968	4,576,963	3,289,052
Net loss per share, basic and diluted	0.05	0.04	0.03	0.02
Cash on hand	27,324,459	37,852,228	49,593,636	55,012,910
Total assets	42,781,664	54,307,568	58,772,695	62,868,344
Total current liabilities	2,100,084	3,809,088	1,248,048	1,109,749
Shareholders' equity	39,968,502	49,767,987	56,776,955	60,993,918
Working capital	25,542,242	34,500,785	48,500,792	54,318,593

10. LIQUIDITY AND CAPITAL RESOURCES

The Corporation has a working capital of \$49,472,990 as of December 31, 2022 (\$25,542,242 as of December 31, 2021). The working capital position was favorably improved resulting from the Fundraising completed on November 3, 2022 (see section 2.3 for details).

In addition to ongoing working capital requirements, the Corporation must secure sufficient funding to meet its other obligations, existing commitments for the exploration and evaluation programs including the unspent amount on the exploration licences and pay general and administration costs.

As of December 31, 2022, the Corporation has eleven exploration licences, Tartoq, Vagar, Nuna Nutaq, Anoritoq, Siku, Naalagaaffiup Portornga, Saarloq, Sava, Kobberminebugt, Stendalen and North Sava. The total amount of future exploration obligations as at December 31, 2022 for these eleven licences is DKK 8,007,662 (\$1,559,612 using the exchange rate as at December 31, 2022). The details of the exploration commitments are described in note 6 to the 2022 Financial Statements.

10. LIQUIDITY AND CAPITAL RESOURCES (CONT'D)

While the Corporation has secured financing in the past, there can be no assurance it will be able to do so in the future or that these sources of funding or initiatives will be available for the Corporation or that they will be available on terms which are acceptable to the Corporation. If new funding is not obtained, the Corporation may be unable to continue its operations, and amounts realized for assets might be less than amounts reflected in these financial statements and this could have a significant impact on the financial position of the Corporation, its financial performance and its cash flows.

11. OFF BALANCE SHEET ARRANGEMENTS

Neither the Corporation nor Nalunaq A/S have any off-balance sheet arrangements.

12. SUBSEQUENT EVENT

See section 2.4 for details on subsequent events.

13. TRANSACTIONS BETWEEN RELATED PARTIES

Following are additional information on related party transactions in 2022:

In the normal course of operations:

- A company controlled by George Fowlie, (director from April 28, 2017 to August 26, 2021, chair of the audit committee from November 13, 2019 to January 20, 2020 and chief financial officer from December 16, 2019 to January 25, 2021) invoiced \$nil (\$64,162 in 2021) as Corporate Development Director and chief financial officer compensation;
- A firm in which Georgia Quenby (director until June 9, 2021) is a partner charged legal professional fees for \$nil (\$9,934 in 2021);
- A company controlled by Martin Ménard (Chief Operating Officer, from July 9, 2019 to June 30, 2021) charged \$nil (\$12,240 in 2021) for his staff. The Chief Operating Officer is the son of Robert Ménard, director until April 27, 2021;
- Nicolas and Catherine Ménard and Samuel Martel, engineering consultants, (the son, the daughter and the son-in-law of Robert Ménard, director until April 27, 2021 and the brother, the sister and brother-in-law of Martin Ménard, Chief Operating Officer until June 30, 2021) were paid \$nil (\$324,799 in 2021);
- As of December 31, 2022, the balance due to those related parties amounted to \$nil (\$173,254 as of December 31, 2021).

Outside of the normal course of operations:

- Directors and officers of the Corporation participated in the November 3, 2022 fundraising for \$2,700,132 (\$nil in 2021). The directors and officers subscribed to the fundraising in 2022 under the same terms and conditions set forth all subscribers.

14. CRITICAL ACCOUNTING POLICIES, ESTIMATES, JUDGEMENTS 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 historical 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. Critical judgments, estimates and assumptions exercised in applying accounting policies with the most significant effect on the amounts recognized in the financial statements are described at note 4 of the 2022 Financial Statements.

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15. CHANGES IN ACCOUNTING POLICIES

The most relevant standards, amendments and interpretations issued up to the date of the issuance of the 2022 Financial Statements are listed at note 3 of the Financial Statements.

16. FINANCIAL INSTRUMENTS

Financial instruments are described in notes 2.14 and 19 to the Financial Statements.

17. CONTRACTUAL COMMITMENTS AND OBLIGATIONS

The Corporation has eleven exploration licences, Tartoq, Vagar, Nuna Nutaaq, Anoritoq, Siku, Naalagaaffiup Portornga, Saarloq, Sava, Kobberminebugt, Stendalen and North Sava, and one exploitation licence, Nalunaq. The total amount of future exploration obligations as at December 31, 2022 for the eleven exploration licences is DKK 8,007,662 (\$1,559,612 using the exchange rate as at December 31, 2022). For the purpose of crediting expenditures against the amounts set forth in these licences, actual expenditures are multiplied by a factor of between 1.5 and 3, depending upon the type of expenditures made. If these obligations are not met, certain measures may be taken by the licence holder to rectify the situation, including reducing the area of the licence proportionately to the spending shortfall or rolling over the exploration commitment to the next period subject to approval from the MLSA. Nalunaq A/S submitted its statements of expenses for these exploration licences for the 2022 year to the MLSA by April 1, 2022.

The details of the exploration commitments are described in note 6 to the 2022 Financial Statements.

The Corporation has presently only one lease for its office. In October 2020, the Corporation started the lease for five years and five months including five free rent months during this period. The monthly rent is \$8,825 until March 2024 and \$9,070 for the balance of the lease. The Corporation has the option to renew the lease for an additional five-year period at \$9,070 monthly rent indexed annually to the increase of the consumer price index of the previous year for the Montreal area. The total amount of lease liabilities as at December 31, 2022 is \$729,237.

18. OUTSTANDING SHARES DATA

	March 30, 2023	December 31, 2022
	Number	Number
Capital stock	263,281,297	263,073,022
Stocks options	10,117,395	10,717,395
Fully diluted	273,398,692	273,790,417

19. STOCK OPTION PLAN AND RESTRICTED SHARE UNIT PLAN

19.1 Stock option Plan

The purpose of the Option Plan (the "Plan") is to provide the Corporation with a share-related mechanism to attract, retain and motivate qualified directors, senior officers, employees and consultants of the Corporation, to reward such of these participants from time to time for their contributions toward the long-term goals of the Corporation and to enable and encourage such participants to acquire shares as long-term investments. There is no performance indicator relating to profitability or risk attached to the Plan.

19. STOCK OPTION PLAN AND RESTRICTED SHARE UNIT PLAN (CONT'D)

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 attributes 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.

19.2 Restricted Share Unit Plan

The success of the Corporation will depend to a high degree on the future performance of the Senior Executives in executing the Corporation's growth strategy. As signalled in our AIM Admission document and now approved by shareholders on June 16, 2022, the Corporation has implemented a Restricted Share Unit Plan (“RSU”) to incentivize delivery of this strategy and to align the interests of Senior Executives with those of shareholders.

Under the RSU, participants will share in a “RSU pool” of up to 10% in excess of the growth in the Corporation's value. The Corporation's value for purposes of the “RSU pool” will be determined using a hurdle rate of 10% pa over a performance period commencing on January 1, 2022. Part of the RSU pool will be reserved for future participants. Growth in value will be based on the change in share price, with an adjustment for any dividends paid during the period (to the extent such distributions are made), based on the same number of shares in issue at the start of the performance period. Awards were granted to participants on December 30, 2022.

20. RISK FACTORS

The following discussions review a number of important risks which management believes could impact the Corporation's business. There are other risks, not identified below, which currently, or may in the future exist in the Corporation's operating environment.

The mining and mineral exploration industry is risky in nature as companies have to deal with various local and global risks associated with, but not limited to: environmental and social, political, regulatory, health and safety, logistical, financial, and operational. The major risks facing the Corporation are detailed in the section below.

20.1 Environmental and Social

The Corporation's operations are subject to environmental and social regulations as a result of increased societal and local communities' pressure in the jurisdictions in which it operates. Environmental and social legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental and social regulations, if any, will not adversely affect the Corporation's operations. The Corporation recognizes the importance of social and environment responsibility, close co-operation and building long-lasting partnership with the host communities. Therefore, the Corporation has adopted a Greenlandic procurement policy to encourage the host community suppliers participating in local operations and contributing to the economy of Greenlandic society. The Corporation is committed to maintaining high standards of environmental stewardship and incorporating environmental protection as part of its strategy and decision-making process. Amaroq recognizes that appropriate environmental management is essential to the proper conduct of its mining operations and activities. Accordingly, our goal is to minimize the environmental impacts of our projects and activities.

20. RISK FACTORS (CONT'D)

20.2 Regulatory

The Corporation's future operations on the properties, including exploration and any development activities or commencement of production on its properties, require permits from various governmental authorities and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, protection of endangered and protected species, treatment of indigenous people, mine safety and other matters. To the extent that such permits are required and not obtained, the Corporation may be delayed or prohibited from proceeding with planned exploration or development of its mineral properties. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws may have a material adverse effect on the operations, financial conditions and results of the Corporation.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or to be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

20.3 Political

The Corporation's underlying business interests are located and carried out in Greenland. As a result, the Corporation is subject to political and other uncertainties, including but not limited to, changes in politics or the personnel administering them, nationalisation or expropriation of property, cancellation or modification of contractual rights, foreign exchange restrictions, currency fluctuations, royalty and tax increases and other risks arising out of foreign governmental sovereignty over the areas in which the Corporation's operations are conducted.

The Ministry of Mineral Resources and Justice has responsibility for the mineral resources area in Greenland. The political condition in Greenland is generally stable; however, changes in exchange rates, control of fiscal regulations and regulatory regimes, labour unrest, inflation or economic recession could affect the Corporation's business. The management of the Corporation will closely monitor events and take advice, if necessary, from experts to prepare for any eventualities.

20.4 Dependence on key individuals

The Corporation's success depends to a certain degree upon key members of the management. Those individuals have developed important government and industry relationships; they have historic knowledge of the Properties which is not recorded in tangible form or shared through data rooms; and they have extensive experience of operating in Greenland. These individuals are a significant factor in the Corporation's growth and success and the Corporation does not have key man insurance in place in respect of any of its directors, management or employees. The loss of the service of members of the management and certain key employees could have a material adverse effect on the Corporation.

Additionally, the Corporation's prospects depend in part on the ability of its executive officers and senior management to operate effectively, both independently and as a group. Investors must be willing to rely to a significant extent on management's discretion and judgment, as well as the expertise and competence of outside contractors.

20. RISK FACTORS (CONT'D)

20.5 Difficulty attracting and retaining qualified staff

Recruiting and retaining qualified personnel is critical to the Corporation's success. The number of persons skilled in the acquisition, exploration and development of mining properties is limited and competition for such persons is intense. To manage its growth, the Corporation may have to attract, develop and retain additional highly qualified management, financial and technical personnel and continue to implement and improve operational, financial and management information systems. Although the Corporation believes that it will be successful in attracting and retaining qualified personnel, through the development of comprehensive multi-year talent management and succession planning measures to ensure continuity and minimum interruptions to the operations of the Corporation there can be no assurance of such success.

20.6 Dependence on third party services

The Company relies in part on products and services provided by third parties in the ordinary course of business. As part of its internal risk assessment, the Company conducts counterparty risk assessments to ensure that the third parties can supply the necessary services or products in a responsible manner that aligns with the Company values.

However, the Company cannot predict the risk of insolvency or other managerial failure by any third party in future. These events may provide interruption to services or products provided and the Company may be unable to find replacements on a timely basis.

The foregoing as well as substitution on similar terms, may have a material adverse effect on the annual work plan and subsequently the financial condition of the Company.

20.7 External contractors and sub-contractors

When the world mining industry is buoyant there is increased competition for the services of suitably qualified and/or experienced sub-contractors, such as mining and drilling contractors, assay laboratories, metallurgical test work facilities and other providers of engineering, project management and mineral processing services.

As a result, the Corporation may experience difficulties in sourcing and retaining the services of suitably qualified and/or experienced sub-contractors, and the Corporation may find this more challenging given its Greenlandic operations with most third-party service providers located in other countries. The loss or diminution in the services of suitably qualified and/or experienced sub-contractors or an inability to source or retain necessary sub-contractors or their failure to properly perform their services could have a material and adverse effect on the Corporation's business, results of operations, financial condition and prospects.

20.8 Access to Properties and renewal of licences

The Corporation cannot guarantee that title to its mineral properties will not be challenged. Title insurance is generally not available for mineral properties and the Corporation's ability to ensure that it has obtained a secure claim to individual mineral properties or mining concessions may be severely constrained. The Corporation's mineral properties may be subject to prior unregistered agreements, transfers or claims, and title may be affected by, among other things, undetected defects. The Corporation has not conducted surveys of all of the mineral rights in which it holds direct or indirect interests. A successful challenge to the precise area and location of these mineral rights could result in the Corporation being unable to operate on its Properties as permitted or being unable to enforce its rights with respect to its Properties.

20. RISK FACTORS (CONT'D)

The Properties are the only material properties of the Corporation. Any material adverse development affecting the progress of the Properties, or both, will have a material adverse effect on the Corporation's financial condition and results of operations.

If the Corporation loses or abandons its interest in its Properties, there is no assurance that it will be able to acquire another mineral property of merit.

Interests in licences in Greenland are for specific terms and carry with them estimated annual expenditure and reporting commitments, as well as other conditions requiring compliance. The MLSA is largely focused on the activities completed by an exploitation licence holder and ensuring that a project is advancing towards production. The Corporation could lose title to or its interest in licences relating to the Properties if licence conditions are not met.

In particular, the Nalunaq Exploration Project is currently within the Nalunaq Licence. Under the current terms of this licence, Nalunaq A/S is required to commence mine production by January 1, 2026, although the scale of this production is not specified. There is no guarantee that this will be possible within this timeframe, and the government has reserved the right to revoke the licence if these conditions are not met.

Failure to satisfy any of the conditions set forth in the addendums to the Nalunaq Licence for example, the commitment to perform specific activities for sub period 4 as set out in Addendum No. 6) may result in the MLSA revoking the Nalunaq Licence, however the MLSA has stated as an objective that there is no automatic revocation of a licence when a condition has not been achieved, rather they have committed to, at all times, act reasonably and in accordance with the general rules and regulations of Greenlandic administrative law, including the principles of objectiveness, proportionality and equal treatment.

In response to COVID 19 pandemic, the Government of Greenland approved a proposal (i) adjusting required exploration expenses in years 2020 and 2021 for all mineral exploration licences to zero (0 DKK) and reduced by 50% for the year 2022, (ii) postponing of the transferred unfulfilled exploration obligations by two years, and (iii) extending of the licence period for all mineral exploration licences by two years.

20.9 The Corporation's dependence on permits and government regulations

The Corporation's future operations on the Properties, including exploration and any development activities or commencement of production on its properties, require permits and approvals from various governmental authorities and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, protection of endangered and protected species, treatment of indigenous people, mine safety and other matters. All activities covered by licences granted under the Mineral Resources Act must be approved by the Government of Greenland before implementation in accordance with the terms laid down in the licence. In particular, works performed in connection with activities under the Mineral Resources Act (including drilling, shaft sinking, driving of drifts, etc.) must in each case be approved by the Government of Greenland before implementation; before exploitation is initiated, the Government of Greenland must have approved an exploitation plan for the enterprise, including production organisation and related facilities; and the licensee must also submit a closure plan in connection with an application for approval of exploitation measures (the Government of Greenland must approve the closure plan before exploitation is initiated which may be subject to terms relating to protection of the environment and safety and health measures after the cessation of activities, including monitoring in a period after closure).

There is no guarantee that such permits or approvals will be granted. To the extent that such permits or approvals are required and not obtained, the Corporation may be delayed or prohibited from proceeding with planned exploration or development of its mineral Properties. The costs and delays associated with obtaining necessary permits or approvals and complying with their terms and applicable laws may have a material adverse effect on the operations, financial condition and results of the Corporation.

20. RISK FACTORS (CONT'D)

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or to be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

The Government of Greenland may from time to time change the Greenland Exploration Standard Terms and the royalties imposed on proceeds from mineral exploitation. In particular, Addendum No. 3 of 1 July 2014 to the Greenland Exploration Standard Terms provides that, for licences granted on 1 July 2014 or later, new rules and regulations may be made which amend the terms of such licence (with prospective effect) in accordance with the terms of such Addendum.

20.10 Exploration

Exploration activities are influenced, among others, by the location, climate and terrain. The Properties are in remote locations in a global context, although not in a Greenlandic context and require people and equipment to be transported to site, which can add to the complexity and costs of exploration activities and logistics.. The climatic conditions allow for surface exploration activities to occur for only a portion of the year, although this should not affect underground exploration, which will limit the amount of surface exploration activity that can be conducted in any one year.

The Nalunaq Gold Mine and areas of exploration potential lie within a steep mountainous terrain. Surface diamond drilling for structure can therefore be impractical in many parts, resulting in a greater reliance on underground exploration.

Significant and increasing competition exists for the limited number of mineral acquisition opportunities available. As a result of this competition, some of which is with large established mining companies with substantial capabilities and greater financial and technical resources than the Corporation, the Corporation may be unable to acquire attractive mineral properties on terms it considers acceptable. The Corporation also competes with other companies for the recruitment and retention of qualified employees and other personnel.

20.11 Development risks and substantial funding requirements to assess commercial mineral deposits

There can be no assurance that the Company will be able to effectively manage the expansion of its operations or that the Company's personnel, systems, procedures and controls will be adequate to support the Company's future operations. In particular, although certain of the Directors and Senior Management have experience of bringing mineral assets into production, the Company itself does not and its ability to do so will be dependent upon using the services of appropriately experienced personnel or entering into agreements with service providers that can provide such expertise. The Company's ability to commence, maintain or increase its annual production of ore in the future will be highly dependent on its ability to discover reserves and develop these licenses. Any failure of the Board to effectively manage the Company's growth and development could have a material adverse effect on its business, financial condition and results of operations. There is no certainty that all or, indeed, any of the elements of the Board's strategy will develop as anticipated. The Company's profitability will depend, in part, on the actual economic returns and the actual costs of developing the licenses, which may differ significantly from the Company's current estimates. The development of the licenses may be subject to unexpected problems and delays.

20. RISK FACTORS (CONT'D)

The Corporation requires substantial funds to determine whether commercial mineral deposits exist on its Properties beyond the Inferred Mineral Resource. Any potential development and production of the Corporation's Properties depends upon the results of exploration programmes and/or feasibility studies and the recommendations of duly qualified engineers and geologists. Such programmes require substantial additional funds. Any decision to further expand the Corporation's operations on these Properties is anticipated to involve consideration and evaluation of several significant factors including, but not limited to:

- costs of bringing a property into production, including exploration work, preparation of production feasibility studies, and construction of production facilities;
- availability and costs of financing;
- ongoing costs of production;
- market prices for the minerals to be produced;
- environmental compliance regulations and restraints; and
- political climate and/or governmental regulation and control

The Company has prepared cost estimates, including contingency, supporting the decision to raise the net proceeds of the Fundraising in order to produce a Bulk Sample from the Nalunaq Property, and to conduct exploration activities on the Nalunaq Licence and its other licences. However, there can be no certainty that these funds will be sufficient. Subsequent development of the Nalunaq Property, including future production and processing, and future exploration and development of the Company's other licences, will depend on the Company's ability to obtain financing through joint ventures, offerings of equity securities or offerings of debt securities, or by obtaining financing through a bank or other entity. The Company has not established a limit as to the amount of debt it may incur, nor has it adopted a ratio of its equity to debt allowance. If the Company needs to obtain additional financing, there is no assurance that financing will be available from any source, on terms acceptable to the Company, or that any future offering of securities will be successful. Volatile markets for precious metals may make it difficult or impossible for the Company to obtain debt financing or equity financing on favourable terms or at all. If additional funds are raised through the issuance of equity securities, there may be a significant dilution in the value of the

Company's outstanding Common Shares. The Company could suffer adverse consequences if it is unable to obtain additional capital, which would cast substantial doubt on its ability to continue its operations and growth.

In addition, the Company does not expect to generate revenue or achieve self-sustaining operations in the near future. To the extent the Company has negative cash flows in future periods, the Company may use a portion of its general working capital to fund such negative cash flow.

20.12 Resource Estimate

The Corporation is an exploration stage company and cannot give assurance that a commercially viable deposit, or "reserve", exists on any properties for which the Corporation currently has or may have (through potential future joint venture agreements or acquisitions) an interest. Therefore, determination of the existence of a reserve depends on appropriate and sufficient exploration work and the evaluation of legal, economic and environmental factors. If the Corporation fails to find a commercially viable deposit on any of its Properties, its operations, financial condition and results of operations will be materially adversely affected.

20. RISK FACTORS (CONT'D)

20.13 Market Conditions

If the Corporation commences production, profitability will be dependent upon the market price of gold. Gold prices historically have fluctuated widely and are affected by numerous external factors beyond the Corporation's control, including industrial and retail demand, central bank lending, sales and purchases of gold, forward sales of gold by producers and speculators, levels of gold production, short-term changes in supply and demand because of speculative hedging activities, confidence in the global monetary system, expectations of the future rate of inflation, the strength of the U.S. dollar (the currency in which the price of gold is generally quoted), interest rates, terrorism and war, and other global or regional political or economic events.

Additionally, the Corporation is exposed to foreign exchange fluctuations as its undertakings are in Greenland and is serviced through a web of international service providers in various currencies. As a result, expenses, capital expenditure and commitments are primarily denominated in Danish Krone, Euros, Canadian dollars, U.S. dollars and U.K. Pound Sterling. This results in the expenditure and cash flows of the Corporation being exposed to fluctuations and volatilities in exchange rates, as determined in international markets. Furthermore, as the Corporation reports its financial results in Canadian dollars, the Corporation is exposed to translation risk, and its financial results, as well as the amount of funds available to pay future dividends should a dividend be proposed, will fluctuate with changes in exchange rates. Changes in exchange rates are outside the Company's control.

20.14 Insurance Risks

The Company has adequately insured the assets at the Nalunaq Property. However, exploration, development and production operations on mineral properties may involve numerous other risks, including:

- Unexpected or unusual geological operating conditions.
- rock bursts, cave-ins, ground or slope failures.
- fires, floods, earthquakes, avalanches and other environmental occurrences.
- political and social instability that could result in damage to or destruction of mineral properties or producing facilities, personal injury or death, environmental damage.
- delays in mining caused by industrial accidents or labour disputes.
- changes in regulatory environment.
- monetary losses and
- possible legal liability.

It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks because of high premiums or other reasons. Moreover, insurance against certain risks may not be available to the Company or to other companies in the mining industry on acceptable terms. If such liabilities arise and are not covered by insurance, they could reduce or eliminate

any further profitability and result in increasing costs and a decline in the value of the securities of the Corporation.

20.15 Information Systems Security Threats

The Corporation's operations depend upon information technology systems which may be subject to disruption, damage, or failure from different sources, including, without limitation, installation of malicious software, computer viruses, security breaches, cyber-attacks, and defects in design.

20. RISK FACTORS (CONT'D)

Although to date the Corporation has not experienced any material losses relating to cyber-attacks or other information security breaches, there can be no assurance that the Corporation will not incur such losses in the future. The Corporation's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access remain a priority. As cyber threats continue to evolve, the Corporation may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

21. MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION

The Corporation's Financial Statements are the responsibility of the Corporation's management. The Financial Statements were prepared by the Corporation's management in accordance with IFRS. The Financial Statements include certain amounts based on the use of estimates, judgements and assumptions. Management has established these amounts in a reasonable manner, in order to ensure that the Financial Statements are presented fairly in all material respects.

The Financial Statements have been approved by the board of directors based on the estimates, judgements and assumptions as presented by management.

22. FORWARD LOOKING INFORMATION

This MD&A contains forward-looking information within the meaning of applicable securities legislation, which reflects the Corporation's current expectations regarding future events and the receipt of necessary authorizations from securities regulatory authorities. Such statements can be recognized by the terms "forecast", "anticipate", "consider", "foresee" and other terms and similar expressions. In this MD&A 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 Corporation'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 Section 20. Any forward-looking information included in this MD&A is based only on information currently available to the Corporation and speaks only as of the date on which it is made. Except as required by applicable securities laws, the Corporation assumes no obligation to update or revise any forward-looking information to reflect new circumstances or events.

March 30, 2023

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

(s) "Jaco Crouse"
Jaco Crouse
CFO