



Amaroq Minerals Ltd.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2024

Amaroq Minerals Ltd. Management Discussion & Analysis

For the year ended December 31, 2024

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Amaroq Minerals Ltd. Management Discussion & Analysis

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This Management's Discussion and Analysis ("MD&A") of Amaroq Minerals Ltd. (the "Corporation"), and its subsidiary companies and joint arrangements provide a detailed analysis of the Corporation's business and compare its financial results with those of the previous periods. This MD&A is dated as of March 28, 2025 and should be read in conjunction with the Corporation's audited consolidated financial statements and related notes for the year ended December 31, 2024 (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 dollar amounts in this MD&A are expressed in Canadian dollars, unless otherwise noted.

Further information regarding the Corporation, including the Corporation's press release, quarterly and annual reports, Annual Information Form are available electronically on the System for Electronic Data Analysis and Retrieval + (SEDAR+) in Canada and can be found on www.sedarplus.ca. The following abbreviations are used to describe the periods under review throughout this MD&A:

Abbreviation	Period
2022	January 1, 2022 to December 31, 2022
Q1-23	January 1, 2023 to March 31, 2023
Q2-23	April 1, 2023 to June 30, 2023
Q3-23	July 1, 2023 to September 30, 2023
Q4-23	October 1, 2023 to December 31, 2023
2023	January 1, 2023 to December 31, 2023
Q1-24	January 1, 2024 to March 31, 2024
Q2-24	April 1, 2024 to June 30, 2024
Q3-24	July 1, 2024 to September 30, 2024
Q4-24	October 1, 2024 to December 31, 2024
2024	January 1, 2024 to December 31, 2024
Q1-25	January 1, 2025 to March 31, 2025
2025	January 1, 2025 to December 31, 2025

1. NATURE OF ACTIVITIES

Amaroq Minerals Ltd. (the "Corporation") was incorporated on February 22, 2017, under the Canada Business Corporations Act. As of June 19, 2024, the Corporation completed its continuance from the Canada Business Corporations Act into the Province of Ontario under the Business Corporations Act (Ontario). The Corporation's head office is situated at 100 King Street West, Suite 3400, First Canadian Place, Toronto, Ontario, M5X 1A4, Canada.

The Corporation's financial year ends on December 31. Since July 2017, the Corporation's shares are listed on the TSX Venture Exchange (the "TSX-V"). Since July 2020, the Corporation's shares have also been quoted on the AIM market of the London Stock Exchange ("AIM") and from November 1, 2022, on Nasdaq First North Growth Market Iceland, which were transferred on September 21, 2023 to the Nasdaq Main Market Iceland ("Nasdaq") under the AMRQ ticker. The Corporation's financial year ends on December 31.

Amaroq is a mining and exploration company operating in Greenland, with a focus on exploring and developing licenses in gold and other strategic minerals in the area. The Corporation's cornerstone asset is the Nalunaq gold mine, which is currently being developed through trial mining and commissioning of an on-site processing plant. The Corporation aims for Nalunaq to facilitate its transition to being self-funded and unlock the true mineral potential of its extensive licence holdings, thereby delivering significant value to all stakeholders. The Corporation is actively exploring for potential world class gold deposits within the Nanortalik Gold Belt in Southern Greenland. Additionally, through its joint venture with GCAM (the "Joint Venture" or "JV"), the Corporation is exploring for strategic minerals such as copper, nickel and rare earths in the South Greenland Copper Belt and the Gardar Province Mineral Belt. In the future, the Corporation might look to leverage its expertise in mineral exploration, development and exploitation outside of Greenland, should the opportunity arise.

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2. OPERATIONAL PERFORMANCE HIGHLIGHTS

Throughout the twelve-month period ending 31 December 2024, significant milestones were achieved at the Nalunaq mine, the Corporation's cornerstone asset. This period marked the continuation of trial mining, the on-going construction of the processing plant, and the development of essential infrastructure. These efforts culminated in a landmark event: the first gold pour on 27 November 2024.

In 2024, during the trial mining activities in the Nalunaq mine, Thyssen Schachtbau GMBH acted as its mining contractor. On June 30, 2024, the first development ore was blasted at 732 level in Nalunaq's Mountain Block. During the 2024 trial mining phase, 887 meters of development operations, spanning four levels were completed in the Mountain Block. The ramp was completed from 724 level up to 754 level. Large items of mining equipment were added and arrived on site in the later half of 2024, including a diamond drill that arrived mid-October, and a long-hole drill which arrived in December. An additional long-hole drill, three scoops and two jumbos, one of which is an electric twin-boom, also arrived on site to further support the mining team's efforts.

The Corporation's construction of the first phase of a 300 tonne-per-day processing plant and associated infrastructure continued in 2024, resulting in the production of the first gold doré on site on 27 November 2024. The south part of the building was completed in Q4-24. During the quarter, installation of the following items were completed and commissioned for the trial processing phase: gravity circuit, ball mill, feed conveyor, reclaimer, e-house, gold room shaking table, concentrator, furnace and oven and the thickener.

A new wing was completed at the Nalunaq camp which is now in operation, increasing camp capacity to 120 people.

In Q3-24, the Corporation successfully completed its 2024 exploration season. Exploration work was undertaken across nine licenses, with 8,552m of surface core drilling targeting five key gold, copper and nickel accumulations. This included first-time drilling at the exciting Nanoq gold and Josva copper projects.

At Nalunaq, a total of 2,985.2 meters of new core drilling across the Target Block Extension zone was completed as well as the resampling of all historical core, to further assess the 75 Vein and other hanging wall vein potential. This work along with the commencement of underground drilling for a total of 127.5 meters is the reported period, has provided significant information ahead of planned mining operations of areas in the Mountain Block, as well as providing insight to the grade and continuity of the Main Vein and 75 Vein in the Target Block Extension zone.

In addition, further surface outcrop sampling was completed across the Main Vein and 75 Vein at the Target Block Extension. Completed exploration work has laid the foundation for a planned underground drill definition programme and an updated Mineral Resource Estimate.

In addition to the work at Nalunaq, the Corporation conducted further exploration across its gold portfolio. Surface sampling was conducted at Eagle's Nest, located 30km north of Nalunaq, within the Nanortalik Gold Belt. The Corporation also made significant progress at the Nanoq gold project on the eastern side of the Nanortalik Gold Belt, having completed its first drilling programme (130 meters across two holes). These results will be invaluable in assessing the potential of this high-grade orogenic gold system, which has previously shown grades up to 175g/t Au over 0.8m in channel samples and significant copper mineralization.

In the Corporation's strategic mineral portfolio, 4,733 meters of exploration drilling was conducted at the Stendalen Cu/Ni project, located 65km northeast of Nalunaq. The drilling was aimed at testing several strong geophysical anomalies identified from recent airborne and surface surveys. These anomalies indicate potential magmatic sulphide bodies at depth. The programme was further enhanced by a downhole electromagnetic survey completed in October 2024. The results will play a crucial role in shaping the geological model for continued exploration in 2025.

Beyond Stendalen, the Corporation carried out extensive geological reconnaissance and drilling across the 120km-long South Greenland Copper Belt, which spans four exploration licenses and one pending application. The Corporation conducted new scout drilling (501 meters across two holes) at the epithermal copper/gold mineralization at Target North and initial drilling (250 meters across two holes) at the high-grade copper mineralization at the historic Josva mine. The drilling programme will serve to reinforce the Corporation's understanding of its substantial land package, which covers a diverse range of mineralization systems. These include deep copper skarn systems, classic copper/molybdenum porphyry systems, and higher-level epithermal systems, all preserved at different stratigraphic levels. As the belt progresses from Josva in the west, through Sava, and ultimately to the new epithermal targets within the Johan Dahl Land license application, the geological complexity and potential of this region become increasingly evident.

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In summary, the 2024 exploration has

- provided resource growth at Nalunaq across the Mountain and Target Blocks,
- provided initiation indications of high-grade gold systems at Nanoq and Eagle's Nest,
- provided a further 6 intersection into the Stendalen magmatic Cu/Ni target,
- given new drill intersections into the Josva and Target North
- the identification of multiple ne Cu-Au-PGE targets
- the discovery of the Ukaleq Cu/Au epithermal systems across Johan Dahl Land

2.1 Summary of 2024 Exploration Activities

Licence	Project	2024 Activities	No. Drill Holes	No. of Meters	No. of Samples
2003-05	Nalunaq	Surface/Underground Drilling, underground sampling	13	3112.7	838
2019-113	Nanoq	Maiden Drilling Programme	2	133.1	185
2020-31	Saarloq	Geological Reconnaissance	NA	NA	8
2020-36	Eagle's Nest	Geological Reconnaissance / Mountain Sampling	NA	NA	119
2020-41	North Sava	Geological Reconnaissance	NA	NA	7
2021-02	Sava (Target North)	Scout Core drilling	2	501	670
2021-11	Stendalen	Exploration Core Drilling	6	4733.7	3195
2022-01	Kobberminebugt (Josva)	Scout Core drilling	2	250.9	292
2023-70	Nunarsuit	Geological Reconnaissance	0	0	84
2025-17	Johan Dahl Land	Geological Reconnaissance	NA	NA	319

2.2 Q4-24 Consolidated Financial Results

Period ended December 31, 2024	Three months Unaudited		Twelve months		
	2024	2023	2024	2023	2022
	\$	\$	\$	\$	\$
Financial Results					
Exploration and evaluation expenses	2,290,855	(879,326)	(2,882,092)	(6,616,652)	(12,700,526)
Site development costs	-	(2,515,682)	-	(2,515,743)	-
General and administrative expenses	(5,690,573)	(5,616,533)	(17,521,730)	(13,631,912)	(10,150,020)
Gain on loss of control of subsidiary	-	-	-	31,340,880	-
Loss on disposal of capital assets	-	-	(149,916)	(37,791)	(100,536)
Foreign exchange gain (loss)	(567,541)	365,412	907,890	306,705	849,773
Interest income	245,081	456,528	1,188,104	1,069,559	239,869
Garda project management fees	630,075	606,458	2,453,361	1,714,559	-
Share of net losses of joint arrangement	(1,891,948)	(2,871,156)	(8,590,498)	(7,892,387)	-
Unrealized gain (loss) on derivative liability	86,115	(4,810,191)	1,722,682	(4,536,411)	-
Finance costs	(556,490)	1,005,513	(583,939)	(34,320)	(37,523)
Net loss and comprehensive loss	(5,454,426)	(14,259,107)	(23,456,138)	(833,513)	(21,898,963)
Basic loss per share	(0.015)	(0.05)	(0.071)	(0.003)	(0.11)
Diluted loss per common share	(0.015)	(0.05)	(0.071)	(0.003)	(0.11)

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Financial Position	As at		
	December 31, 2024	December 31, 2023	December 31, 2022
	\$	\$	\$
Financial Position			
Cash	45,193,670	21,014,633	50,137,569
Investment in equity-accounted joint arrangement	14,902,313	23,492,811	-
Total assets	255,976,986	107,240,058	65,096,061
Total current liabilities	46,973,753	42,384,187	1,210,758
Total non-current liabilities	7,845,657	577,234	657,440
Shareholders' equity	201,157,576	64,278,637	63,227,863
Working capital (before convertible notes liability and loan payable) ¹	47,525,515	34,092,130	49,472,991
Working capital (convertible notes liability and loan payable included) ¹	18,903,783	(1,650,997)	49,472,991

2.3 2024 Financial Performance Highlights

	Q4-24	Q3-24	Q2-24	Q1-24
	\$	\$	\$	\$
Exploration and evaluation expenses	2,290,855	(4,424,907)	127,173	(875,213)
Site development costs	-	-	-	-
General and administrative expenses	(5,690,573)	(3,536,240)	(4,335,691)	(3,959,226)
Share of net losses of joint arrangement	(1,891,948)	(4,788,733)	(1,263,385)	(646,432)
Net income (loss)	(5,454,426)	(14,013,519)	5,229,322	(9,217,515)
Basic income (loss) per share	(0.015)	(0.043)	0.016	(0.03)
Diluted income (loss) per common share	(0.015)	(0.043)	0.014	(0.03)
Cash	45,193,670	25,937,983	31,663,204	65,086,851
Investment in equity-accounted joint arrangement	14,902,313	16,794,261	21,582,994	22,846,379
Total assets	255,976,986	199,102,439	177,950,773	179,887,713
Total current liabilities	46,973,753	76,516,905	41,932,965	48,922,487
Total non-current liabilities	7,845,657	622,123	652,063	681,723
Shareholders' equity	201,157,576	121,963,411	135,365,745	130,283,503
Working capital (before convertible notes liability and loan payable) ¹	47,525,515	37,937,316	50,734,743	78,210,475
Working Capital (convertible notes liability and loan payable included) ¹	18,903,783	(24,983,350)	17,291,885	36,659,134

	Q4-23	Q3-23	Q2-23	Q1-23
	\$	\$	\$	\$
Exploration and evaluation expenses	(879,326)	(2,277,540)	(2,278,193)	(1,181,653)
Site development costs	(2,515,743)	1,825,564	(1,825,564)	-
General and administrative expenses	(5,616,533)	(2,632,041)	(2,806,181)	(2,577,035)
Gain on loss of control of subsidiary	-	-	31,340,880	-

¹ Working Capital as per the Consolidated Statement of Financial Position as at December 31 2024 is \$18,903,783 ((\$1,650,997) as at December 31, 2023) and includes \$nil (\$35,743,127 as at December 31, 2023) of Convertible Notes liability, hybrid instrument with complex embedded derivatives due to its early conversion and repayment feature components, and loan payable of \$28,621,732 (\$nil as at December 31 2023). The Corporation had classified host liability and embedded derivative liability as current due to its early conversion feature. The loan payable is classified as current because it matures within 12 months of the reporting date.

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	Q4-23	Q3-23	Q2-23	Q1-23
Share of loss of joint arrangement	(2,871,156)	(3,381,749)	(1,639,482)	-
Net income (loss)	(14,259,107)	(6,555,222)	23,357,701	(3,376,893)
Basic income (loss) per share	(0.05)	(0.02)	0.09	(0.01)
Diluted income (loss) per common share	(0.05)	(0.02)	0.09	(0.01)
Cash	21,014,633	53,655,954	39,669,852	46,784,407
Investment in equity-accounted joint arrangement	23,492,811	26,363,967	29,745,716	-
Total assets	107,240,058	111,193,232	87,686,844	62,010,593
Total current liabilities	42,384,187	32,613,568	2,980,657	1,091,187
Total non-current liabilities	577,234	597,145	616,730	638,664
Shareholders' equity	64,278,637	77,982,519	84,089,457	60,280,742
Working capital (before convertible notes liability) ¹	34,092,130	58,690,733	41,017,725	46,738,567
Working Capital (convertible notes liability included) ¹	(1,650,997)	28,895,835	41,017,725	46,738,567

The Corporation reported a net loss of (\$5,454,426) and (\$23,456,138) respectively for the three and twelve months ended December 31, 2024 compared to a net loss of (\$14,259,099) and (\$833,513) respectively for the three and twelve months ended December 31, 2023. Main comparisons to the previous year are as follows:

- Exploration and evaluation expenses of (\$2,290,855) and \$2,882,092 respectively for three and twelve months ended December 31, 2024 (expense of \$879,326 and \$6,616,652 respectively for three and twelve months ended December 31, 2023). \$2,882,092 of expenses for twelve months ended December 31, 2024 mainly represent the costs associated with the preparation and execution of the 2024 field programmes. Furthermore, in 2024 the drilling and exploration campaign in Nalunaq started in July, whereas in 2023 exploration activities began in May. Expenses were also lower during 2024 since the Corporation capitalized \$3,034,046 of exploration expenses related to exploration and development activities of the Nalunaq mine.
- General and administrative costs of \$5,690,573 and \$17,521,730 respectively for the three and twelve months ended December 31, 2024 (\$5,616,533 and \$13,631,912 for the three and twelve months ended December 31, 2023).
 - Salaries and benefits of \$2,682,877 and \$6,598,886 for the three and twelve months ended December 31, 2024 (\$2,447,564 and \$4,311,610 for the three and twelve months ended December 30, 2023). Salaries and benefits have increased and are expected to increase over the next couple of quarters due to an increase in manpower to complete the construction of the processing plant, manage on-site stores and warehousing, coordinate site rotations and logistics and collection of ESG related data.
 - Stock-based compensation of \$699,788 and \$2,047,386 for the three and twelve months ended December 31, 2024 (\$555,261 and \$1,908,303 for the three and twelve months ended December 31, 2023). The Corporation has implemented a Restricted Share Unit Plan ("RSU") to incentivize delivery of the exceptional shareholder returns over the longer-term and to align the interests of Senior Executives with those of shareholders. Under the RSU, participants 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" is determined using a hurdle rate of 10% per annum over a performance period commencing on January 1, 2022. Part of the RSU pool will be reserved for future participants. Growth in value is 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 31, 2022 and October 13, 2023. \$711,500 recorded in three months ended March 31, 2024 represents the recognition of the three-month expense based on the fair valuation of the RSU pool for current participants which increased from four to five members of the Executive team, as well as RSU plan amendment that increased the number of shares available for the conditional award to be 10% of the issued share capital at the time of the award instead of 10% of a fixed share capital amount of 177,098,740. During the three months ended June 30, 2024 the RSU share based expense declined as a result of the departure of the Corporation's CFO and forfeiture of the former CFO's awards, resulting in a decrease in the allocated restricted shares from 90% to 70% as of June 30, 2024. During August 2024, the Corporation's new CFO was granted a conditional award of 12% of the available pool, thus increasing the allocated restricted shares from 70% as of June 30, 2024 to 82% as of September 2024. Furthermore, during December 2024, RSU awards with a fair value of \$1,678,755 were granted to the Company's employees and increased stock-based compensation expense by \$55,192 during the three months ended December 31, 2024. Further details on the RSU description and valuation are provided under Note 16.2 of December 31, 2024 Financial Statements.
 - Director's fees of \$159,000 and \$636,000 for the three and twelve months ended December 31, 2024 (\$159,000 and \$631,667 for the three and twelve months ended December 31, 2023).
 - Professional fees of \$1,019,551 and \$3,665,043 for the three and twelve months ended December 31,

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- 2024 (\$1,479,353 and \$3,298,134 for the three and twelve months ended December 31, 2023). Increase in professional fees is mainly due to additional advisory costs related to the measurement and valuation of complex financial instruments, inventory production costing, impairment indicators review and associated disclosures. The increase was also impacted by the expenses related to the implementation of new social programs in Greenland as part of the Company's ESG activities as well as IT related consulting costs.
- Investor Relations and Communication of \$241,060 and \$724,012 for the three and twelve months ended December 31, 2024 (\$232,903 and \$713,161 for the three and twelve months ended December 31, 2023) is slightly higher than for the same period of 2023, mainly driven by increased interaction with investors in connection with equity raises in February and December 2024.
 - Insurance of \$63,619 and \$319,988 for the three and twelve months ended December 31, 2024 (\$77,836 and \$289,042 for the three and twelve months ended December 31, 2023). The increase is mainly driven by slightly higher market rates for general liability insurance and increase in coverage given the progress in construction at Nalunaq.
 - Regulatory fees of \$271,505 and \$1,068,200 for the three and twelve months ended December 31, 2024 (\$238,299 and \$953,521 for the three and twelve months ended December 31, 2023).
- Foreign exchange loss of (\$567,541) and gain of \$907,890 for the three and twelve months ended December 31, 2024 (gain \$365,412 in three months ended December 31, 2023 and gain of \$306,705 in the twelve months ended December 31, 2023) mainly represents the revaluation of USD, GBP, ISK and EUR denominated balances against a weakening Canadian dollar. In the 12-months of 2024 USD strengthened from 1.32 to 1.44 against the Canadian Dollar, GBP strengthened from 1.69 to 1.80, ISK strengthened from 0.0097 to 0.010 and the EUR strengthened from 1.46 to 1.49. The gain was mainly due to the FX gain on the foreign currency denominated cash and receivables balance, which was partially offset by the FX loss on foreign currency denominated payables, the US denominated convertible note financial liability and the US dollar denominated loans payable.
 - A \$31,340,880 gain on loss of control of Gardaq was recognised in the twelve months ended December 31, 2023, representing the Corporation's 51% share of fair value of Gardaq's non-gold strategic mineral licenses on April 13, 2023 – Joint Venture deal closing date with ACAM.
 - Share of net loss in joint arrangement of \$1,891,948 and \$8,590,498 for the three and twelve months ended December 31, 2024 (\$2,871,156 and \$7,892,387 in three and twelve months ended December 31, 2023) representing the 51% share of exploration costs incurred by Gardaq A/S which increased during the current period.
 - Gardaq project management fees of \$630,075 and \$2,453,361 for the three and twelve months ended December 31, 2024 (\$606,458 and \$1,714,559 for the three and twelve months ended December 31, 2023) representing corporate overhead costs charged by Nalunaq A/S to Gardaq A/S. The \$606,458 and \$1,714,559 reported in three and twelve months ended December 31, 2023 represent a management fee for the period from April 13 to December 31, 2023. Gardaq's exploration activities commenced subsequent to April 2023, representing 8.5 months of activity during the twelve months ended December 31, 2023, compared to a full twelve months of activity during the twelve months ended December 31, 2024.

2.4 Cash Flow and Liquidity

Cash used in operating activities in the twelve months ended December 31, 2024, totalled \$6,025,383 compared to \$34,156,943 in the twelve months ended December 31, 2023. Cash used in twelve months of operations reflects costs to run 2024 exploration season, corporate overheads, partly offset by cash flow from working capital as a result of release of downpayments paid in 2023 for equipment being delivered to Nalunaq site in 2024 for processing plant and related surface infrastructure. Cash used in operations during the twelve months ended December 31, 2023 was mostly directed at preparing for the 2023 exploration season as well as Nalunaq project supplier downpayments, camp maintenance and corporate overheads.

Cash used in investing activities in the twelve months ended December 31, 2024, was \$117,467,501 (twelve months ended December 31, 2023 \$24,471,657 representing cash spent on trial mining development in Mountain Block and advancing the construction of the 300 tonne per day processing plant, as well as associated surface infrastructure such as vehicles, maintenance workshop and communications system installation.

Cash received from financing activities in the twelve months ended December 31, 2024, was \$145,533,873 compared to cash from financing activities of \$29,321,256 during the twelve months ended December 31, 2023. Cash inflow during the twelve months ended December 31, 2024 is mainly driven by two equity capital raises totalling \$127 million (GBP 73.0 million) of gross proceeds which were closed on February 23, 2024 (GBP 45.5 million, \$78.2 million) and December 17, 2024 (GBP 27.5 million, \$49.0 million). The Corporation also utilized its revolving credit facilities of CAD \$24,394,364 (USD 18.5 million) net of transaction costs. As of December 31, 2024, aside from \$45.2 million available cash, the Corporation had undrawn facilities of \$23.7 million (US \$16.5M), representing short-term liquidity of \$50.5 million net of trade payables and accrued liabilities.

As of December 31, 2024, the Corporation has working capital (before convertible note liability and loan payable) of \$47,525,515 compared to \$34,092,130 as of December 31, 2023. On October 4, 2024, the Corporation entered into an

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agreement with the holders of its \$38,395,349 (US \$22.4M original principal) convertible notes to convert the notes into new common shares (see section 3.6 for more details).

3. CORPORATE UPDATE

3.1 GBP 44 million Fundraising

On February 23, 2024, the Corporation successfully completed an oversubscribed fundraising which resulted in 62,724,758 new common shares placed with new and existing institutional investors, at a placing price of 74 pence per share (CAD \$1.25, ISK 127 at the closing exchange rate on 9 February 2024). The placing price represented a 5.7% premium to the closing share price on 9 February 2024 on the AIM exchange. The fundraising consisted of:

- A placing of new common shares with new and existing institutional investors at the placing price (the “UK Placing”). Stifel Nicolaus Europe Limited acted as the sole bookrunner and broker on the UK Placing.
- A placing of new depository receipts representing new common shares with new and existing investors at the placing price (the “Icelandic Placing”). Landsbankinn hf. and Fossar Investment Bank hf. acted as joint bookrunners on the Icelandic Placing and Landsbankinn hf. acted as underwriter.
- A private placement of new common shares by certain existing institutional investors and a director of the Corporation at the placing price (the “Canadian Subscription”). The Corporation director, Sigurbjorn Thorkeisson, participated in the Canadian Subscription for an aggregate of 2,700,000 common shares for gross proceeds of £2.0 million (equivalent to approx. C\$3.4 million or ISK 343 million) via Klettur LP (in which he is a sole beneficiary).

As a result of the subscription, net proceeds of approximately GBP 44 million (CAD 75.6 million) were raised, exceeding the initial targeted amount of GBP 30 million. The issued shares were credited as fully paid and ranked *pari passu* in all respects with the existing common shares of the Corporation. Following the admission of the subscribed shares, the Corporation’s total issued share capital consisted of 326,455,446 common shares.

3.2 Directorate Change

The Corporation’s Chief Financial Officer and Director Jaco Crouse stepped down from his position as CFO and Director effective June 3, 2024. The Corporation initiated a process to appoint a new Chief Financial Officer and on July 5, 2024, announced that Ellert Arnarson was appointed as Chief Financial Officer. Mr. Arnarson joined Amaroq on August 6, 2024, from Landsbankinn where he was the Head of Corporate Finance. Prior to this, Mr. Arnarson held senior positions at the Pension Fund of Commerce, Iceland’s second-largest pension fund, and at GAMMA Capital Management. Mr. Arnarson has extensive experience in financial management and analysis, capital raising as well as mergers and acquisitions.

3.3 Sustainability Report

The Corporation is targeting to issue its inaugural Sustainability Report in Q2-25.

3.4 Approval of Environmental and Social Impact Assessments

On June 28, 2024 the Corporation announced that the Government of Greenland had approved the Environmental and Social Impact Assessments for the Nalunaq Project.

The purpose of the Environmental Impact Assessment (EIA) was to identify, predict and communicate the potential environmental impacts of the Nalunaq project in all of its phases - construction, operations, closure and post-closure. The assessment also identified mitigation and monitoring measures designed to eliminate or minimize negative environmental effects which we are including in our project design and implementation activities.

The purpose of the Social Impact Assessment (SIA) was to assess the project’s impact on existing social conditions. Positive social impacts that were identified included:

- Creating job opportunities
- Providing training and skill upgrading opportunities
- Creating opportunities for Greenlandic companies to provide goods and services
- Generation of public revenue through the payment of royalties, corporate and income taxes

3.5 US\$35 million Revolving Credit Facility

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On December 30, 2024, the Corporation entered into a credit agreement with Landsbankinn, providing for a 2-year senior secured debt financing package in an aggregate amount of up to US\$35 million. The agreement secures a substantial increase and extension to its existing debt facilities.

- The financing package replaces the Corporation's existing credit and cost overrun facilities, simplifying the structure of its debt facilities and increasing the financial flexibility and liquidity for the Corporation.
- The US\$35 million debt financing package with Landsbankinn consists of three facilities:
 - US\$18.5 million Facility A with a margin of 9.5% per annum, reduced to 7.5% once Facility C has become available.
 - US\$10 million Facility B with a margin of 9.5% per annum, reduced to 7.5% once Facility C has become available
 - US \$6.5 million Facility C with a margin of 7.5%, which becomes available once all other facilities have been fully drawn and the Company's cumulative EBITDA over the preceding three-month period exceeds CAD 6 million
 - Facility A will be utilized to refinance the Corporation's existing revolving credit facilities entered into on 1 September 2023
 - Facilities B and C will be applied towards working capital and general corporate purposes. These facilities involve covenants relating to EBITDA and the Company's equity ratio.
 - The new facilities carry a 1.5% arrangement fee, a 0.4% commitment fee on unutilised amounts, and a termination date of December 1, 2026.
 - The facilities involve covenants relating to EBITDA and the Corporation's equity ratio.
 - The facilities are secured by a combination of a property and operational equipment mortgage, share pledge over subsidiaries, certain bank account pledges and a license transfer agreement.
- Upon drawing down on the new facilities, the Corporation's undrawn US\$10.0 million cost overrun facilities dated September 1, 2023, will be cancelled.

3.6 Amendments and Conversion of Convertible Notes

On October 4, 2024, the Corporation entered into an agreement with the holders of its US \$22.4M convertible notes, due in 2027, to convert the notes into new common shares in order to simplify the Corporation's capital structure, reduce cash interest costs and permit future financial flexibility.

The Corporation amended the Convertible Notes to permit the payment of the outstanding interest and commitment fees in common shares of the Corporation at a conversion price equal to the closing price of the common shares on the TSX-V on the trading day immediately prior to such conversion. These amendments were approved by the TSX-V on October 10, 2024.

The holders of the Convertible Notes elected to convert all of the outstanding principal of the Convertible Notes into 33,629,068 Common Shares (the "Principal Conversion Shares") at a conversion price of CAD 0.90 (£0.525) per Principal Conversion Share and all of the outstanding interest of the Convertible Notes into 1,293,356 Common Shares (the "Interest Conversion Shares") at a conversion price of CAD \$1.30 (£0.73) per Interest Conversion Share. The Corporation and the holders of the Convertible Notes also agreed to make 70% of the total amount of the outstanding commitment fee immediately payable. The holders of the Convertible Notes subsequently elected to convert such commitment fee payable into 3,307,502 Common Shares (the "Commitment Fee Conversion Shares") in aggregate, at a conversion price of CAD \$1.30 (£0.73) per Commitment Fee Conversion Share.

Following the consent of the TSX-V, and their approval of the amendments to the Convertible Notes, the 33,629,068 Principal Conversion Shares, 1,293,356 Interest Conversion Shares and 3,307,502 Commitment Fee Conversion Shares were admitted to trading on AIM, TSX-V and Nasdaq Iceland's main market on October 14, 2024.

3.7 Appointment of Nominated Adviser and Joint Broker

On October 28, 2024, the Corporation announced the appointment of Panmure Liberum Limited as Nominated Adviser and Joint Broker and Canaccord Genuity Limited as Joint Broker, both with immediate effect.

3.8 GBP 27.5 million Fundraising

On December 17, 2024, the Corporation closed its fundraising pursuant to which it raised gross proceeds of approximately GBP 27.5 million (CAD \$49.0 million, ISK 4.8 billion) through a placing of 32,034,664 new common shares, which were issued at a price of 86 pence (CAD \$1.53, ISK 151) per new common share and admitted to trading on AIM, Nasdaq Iceland's main market, and the TSX-V. Panmure Liberum acted as nominated adviser, joint bookrunner and joint broker, alongside Canaccord, who also acted as joint bookrunner and joint broker on the UK Placing. Landsbankinn,

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Acro and Fossar acted as joint bookrunners on the Icelandic Placing and Landsbankinn acted as underwriter.

Certain officers and directors of the Corporation purchased an aggregate of 1,864,610 common shares for gross proceeds of approximately GBP 1.6 million (CAD \$2.85 million, ISK 282.2 million). The officers and directors of the Corporation subscribed to the Fundraising under the same terms and conditions as set forth for all subscribers.

3.9 Appointment of Head of Business Development and Corporate Affairs

On January 21, 2025 the Corporation announced the appointment of Edward Westropp as Head of Business Development and Corporate Affairs and a member of the Corporation's Executive Team with the effective start date of March 24, 2025. Edward Westropp previously held a position of VP of Investor Relations and Communications at Lundin Energy SA until its sale to AkerBP ASA in 2022.

4. OPERATIONAL UPDATES

4.1 Nalunaq Project Development

In 2024, the construction of the 1st Phase of the processing plant and associated infrastructure culminated in the pouring of the first doré bar on November 27, 2024. Since then, commissioning and construction of the plant has continued, as we seek to bring the facility up to its designed throughput capacity. 2nd Phase construction of the flotation circuit has started, including columns, girts and the roof. Once Phases 1 and 2 of the plant is fully commissioned, it will produce gold-bearing flotation concentrate and doré bars as final products. Halyard Inc. is acting as the engineering consultant for the construction of the processing plant, as announced on March 28, 2023. Adverse weather conditions, including several major storms in December 2024, have led to delays in construction. The staff rotation starting on December 18, 2024, experienced an 11-day delay, while the rotations on January 8, 2025, and January 28, 2025, each faced three-day delays. Given these circumstances, the decision was made to scale back the contractors' construction crews and decelerate further construction. The focus will be on completing the commissioning and remaining construction during the spring and summer months, taking advantage of the more clement weather conditions.

Throughout 2023, the Corporation finalized the mine design and schedule for the up-dip portion of the Mountain Block, (Mountain Block 1), laying the groundwork for development. To facilitate this programme, a mining contract was signed on October 4, 2023, with Thyssen Schachtbau GMBH on the underground development and mining. Following the completion of mine rehabilitation in Q1-24, the focus has been on optimizing mine development in the Mountain Block. On June 30, 2024, the first development ore was blasted on 732 level in Nalunaq's Mountain Block. During the trial mining phase in 2024, 887 meters of development spanning four levels were completed in the Mountain Block.

The ramp has been completed past the 754 level, and ore development has continued on the 720, 732, and 742 levels after blasting the first ore round on June 3, 2024. Both MineArc refuge stations have been commissioned, and the leaky feeder communication system has been installed from the 300 to the 742 level, along with a stench gas system. A temporary water line has also been installed from the 300-level portal to the headings in Mountain Block. The mining team has completed the construction of the underground main heating system at the 300-level portal, and preparations for heating the ramp have been made by installing bulkheads where necessary. To reduce haulage, existing ore passes have been secured and re-opened. The exhaust raise fan for Target Block has been commissioned in preparation for the development of an exploration drift for diamond drilling and resource expansion, and a ventilation portal has been established on the 742 level to support further development in Mountain Block. Additionally, 425 meters of diamond drilling have been completed in Mountain Block.

During the trial mining period, continued focus has been on increasing the mining teams' efficiency and availability of equipment. Development advance rates have not met management expectations during Q3-24 and into Q1-25. To address this, the Corporation is implementing improvement plans that establish new performance benchmarks for the mining contractor on site. These plans include increasing the contractor's staffing levels and fleet size, to align with the production profile. Additionally, performance-boosting equipment, such as an electric double boom rig and a single boom rig, have been deployed to the site. Both long hole rigs have been commissioned, and the first stope was blasted at the beginning of March 2025. Total development operations in 2025, have showed signs of improvement following the remedial actions undertaken.

4.2 Mine commissioning and first gold

The first gold pour was successfully achieved on November 27, 2024. During the remainder of Q4-24 and into Q1-25 ,

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the plant continued phase 1 commissioning, with the team working to bring more operational equipment online and establish a stable cycle of operations. Standard commissioning issues when working in southern Greenland were experienced, such as winter conditions impacting operations, as a storm in December 2024 which caused temperatures to drop sharply, leading to icing issues with some of the equipment. These issues were subsequently addressed by enhancing the heating system's capacity and efficiency. Looking ahead, operations are expected to become more stable and efficiency levels improved, with the full configuration of operational equipment and completion of all construction, including the full enclosure and cladding of the plant from the elements.

4.3 Gold Exploration Projects in 2024

- **Nalunaq**
 - All additional 75 Vein sampling from historical core housed at Nalunaq has been completed and results have been incorporated into an updated Mineral Resource estimate, as described in Post-period Highlights below.
 - A total of 2,985.2 meters of core drilling was completed across the Target Block Extension zone to the west of the historical mining areas providing invaluable data in the potential extension of the Main Vein and 75 Vein structures.
 - In parallel to this, a programme of surface samples along the outcropping Main Vein and 75 Vein to the west was completed with the use of mountaineering specialists.
- **Nanoq**
 - A 130-meter scout drilling programme was completed at Nanoq across previous channel sampling results with core being geologically assessed and sampled at Nalunaq. Results included up to 123g/t Au over 0.5m and intersections as wide as 3.2m (19.51g/rt Au)
- **Eagle's Nest**
 - Following the discovery of an outcropping vein above historical high grade float results, a small surface sampling programme was completed with the use of mountaineering specialists. Results provide up to 54.5g/t Au were recorded

4.4 Strategic Minerals Projects in 2024 (51% ownership through Gardaq Joint Venture)

- **Stendalen**
 - Further geophysical studies and inversions were completed ahead of commencing the 2024 drilling programme to best align the drill rigs.
 - A total of 4,733 meters of exploration drilling were completed at Stendalen with the aim of providing greater geological understanding to the mineralisation style and geometry.
 - Downhole geophysics was performed on holes drilled this year, as well as the scout hole drilled in 2023, to further enhance interpretation.
- **Copper Belt (Sava/North Sava, Kobberminebugt)**
 - A Geological field team completed a programme of mapping and sampling across the copper belt area, assessing both potential porphyry and magmatic Cu-Ni targets.
 - The team was supplemented by external support from copper subject matter experts.
 - Following this work, a 212-meter scout drilling programme was completed at Josva copper skarn target within the Kobberminebugt licence as well as 501 meters of scout drilling within the epithermal copper/gold target at Target North within the Sava licence.

4.5 Overview of 2024 Drilling Programmes

Project	Programme	Details	Approx. Results Date
Nalunaq	75 Vein Resampling	593 samples taken across all historical drillholes	Received
	Surface Sampling	221 outcrop samples from the Mountain and Target Blocks	Received
	Core Drilling	2,985.2m of core drilling on the Target Block Extension Zone + 127.5m of underground drilling in the Mountain Block	Received

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Eagle's Nest	Surface Sampling	Initial 84 samples upon new high grade gold target	Received
	Core Drilling	133m of scout drilling on high grade gold target	Received
Stendalen	Downhole Geophysics	Downhole EM through 2023/24 drillholes	Received / under review
	Core Drilling	4,773m of exploration drilling	Q2, 2025
Sava	Scout Drilling	501m from the Target North Cu/Au epithermal system	Q2, 2025
Josva	Scout Drilling	250m initial drilling into the former production high grade copper project	Q2, 2025
Copper Belt	Reconnaissance	Surface sampling and mapping over multiple copper targets across the 120km belt	Received

4.6 Post-period Highlights: Mineral Resource Estimate update

- A significant 51% increase in overall contained gold, to 157.6koz Indicated plus 326.3koz Inferred, demonstrating the robust expansion potential of the Nalunaq deposit.
- The inclusion of a maiden Indicated Mineral Resource category, supporting potential future conversion to Mineral Reserves and advancing the project's development.
- Total maiden Indicated Mineral Resource of 151Kt @ 32.4g/t Au for 157.6koz Au, with an additional 348Kt @ 29.2g/t Au for 326.3koz Au in the Inferred category, as reported in accordance with CIM Definition Standards by Bara Consulting Ltd. (Bara).
- This growth in Mineral Resource provides the potential to increase the estimated mine life from ~6 years to ~10 years².
- MRE4 incorporates extensive new data up to and including the 2024 exploration programme, underscoring the continued success of Amaroq's systematic drilling campaigns.
- Key resource expansion in the Valley Block and Mountain Block extension areas, reinforcing the potential for further growth.
- This updated resource estimate will inform the next phase of mine design, project planning, and strategic development initiatives. Amaroq is committed to ongoing exploration in 2025 to further enhance and expand this already significant resource base.

5. 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:

	Q4-24	Q4-23	2024	2023
	\$	\$	\$	\$
Nalunaq - Au				
Geology	112,786	106,058	685,994	385,796
Lodging and on-site support	1,207	52,129	286,019	305,808
Drilling	(2,028,482)	-	60,000	1,354,447
Analysis	(51,620)	4,917	141,466	32,177
Transport	(83,186)	104,392	(60,296)	800,247
Helicopter charter	(773,289)	69,383	-	1,210,601
Maintenance infrastructure	(11,766)	249,681	363,333	1,641,204

² Based on plant Design Criteria of 300t/d capacity, Annual Ore mined is based on 330days, on 93.4% utilization this equates to 280t/d processing throughput for the years when production is stabilized and at steady state, total Resource ounces of 484kOz at 15g/t diluted grade for the years 2028 to 2035, Resource may not necessarily convert to minable reserves.

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	Q4-24	Q4-23	2024	2023
	\$	\$	\$	\$
Supplies and equipment	(483)	140,635	229,179	1,498,097
Project engineering costs	-	-	-	55,792
Government fees	(589)	(25,615)	15,976	-
Depreciation	126,030	157,254	682,661	635,773
	(2,709,392)	858,834	2,404,332	7,919,942
Vagar - Au				
Analysis	-	-	-	156
Transport	-	3,922	(3,922)	3,922
Helicopter charter	-	14,007	-	14,007
Maintenance infrastructure	-	1,569	4,131	1,569
Supplies and equipment	-	-	-	-
Government fees	-	994	16,312	994
	-	20,492	16,521	20,648
Tartoq - Au				
Maintenance infrastructure	-	-	189	-
Government fees	-	-	8,722	-
	-	-	8,911	-
Siku - Au				
Maintenance infrastructure	-	-	189	-
	-	-	189	-
Nuna Nutaaq - Au				
Geology	-	-	-	30,056
Drilling	114,209	-	114,209	-
Analysis	43,641	-	43,641	-
Transport	143,675	-	143,675	-
Helicopter Charter	115,856	-	147,894	-
Maintenance infrastructure	-	-	187	-
Supplies and equipment	1,156	-	2,344	-
	418,537	-	451,950	30,056
Anoritooq - Au				
Maintenance infrastructure	-	-	189	-
	-	-	189	-
Sava – Strategic Minerals				
Geology	-	-	-	(59,660)
Lodging and on-site support	-	-	-	(29,413)
Drilling	-	-	-	(144,019)
Analysis	-	-	-	(25,060)
Transport	-	-	-	(37,154)
Helicopter charter	-	-	-	(241,390)
Logistic support	-	-	-	(16,275)
Maintenance infrastructure	-	-	-	(83,364)
Supplies and equipment	-	-	-	(18,736)
	-	-	-	(655,071)
North Sava - Strategic Minerals				
Geology	-	-	-	(34,912)
Lodging and on-site support	-	-	-	(8,791)
Transport	-	-	-	(3,256)
Geological Survey	-	-	-	(416,177)
Logistic support	-	-	-	(9,643)
Maintenance infrastructure	-	-	-	(48,770)
Supplies and equipment	-	-	-	(13,575)
	-	-	-	(535,124)
Stendalen - Strategic Minerals				
Geology	-	-	-	(20,202)

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	Q4-24	Q4-23	2024	2023
	\$	\$	\$	\$
Lodging and on-site support	-	-	-	(5,676)
Analysis	-	-	-	(173)
Transport	-	-	-	(2,290)
Logistic support	-	-	-	(9,796)
Maintenance infrastructure	-	-	-	(26,700)
Supplies and equipment	-	-	-	(7,779)
	-	-	-	(72,616)
Kobberminebugt - Strategic Minerals				
Geology	-	-	-	(16,914)
Lodging and on-site support	-	-	-	(5,737)
Analysis	-	-	-	(1,035)
Transport	-	-	-	(2,450)
Helicopter charter	-	-	-	(13,072)
Logistic support	-	-	-	(12,479)
Maintenance infrastructure	-	-	-	(23,521)
Supplies and equipment	-	-	-	(7,148)
	-	-	-	(82,356)
Saarloq - Strategic Minerals				
Geology	-	-	-	(1,921)
Lodging and on-site support	-	-	-	(854)
Analysis	-	-	-	(87)
Transport	-	-	-	(442)
Logistic support	-	-	-	(3,316)
Maintenance infrastructure	-	-	-	(1,544)
Supplies and equipment	-	-	-	(661)
	-	-	-	(8,825)
Total				
Geology	112,786	106,058	685,994	282,242
Lodging and on-site support	1,207	52,129	286,019	255,337
Drilling	(1,914,273)	-	174,209	1,210,428
Analysis	(7,979)	4,917	185,107	5,978
Geological Survey	-	-	-	(416,177)
Transport	60,489	108,314	79,457	758,577
Supplies and equipment	673	140,635	231,523	1,450,198
Helicopter charter	(657,433)	83,390	147,894	970,146
Logistic support	-	-	-	(51,509)
Maintenance infrastructure	(11,766)	251,250	368,218	1,458,873
Project engineering costs	-	-	-	55,792
Government fees	(589)	(24,621)	41,010	994
Depreciation	126,030	157,254	682,661	635,773
Total exploration and evaluation expenses	(2,290,855)	879,326	2,882,092	6,616,652

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 report.

5.1 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

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Greenland, Mineral Licence and Safety Authority (the "Nalunaq Licence"), which covers an area, following a small expansion granted 23 April 2024, of 33.7 km² and includes the former underground mine which ceased operating in 2013 (the "Nalunaq Gold Mine").

b) Nalunaq exploration results

Following the successful 2023 exploration season and the initiation of underground rehabilitation and development at Nalunaq, Amaroq completed an ambitious 2024 exploration programme, further solidifying its commitment to unlocking the mine's full potential. The 2024 campaign encompassed both surface and underground drilling, including:

Underground Exploration:

- Initiation of an underground drilling programme to support both resource growth and mine definition.
- High-grade close-space variability studies to refine geological modelling.

Surface Exploration:

- A core drilling programme targeting the extension of the Target Block.
- A mountain channel sampling programme focused on the western outcrop zones.

The results of these programmes were announced February 27 providing insight to both the continued high grade nature of the Mountain Block ahead of the current mine faces and the potential continuation of the Target Block. All these data as well as the resampling of the 75 vein will be incorporated into a new Mineral Resource estimate scheduled for end Q1-25.

5.2 Vagar – Gold

a) Property description

The Vagar Licence covers an official area of 292 km² and comprises three sub-areas. The licence expired December 31, 2023, and the Corporation applied for an additional 3 years extension and a licence reduction to a total area of 220 km². The Government of Greenland agreed on May 2024 and gave an extension of the licence period by 3 years, therefore the licence expires December 31, 2026. The licence is important as it is close to the Nalunaq Property and hosts a number of gold prospects that lie along the prospective Nanortalik Gold Belt, some of which show similarities to Nalunaq.

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

While the Corporation focused its efforts on the development of the Nalunaq deposit during 2024, additional data review has been conducted for Vagar Ridge. This will be aimed at constructing a robust geological and mineralisation model to inform future exploration.

5.3 Nanoq – (Nuna Nutaaq) – Gold

a) Property description

The Nuna Nutaaq licence, commonly referred to as Nanoq, is comprised of four sub-areas and covers, following an application for a small reduction in licence area in December 2023, a total of 245 km² within the Nanortalik Gold Belt.

Following extensions to licences granted by the Government of Greenland in response to COVID 19, the Nanoq licence is due to expire on December 31, 2025.

b) Exploration work – Nanoq

The 2024 campaign, aided by an on-site accommodation vessel and a newly acquired drill rig, encompassed 133.1 meters across two holes, NAN2401 (51.1m) and NAN2402 (82m). The drilling targeted high-priority zones within a SW-NE oriented shear zone, SZ1, with both quartz veining and coarse visible gold confirmed. This drilling confirms that gold mineralisation is hosted both in the quartz vein material and the surrounding alteration, with initial targets of around 3m.

The outcropping northwestern limb of the mineralized shear system was also sampled, bolstering the exploration data set for future campaigns.

The results of this programme included 123g/t Au over 0.5m and mineralised intersects of up to 3.2m (19.5g/t Au).

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c) Nanoq exploration plans

With these encouraging results, Amaroq is preparing for a comprehensive 2025 drilling program to further evaluate Nanoq's potential and work towards delineating a Mineral Resource. The Company is also exploring the feasibility of bulk sampling and processing at the Nalunaq facility in 2026/27, which could offer additional insight into Nanoq's high-grade potential and economic viability.

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. This geophysical survey provides further evidence of a c. 25km prospective gold corridor between Nanoq and the Jokum' Shear project, (transecting the Siku licence) where a 1 x 2km area of favourable structures was also identified. This was reported on 3 May 2023.

5.4 Eagle's Nest - Anoritoq - Gold

a) Property description

This 1,185 km² licence, reduced in December 2023 to allow the Corporation to concentrate on the most prospective regions, in the areas of Anoritoq and Kangerluluk in South Greenland, is collectively referred to as Eagle's Nest. The exploration rights were granted to the Corporation under a new separate Exploration Licence 2020/36 which is valid until 31 December 2026.

b) Exploration work – Eagle's Nest

A multi-day campaign in 2024 involved specialist mountaineering teams accessing mountain terrain via helicopter to conduct systematic sampling across the southern face of Eagle's Nest. Key objectives included testing the hypothesis that the observed veining is composed of gold-bearing orogenic quartz, and thus the source for a number of >10g/t Au float samples detected in the valley floor from prior exploration programmes. This theory is now supported by the results, which were announced on December 12, 2025.

Samples included vein quartz and granitoids, consistent with regional geological mapping. Key findings include the identification of two gold sub-vertical quartz veins and visible geological features indicative of a dynamic mineralising system hosted within granodiorite and granite host rocks.

5.5 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. Various extensions to this licence have been made and the current expiry date is December 31, 2026.

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 Iterlak 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 in 2024 and exploration development has been focused on a thorough data compilation review and 3D geological modelling

5.6 Siku – Gold

a) Property description

The Corporation has acquired the exclusive right to conduct exploration activities on Exploration Licence 2022/08, approximately 251 km² of land located between both Nanoq and Jokum's shear, Nataarnaq (also known as Siku)

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with an expiry date of December 31, 2026.

b) Exploration work

While no definitive exploration was conducted on the licence, Siku covers ground along the mineralised structures between Nanoq and Jokum's Shear. As such it remains an important land package during further gold exploration.

5.7 Sava – Strategic Minerals (51% ownership through Gardaq Joint Venture)

a) Property description

The Corporation acquired the exclusive right to conduct exploration activities on approximately 385 km² of land in the area of Eqaluit Iluat in South Greenland under the Exploration Licence 2021/02. The licence consists of low-lying sheep herding areas and moderately mountainous areas up to 700m above sea level and is located 30km east of Narasarsuaq and 45km north of Qaqortoq.

The licence is centred on the emerging South Greenland Copper Belt which runs from North Sava in the Northeast to Josva and Kobberminebugt in the Southwest, a distance of around 120km.

b) Exploration work

The Sava licence was visited multiple times during a six week long exploration reconnaissance programme spanning the whole South Greenland Copper Belt assessing further porphyry and other mineralisation targets away from Target West. This included further scout core drilling on the Target North epithermal system totalling 501m across two drillholes.

To facilitate this a small expansion of the licence was applied for and awarded on 26th September 2024 and the licence now covers a total of 384.63km².

5.8 North Sava Licence – Strategic Minerals (51% ownership through Gardaq Joint Venture)

a) Property description

The Corporation acquired the right to conduct exploration activities on approximately 333 km² of the 2020/41 licence on 2 March, 2021 which is valid until March 1, 2026. The licence was split into two areas around the Akuliarutsip and Narsaviarsuasiit areas of South Greenland following an application for the reduction in licence area in December 2023, is now focused on the area immediately adjacent to the Sava licence and is termed the North Sava licence.

North Sava is a continuation of the ground held and explored by the Corporation at Sava within a newly identified South Greenland Copper belt situated in close proximity to the international airport at Narsarsuaq.

b) Exploration work

The North Sava licence was visited multiple times during a six week long exploration reconnaissance programme spanning the whole South Greenland Copper Belt assessing further porphyry and other mineralisation targets.

5.9 Stendalen Licence – Strategic Minerals (51% ownership through Gardaq Joint Venture)

a) Property description

The Corporation acquired the right to conduct exploration activities on 1,377 km² of the 2021/11 licence on February 15, 2021 and is valid until March 1, 2026. The licence is split into two areas around the Qasinngortoq and Kangerlussuatsiaq areas of South Greenland and is collectively referred to as the Stendalen licence. The licence area was reduced in December 2023 to allow the Company to concentrate efforts on the most prospective regions.

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 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

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for massive magmatic sulphides.

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 Gardar 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.

b) Exploration work – Stendalen

Following the success of the 2023 field season, in 2024, the Corporation gathered additional geophysical data in preparation for a large exploratory drilling programme into the hosting gabbro intrusion targeting further information on the likely location, form and contrect of the observed Cu-Ni mineralisation.

A total of 4,773m of core was drilled from six drillholes. These were further supplemented with downhole geophysics (EM) to provide evidence of blind sulphide conductors ahead of 2025 planning.

Results are expected during Q1 and Q2-25.

c) Exploration work – Paatusoq

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

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.

5.10 Kobberminebugt Licence – Strategic Minerals (51% ownership through Gardaq Joint Venture)

a) Property description

The Corporation acquired the exclusive right to conduct exploration activities on licence 2022/01, approximately 220 km² of land in an area of Aputaajuitsoq in South Greenland. The licence is valid until December 31, 2026

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

The licence is located approximately 100 km west of the Sava exploration project, which is similarly targeting the South Greenland Copper Belt. Amaroq believes that the region is underexplored for IOCG, Porphyry and Skarn deposits and shows many geological similarities to the IOCG province of northern Sweden, which hosts several operating mines. 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.

b) Exploration work

Following the review of the surface exposure of the mineralised scarn system at the historical Josva copper mine, a scout drilling programme targeting along strike and downdip extension of this system were commissioned. This involved the completion of 250m of drilling from two holes with results expected in Q2-25.

5.11 Saarloq – Strategic Minerals (51% ownership through Gardaq Joint Venture)

a) Property description

The Corporation acquired the right to conduct exploration activities on licence 2020/31, approximately 64 km² of land in areas of Quassugaarsuk and Sermeq Kangilleq in South Greenland. The licence is valid until December 31, 2026. This licence was reduced in size in December 2023 following recent exploration activities to allow the Corporation to concentrate efforts on the most prospective regions.

The licence covers a large low-lying area between Qaqortoq and the Vagar licence.

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b) Exploration work

No exploration has taken place on this licence during 2024.

5.12 Paatusoq West – Strategic Minerals (51% ownership through Gardaq Joint Venture)

a) Property description

The Corporation has been granted exclusive exploration rights under a Mineral Exploration Licence in South Greenland, licence 2023/69 covering an area of 199 km² which expires December 31, 2027.

5.13 Nunarsuit – Strategic Minerals (51% ownership through Gardaq Joint Venture)

a) Property description

The Corporation has been granted exclusive exploration rights under a Mineral Exploration Licence in South Greenland, licence 2023/70 covering an area of 1,385,41 km². The licence application has been approved and all required documentation was signed by the Corporation on June 30, 2023, and the licence became effective on July 25, 2023. The licence expires December 31, 2027.

b) Exploration work

The Nunarsuit licence was visited multiple times during a 6 week long exploration reconnaissance programme spanning the whole South Greenland Copper Belt assessing further porphyry and other mineralisation targets.

5.14 Johan Dahl Land – Strategic Minerals (51% ownership through Gardaq Joint Venture)

a) Property description

The Corporation has been granted exclusive exploration rights under a Mineral Exploration Licence in South Greenland, licence 2025/17 covering an area of 666.51 km². On January 20, 2025 the licence application has been approved and all required documentation has been signed by the Corporation.

The licence covers the eastern extension of the South Greenland Copper Belt east from North Sava and directly north of the international airport at Narsarsuaq.

b) Exploration work

The Johan Dahl Land licence was visited multiple times during a 6-weeklong exploration reconnaissance programme spanning the whole South Greenland Copper Belt assessing further porphyry and other mineralisation targets. This culminated in the identification of the Ukaleq target as reported on January 22, 2025.

5.15 Additional Exploration Target Generation

Geological research is actively progressing with external consultants, the Universities of St Andrews and Leicester, and Amaroq's internal geology team to define the resource potential within the Corporation's full licence area, as the exploration portfolio continues to develop. 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 2024, additional exploration licences have been applied for and awarded for at Johan Dahl Land in South Greenland. Very limited exploration has been carried out in this area and the Corporation believes these licences are prospective for epithermal and porphyry related systems.

Amaroq remains committed to employ the latest exploration techniques and technologies and align itself with exploration groups both commercial and academic in its continued pursue for the most prospective ground across South Greenland.

6. 2025 OUTLOOK

The year 2025 will be an active period for the Corporation on a number of fronts:

6.1 Operations

Nalunaq:

- In 2025, the main focus will be on completing the Phase 1 construction and commissioning of the Nalunaq processing plant to achieve full throughput and gravity recovery capacity. Standard commissioning issues while working in Southern Greenland over the winter months, have resulted in some delays and impacted commissioning activities in December 2024 to March 2025. The Company will provide processing throughput and production estimates for the full year at the time of releasing the Q1-25 results on May 14, 2025. The Corporation has experienced standard commissioning issues over the winter months while working in Southern Greenland, resulting in some delays and impacts to construction and installation activities in December 2024 to March 2025. The Corporation will provide processing throughput and production estimates for the full year 2025, at the time of the Q1 results on 14th May 2025, as we concentrate on bringing the facilities up to the nameplate capacity of 300 t/d by the end of the year.
- The Corporation is now planning to proceed with the construction and installation of Phase 2 in Q4-25. This will provide additional time for the commissioning and ramp-up of Phase 1, as well as to complete engineering studies aimed at upgrading the processing throughput capacity from the current nameplate of 300 t/d to 450 t/d.
- During the continued trial mining and commissioning period, the focus will remain on enhancing the efficiency of the mining teams and ensuring the availability of equipment. To improve development rates, the Corporation is setting new performance benchmarks for the on-site mining contractor. These plans involve increasing the contractor's staffing levels and fleet size to match the production profile. In this context, performance-boosting equipment, such as an electric double boom rig and a single boom rig, have already been deployed to the site, along with a second long hole rig. The initial focus will be on ramp development, while extending the ore drives into the resource base. Additional portals will be developed to provide sufficient ventilation for the activities, and stoping will commence once the necessary ore drives are fully established. Notably, the first stope was successfully blasted at the beginning of March 2025. Meeting these performance criteria will enable mining to supply the processing plant with sufficient ore to ramp up to full production rates, concurrently with completing construction and fully configuring the plant's operational equipment to its design capability.

Permitting:

- Following the approval of the Environmental Impact Assessment (EIA) and Social Impact Assessment (SIA) for Nalunaq by the Government of Greenland on June 27, 2024. The Impact Benefit Agreement is expected to be formalised by June 30, 2025.

Gold Exploration Projects

Nalunaq

- Following the successful completion of the exploration programmes in 2024 and having incorporated these and results from 2022 and 2023 into an updated Mineral Resource Estimate, the Corporation is conducting an assessment of the underground drilling options available in 2025 to provide further confidence in the resource growth potential within the Mountain Block. Further underground drilling at the Target Block extension is also being reviewed.
- Surface drilling to access other areas of potential resource growth areas, including the up-dip Target Block and down dip South Block extension zones.

Satellite Deposits

- Following the positive results of the surface sampling at the Eagle's Nest asset in 2024, the Corporation is considering further field assessments, sampling and drilling across this target and others in the vicinity of Nalunaq in 2025.

Nanoq

- Following the completion of the Corporation's first scout drilling programme at Nanoq, and the positive results received to date, Amaroq intends to conduct a multi-rig drilling programme on the target in 2025, aimed at defining an initial mineralisation envelope, ahead of potential further resource drilling and bulk sampling into 2026.

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Strategic Minerals Projects (51% ownership through Gardaq Joint Venture)

- **Copper Belt (Kobberminebugt/Nunarsuit/Sava/North Sava/Johan Dahl Land)**
 - The Corporation intends to continue its work with a number of porphyry and epithermal copper subject matter experts, in order to develop a systematic exploration programme of the belt, prioritising the most prospective areas in order to define a resource base.
 - Further ground studies of the Ukaleq target are also planned, which may also include initial scout core drilling.
- **Stendalen**
 - As further geophysical, geological and assay results are received, a refined 2025 exploration programme will be designed, which may include a targeted core drilling programme into blind sulphide conductors, which were defined by the 2024 drilling results.
- **Rare Earth Elements and Critical Metals**
 - The Corporation intends to expand its Rare Earth and Critical Metal exploration efforts across Paatasoq and a number of other identified potential licence areas.

Corporate strategy and business model

Alongside the Corporation's focus on its two key pillars of mining development and exploration, Amaroq Minerals is also actively pursuing two further, value accretive business lines, which will complement the Corporation's existing operations and enhance the ability to drive further cashflow opportunities from the asset base:

- **Services and logistics** - Amaroq continues to develop opportunities in support of its operations in Greenland. Given the working environment and physical access to the mine and plant, the Corporation has been pursuing a strategy to de-risk mining activities through the procurement and operation of proprietary servicing and logistics infrastructure, such as drilling rigs, marine equipment and camp facilities. During 2025, it is anticipated that other mining and infrastructure operators within the region will look to utilise this provision of Amaroq's equipment and services, generating additional revenue.
- **Renewable energy generation** – Power generation and energy provision are one of the largest, most expensive and polluting cost items within remote mining operations. The Corporation is committed to harnessing the Nordic region's abundant renewable energy resources to support its mining activities. In order to de-risk the future life of mine at Nalunaq, whilst at the same time investing in technologies to power the future mines, the Corporation will be conducting a pre-Front-End Engineering Design (FEED) study for the construction of at least one mega watt ("MW") of hydro power within close proximity of Nalunaq. Once the FEED studies are completed, it is anticipated that construction work will commence, and power generation will occur in 2026.
- **Geopolitics** – Greenland's resource potential and proximity to the world's largest markets for commodities have attracted a heightened level of political, as well as media scrutiny. In terms of the geopolitical interest in Greenland; by the end of the period, the US had elected a new president who had publicly declared his intentions of engaging more with Greenland as a resource province. The practicalities of this heightened geopolitical interest, is that the Corporation is actively pursuing multiple opportunities, to leverage the increased interest and focus on Greenland and the companies who are active in the province
- **Main international exchange** – As previously communicated, in 2025 Amaroq is considering upgrading one of its junior listings onto a main market of an international stock exchange, to access further market liquidity and mainstream investor base. However, there can be no certainty regarding timing or promotion of any such undertaking and further details will be shared with the market as appropriate.

6.2 Escrow account for closure obligations

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 favor 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. In 2024 closure costs associated with the remediation plan and environmental monitoring expenses were further updated to incorporate responsible removal of Nalunaq Project related new infrastructure, process plant building construction and internal workings installation and

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underground equipment as well as remediation of the site to its original condition and the balance of the escrow account was increased to CAD5,716,288 as at June 30, 2024 and further increased to CAD6,675,007 on July 17, 2024 (escrow balance is CAD 6,799,104 as of December 31, 2024 as a result of foreign exchange fluctuations).

7. OFF BALANCE SHEET ARRANGEMENTS

The Corporation does not have significant off-balance-sheet arrangements other than the contractual obligations and commitments mentioned below.

8. SUBSEQUENT EVENT

Subsequent events are described in note 26 to the December 31, 2024 Financial Statements.

9. TRANSACTIONS BETWEEN RELATED PARTIES

9.1 Gardaq Joint Venture

	2024	2023
	\$	\$
Gardaq management fees and allocated cost	2,453,361	1,714,559
Other allocated costs	460,568	1,825,881
Foreign exchange revaluation	263,312	(18,502)
	3,177,241	3,521,938

As at December 31, 2024, the balance receivable from Gardaq amounted to \$6,699,179 (\$3,521,938 as at December 31, 2023). This receivable balance represents allocated overhead and general administration costs to manage the exploration work programmes and day-to-day activities of the joint venture. This balance will be converted to shares in Gardaq within 10 business days after the third anniversary of the completion of the Subscription and Shareholder Agreement dated April 13, 2023.

10. 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 past experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments. Actual outcomes may differ from these estimates under different assumptions and conditions. Critical judgments exercised in applying accounting policies with the most significant effect on the amounts recognized in the Financial Statements are described below.

JUDGMENTS

10.1 Impairment of mineral properties and capital assets

Determining if there are any facts and circumstances indicating impairment loss or reversal of impairment losses is a subjective process involving judgment and a number of estimates and interpretations in many cases.

10.1.2 Impairment of capital assets

Determining whether to test for impairment of capital assets requires Management's judgement, among other factors, regarding the following: whether capital assets have been in use and depreciated, did market value of capital assets decline, whether net assets of the Corporation are higher than the market capitalization, was there any obsolescence or physical damage recorded to the capital assets, was there an increase to market interest rates.

When an indication of impairment loss or a reversal of an impairment loss exists, the recoverable amount of the individual asset must be estimated. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs must be determined. Identifying the cash-generating units requires considerable management judgment. In testing an individual asset or cash-generating unit for impairment and identifying a reversal of impairment losses, Management estimates the recoverable amount of the asset or the cash-generating unit. This requires management to make several assumptions as to future events or circumstances. These

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assumptions and estimates are subject to change if new information becomes available. Actual results with respect to impairment losses or reversals of impairment losses could differ in such a situation and significant adjustments to the Corporation's assets and earnings may occur during the next period.

With regards to the annual impairment test on the Nalunaq mine and its associated assets, Management has assessed several indicators for evidence of impairment of the mining asset. These indicators included considering whether there were adverse changes in mineral reserves and resource estimates, unanticipated increases in production or capital costs, increases in expected dismantling and restoration costs, significant or unexpected declines in the market prices of gold, and significant adverse movements in foreign exchange rates. As a result of this analysis, management has concluded that the assessed factors and indicators do not suggest that the Nalunaq mine should be tested for impairment as of December 31, 2024.

10.2 Determination of functional currency

In accordance with IAS 21 "The Effects of Changes in Foreign Exchange Rates", Management determined that the functional currency of the Corporation and its subsidiary is the Canadian dollar.

10.3 Capitalisation of borrowing costs

The Corporation makes judgments on the amount of borrowing costs that are directly attributable to the acquisition of a qualifying asset.

10.4 Technical Feasibility and Commercial Viability ("TCFV")

Management uses significant judgment to determine when TFCV is demonstrable. Technical feasibility refers to the ability to physically construct and operate a mineral project in a technically sound manner to produce a saleable mineral product while commercial viability refers to the ability to mine the mineral asset to generate a reasonable return on investment. Key considerations used to determine if TFCV has been reached included the establishment of confidence about mineralization, results and status of studies, probability of obtaining key permits, the existence of other barriers that may impact mining and the ability to generate a return on investment, confidence of project potential by the Management and the Board of Directors.

Based on the criteria described above, Management has concluded that sufficient evidence existed on September 1, 2023, for the Corporation to declare TFCV for the Nalunaq Project. September 1, 2023, was aligned with the date that the Board of Directors approved and closed the Financing package deal (note 12 of December 31, 2024 Financial Statements), thus supporting the commercial viability of the project.

ESTIMATES AND ASSUMPTIONS

10.5 Asset Retirement Obligation

The asset retirement obligation is based on estimated future costs using information available at the financial reporting date. Determining these obligations requires significant estimates and assumptions due to the numerous factors that affect the amount ultimately payable. Such factors include estimates of the scope and cost of restoration activities, legislative amendments, known environmental impacts, the effectiveness of reparation and restoration measures and changes in the discount rate. This uncertainty may lead to differences between the actual expense and the provision. At the date of the consolidated statement of financial position, the asset retirement obligation represents Management's best estimate of the charge that will result when the actual obligation is terminated.

10.6 Restricted Share Units ("RSU")

For the purpose of determining the fair market value of restricted share unit awards and a number of assumptions are required for input in the pricing model. Determining these assumptions requires significant level of estimates and Management's judgement.

For equity-settled awards, assumptions must be determined at the date of the grant. Such assumptions include grant calculation date, projection period, share price at grant, exercise price, risk-free rate of interest, dividends, share price volatility and forfeitures. The uncertainty related to the choice of assumptions may lead to differences between the actual value of restricted share unit awards and their estimated fair value based on the Monte-Carlo simulation run. At the date of the consolidated statement of financial position, restricted share units award and embedded derivative value represents Management's best estimate of awards fair value vesting at measurement dates stipulated under the RSU award contract.

10.7 Embedded Derivative

For the purpose of determining the fair market value of the embedded derivative a number of assumptions are required

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for input in the pricing model. Determining these assumptions requires significant level of estimates and Management's judgement.

Assumptions must be determined at the reporting date. Such assumptions include term, share price on the reporting date, risk-free rate of interest and volatility.

The uncertainty related to the choice of assumptions may lead to differences between the actual value of the embedded derivative and its estimated fair value based on the Black-Scholes pricing model.

11. CHANGES IN ACCOUNTING POLICIES

The new accounting policies, most relevant standards, amendments and interpretations issued up to the date of the issuance of the 2024 Financial Statements are listed in notes 1, 2 and 3 of the 2024 Financial Statements.

12. FINANCIAL INSTRUMENTS

Financial instruments are described in note 3.18 of the 2024 Financial Statements. The Corporation's loan payable is recorded at amortised cost, net of transaction fees, and amortised using the effective interest rate method.

13. CONTRACTUAL COMMITMENTS AND OBLIGATIONS

The Corporation has 5 exploration licences, Tartoq, Vagar, Nuna Nutaaq, Anoritoq, Siku and one exploitation licence, Nalunaq. The total amount of future exploration obligations as at December 31, 2024 for the five exploration licences is DKK 78,932,725 (\$15,797,911 using the exchange rate as at December 31, 2024). The license obligations are reviewed and determined on an annual basis by the MLSA in Greenland. 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 expenditure 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 will submit its statements of expenses for these exploration licences for the 2024 year to the MLSA on April 1, 2025. The details of the exploration commitments are described in note 9 to the 2024 Financial Statements.

The Corporation had capital commitments of \$16,232,290 as at December 31, 2024. These commitments relate to the continued development of the mine, construction and commissioning of the processing plant, purchases of mobile equipment and establishment of surface infrastructure.

The Corporation has presently two leases 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. On March 1, 2024, the Corporation started two-year lease in Toronto for its Finance, IT and Procurement teams with the option to extend for two more years. The monthly rent is \$5,825 until March 1, 2025, after which the monthly rent may increase as per lease terms. The total amount of lease liabilities as at December 31, 2024 is \$710,713.

14. OUTSTANDING SHARES DATA

	March 28, 2025	December 31, 2024
	Number	Number
Capital stock	397,702,330	397,702,330
Stocks options	7,220,075	7,220,075
Restricted share units	11,192,327	7,607,858
Fully diluted	416,114,732	412,530,263

15. STOCK OPTION PLAN AND RESTRICTED SHARE UNIT PLAN

15.1 Stock option Plan

The purpose of the Option Plan (the "Plan") is to provide the Corporation with a share-related mechanism to attract, retain

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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.

The Plan was approved initially in 2017 and is renewed by shareholders annually, last on June 14, 2024. 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.

On May 14, 2024, and June 3, 2024, the Corporation granted its employees 22,988 stock options with an exercise price ranging from \$1.30 to \$1.31 per share. 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 amounted to \$18,163 for an estimated fair value of \$0.72 per share.

On January 5, 2024, a former director of the Corporation exercised his options. As a result, 150,000 options were exercised which resulted in the former director receiving 60,637 shares net of applicable withholdings. On May 23, 2024, the former Chief Financial Officer (“CFO”) of the Corporation exercised his options. As a result, 1,800,000 options were exercised which resulted in the former CFO receiving 963,281 shares net of applicable withholdings. On October 9, 2024, an employee of the Corporation exercised his options. As a result, 31,278 options were exercised which resulted in the employee receiving 11,090 shares net of applicable withholdings. On December 13, 2024, an employee of the Corporation exercised his options. As a result, 10,000 options were exercised which resulted in the employee receiving 7,923 shares net of applicable withholdings.

15.2 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. The Restricted Share Unit Plan (“RSU”) was approved initially in 2022 and an amendment to the rules of the RSU Plan was approved by shareholders on June 15, 2023 and on June 14, 2024. The Corporation has implemented an 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. Conditional Awards were granted to participants on December 30, 2022, October 13, 2023 and August 14, 2024 and part of Restricted Share Units was granted to participants on February 23, 2024 based on the first measurement date and February 12, 2025 based on the second measurement date.

On August 14, 2024, the Corporation granted a new conditional award under a separate RSU plan to the Corporation's newly appointed Chief Financial Officer. This award entitles the participant to receive a 12% share of a pool defined by the total shareholder value created above a 10% per annum compound hurdle rate. Performance is measured from August 6, 2024, to the measurement date on December 31, 2025.

On December 19, 2024, the Corporation granted new RSUs to its employees. The awards will vest on December 19, 2025, the one-year anniversary of the grant, with all other terms governed by the RSU Plan.

16. 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 must deal with various local and global risk factors 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 sections below.

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16.1 Risks related to the Corporation's operations

1. *The Corporation is in a commissioning period in its Nalunaq mine alongside exploration-stage operations*

The Corporation is entering a commissioning year for the Nalunaq mine in 2025. During this period, the primary focus will be on ramping up trial mining and trial processing operations to eventually reach nameplate production capacity. There are inherent operational risks associated with completing the commissioning of a project of this scale and bringing operations to full capacity, whether in mining, processing, or other related endeavours.

Also, the Corporation is an exploration stage mining company and is developing further resources at the Nalunaq mine. It is also conducting exploration activities to discover and develop mineral reserves on the areas of land (the "Properties") in respect of which the Group has been granted licences by the Mineral Licence and Safety Authority of Greenland (the "MLSA"). It cannot give assurance that a commercially viable resource (a reserve) exists on any or all Properties for which the Corporation currently has or may obtain (through potential future joint venture agreements or acquisitions) an exploration licence.

While the Nalunaq property (mineral exploitation licence 2003/05 issued by the MLSA to Nalunaq A/S ("Nalunaq Licence")) has an operating history and Amaroq has established a defined mineral resource beyond that which was mined, the true value of the project is in the resource potential that has not as yet been sufficiently quantified, termed the "Exploration Target". This opportunity is relatively early stage and requires the Corporation to perform additional exploration activities and there can be no certainty that this will be successful.

The Corporation's other licence interests are each on a different stage of early development, and although a number of them are known to host gold and other minerals prospects, the Corporation will be required to conduct significant exploration activities in order to demonstrate the commercial viability of these mineral deposits. There can be no certainty that such exploration activities will result in resources and ultimately minable reserves.

Determination of the existence of a resource and subsequently a reserve, depends on appropriate and sufficient exploration programmes and the evaluation of legal, economic and environmental factors. It may take several years to advance the Corporation's early-stage prospects to a stage where they justify development and/or production, during which time the economic feasibility of production may change.

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.

2. *Project development risks*

There can be no assurance that the Corporation will be able to effectively manage the expansion of its operations or that the Corporation's personnel, systems, procedures and controls will be adequate to support the Corporation's future operations. In particular, although certain of the Directors and Executive Officers have experience of bringing mineral assets into production, the Corporation itself does not, and its ability to bring assets into production will be dependent upon using the services of appropriately experienced personnel or entering into agreements with service providers that can provide such expertise. The Corporation'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 licences. Any failure of the Board of Directors of the Corporation to ensure the Corporation'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 Corporation's profitability will depend, in part, on the actual economic returns and the actual costs of developing the licences, which may differ significantly from the Corporation's current estimates. The development of the licences may be subject to unexpected problems and delays.

3. *The Corporation relies on third-party service providers, which may fail to perform their contractual obligations, which could have materially adverse effects on the Corporation's business*

The Corporation relies in part on products and services provided by third parties in the ordinary course of business. If they fail to perform their contractual obligations, it could have materially adverse effect on the Corporation's business. As part of its internal risk assessment, the Corporation 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 Corporation values.

However, the Corporation 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 Corporation may be unable to find replacements on a timely basis.

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.

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4. Regulatory Risks

The Corporation's business is subject to various laws and regulations relating to, among other things, compliance with capital markets, environmental, mining, energy, antitrust, data protection, employment and tax laws and regulations. While the Corporation is not aware of any material breaches of applicable laws and regulations, it can neither guarantee that it has always been in full compliance with such laws and regulations in the past in the jurisdictions in which it operates, nor that it will be able to fully comply with them in the future. The Corporation is reliant on the compliance of its directors and employees with applicable laws and policies implemented by the Corporation and there can be no assurance that directors or employees of the Corporation or third parties acting on the Corporation's behalf, have not engaged in or will not engage in criminal, unlawful or unethical behaviour.

Existing risk management and internal compliance procedures and controls may not be sufficient to prevent or detect inadequate practices, fraud or violations of law by its Directors, its employees or third parties acting on its behalf. The laws and regulations in the areas and jurisdictions in which the Corporation currently operates or may operate in the future are evolving. Consequently, such laws and regulations may change and sometimes may conflict with each other, making it more difficult to observe and comply with them.

5. Undemonstrated economic feasibility of the Nalunaq Property

The current mineral resources have not yet demonstrated economic viability. The Inferred mineral resource estimate included in the NI 43-101 report titled "Technical Report on the mineral resources of the Nalunaq Project, Greenland" dated October 15, 2022, "43-101 report" nor the details provided within the Competent Person's Report (the "CPR") by SRK Exploration Services Ltd., titled "A Competent Person's Report on the Assets of Amaroq Minerals Ltd, South Greenland" dated June 26, 2020 constitute a formal preliminary economic assessment or part of prefeasibility or a feasibility study. The Corporation has not completed a formal preliminary economic assessment or prefeasibility or feasibility level work and analysis that would allow it to declare proven or probable mineral reserves at the Nalunaq Property, and no assurance can be given that it will ever be in a position to declare a proven or probable mineral reserve at the Nalunaq Property. In particular, the CPR contains estimated costs which are based upon anticipated tonnage and grades of metal to be mined and processed, the expected recovery rates and other factors - none of which has been completed to date to a prefeasibility or a feasibility study level. Whether the Corporation succeeds in upgrading the Inferred mineral resource depends on a number of factors, including: (i) the particular attributes of the deposit (including its size, grade and geological formation); (ii) the market price of gold; (iii) government regulations (including regulations relating to taxes, royalties, land tenure, land use and permitting); and (iv) environmental regulations. The Corporation cannot determine at this time whether any of its estimates will ultimately be correct or that the Nalunaq Property will prove to be economically viable. Therefore, it is possible that the Nalunaq Property may never reach production, which would have a material adverse effect on its results of operations and financial condition.

6. Historical costs and operational data may not be available, or may not be an appropriate measure for assessing the future economics of the assets

The majority of the Corporation's mineral licences had no previous operations and there is no historical data from which an assessment of commercial viability can be made. While the Nalunaq Property has an operating history, the Exploration Target potential over and above the Inferred Mineral Resource, may represent the long-term future risk of the Nalunaq Property, as it is at a stage of development. The Corporation is currently conducting trial mining and processing on site with a view to refine these practices and ramp up production. Future mining and processing methods may differ to those currently being used which may reflect differences to the current operating costs, capital spending, site remediation costs or asset retirement obligations.

The Vagar and Nanoq licences host several gold prospects. The exploration activities on both licences are at an early stage with no operating history upon which to base estimates of future operating costs, future capital spending requirements or future site remediation costs.

The Sava, Stendalen, Paatusoq, Nunarsuit, Johan Dahl Land and Kobberminebugt licences host strategic minerals and base metals. All Properties are at an early stage of exploration and have no operating history upon which to base estimates of future operating costs, future capital spending requirements or future site remediation costs.

7. The adverse effect on the Corporation due to loss of certain key individuals and lack of insurance to compensate such loss

The Corporation's success depends to a degree upon certain 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. They are a significant factor in the Corporation's growth and success.

The loss of such individuals could result in delays in developing the Properties and have a material adverse effect on the Corporation.

The Corporation does not currently have key man insurance in place in respect of any of its directors or officers nor does the Corporation plan to introduce such insurance.

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8. The Corporation may experience difficulty attracting and retaining qualified staff to meet the needs of its anticipated growth

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 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, there can be no assurance of such success. Failure to attract, recruit and retain key management and key employees with the acquired knowledge may delay the Corporation's achievement of its business objectives significantly and could have a material adverse effect on the Corporation's business.

9. The ability of a shareholder outside Canada to bring an action against the Corporation may be limited under law

The ability of the Shareholders to bring actions or enforce judgements against the Corporation or the members of the Board may be limited. The ability of Shareholders outside Canada to bring an action against the Corporation may be limited under law. The Corporation is incorporated under the Business Corporations Act (Ontario) (the "BCAO"). The rights of holders of Common Shares are governed by the BCAO and by the Corporation's Articles of Incorporation and By-Laws. These rights differ from the rights of shareholders in companies registered in other jurisdictions. A shareholder outside Canada may not be able to enforce a judgement against the Corporation or some or all of the Directors and executive officers. Consequently, it may not be possible for a shareholder outside Canada to effect service of process upon the Corporation or the Directors and executive officers within the shareholder's country of residence or to enforce against the Corporation or the Directors and executive officers within the shareholder's country of residence or to bring an action against the Corporation. There can be no assurance that a shareholder will be able to enforce any judgements in civil and commercial matters or any judgements under the securities laws of countries other than Canada against the Corporation or the Directors or executive officers who are residents of Iceland or countries other than those in which judgement is made. In addition, Canadian or other courts may not impose civil liability on the Corporation or the Directors or executive officers in any original action based solely on foreign securities laws brought against the Corporation or the Directors in a court of competent jurisdiction in Iceland or other countries.

10. Internal controls

The Corporation has established a system of internal controls for financial reporting. Effective internal controls are necessary for the Corporation to provide reliable financial reports and to help prevent fraud. Although the Corporation has procedures in place in order to help ensure the reliability of its financial reports, including those imposed on it under Canadian and Icelandic securities laws as well as the rules and policies of the exchanges on which the Corporation is listed or quoted (TSX-V, AIM and Nasdaq), the Corporation cannot be certain that such measures will ensure that the Corporation will maintain adequate control over financial processes and reporting. Failure to implement required controls, or difficulties encountered in their implementation, could harm the Corporation's results of operations, or cause it to fail to meet its reporting obligations. If a material weakness is discovered, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Corporation's financial statements and adversely affect the market price of the Shares or other Securities and the reputation of the Corporation.

11. The Corporation is exposed to risks from potential future litigation and other legal and regulatory actions and risks, and could incur significant liabilities and substantial legal fees.

While the Group is not aware of any current or anticipated litigation, the Group may become a party to legal disputes, administrative proceedings and government investigations. Such legal disputes, proceedings and investigations may, in particular, arise from its relationships with its contractual counterparties or public authorities and could allege, among other things, breaches of contract, tort or the failure to comply with applicable laws and regulations. There may also be investigations by governmental authorities into circumstances of which the Corporation is not currently aware or which may arise in the future, including possible regulatory and environmental complaints, licencing challenges or criminal proceedings.

If the Corporation were to be found liable under any such claims, lawsuits or investigations it might be required to pay damages or fines and to take, or refrain from taking, certain actions and it could incur substantial costs and divert substantial amounts of management's time in dealing with them, even if they are unsuccessful, any of which could adversely affect its business, net assets, financial condition, cash flow, and results of operations.

12. 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.

The Corporation may experience security breaches or unexpected disruptions to its systems which could in turn, result in liabilities or losses to the Corporation and have an adverse effect on the Corporation's business.

Although to date the Corporation has not experienced any material losses relating to cyber-attacks or other information

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security breaches, there can be no assurance that it 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.

16.2 Risks related to the industry

1. *Mineral exploration and associated activities are speculative in nature*

Mineral exploration is a speculative business, characterised by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits which, although present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Corporation may be affected by numerous factors which are beyond the control of the Corporation and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection, the combination of which factors may result in the Corporation not receiving an adequate return on investment capital.

Substantial expenditures are required to establish ore reserves through drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralised deposit, no assurance can be given that minerals will be discovered in sufficient quantities and grades to justify commercial operations or that funds required for development can be obtained on a timely basis. Estimates of mineral reserves, mineral resources and production costs can also be affected by such factors as environmental permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. In addition, the grade of ore ultimately mined may differ from that indicated by drilling results. Short term factors relating to reserves, such as the need for orderly development of ore bodies or the processing of new or different grades, may also have an adverse effect on mining operations and on the results of operations. Material changes in ore reserves, grades, stripping ratios or recovery rates may affect the economic viability of any project.

2. *Title to the Properties cannot be guaranteed and may be subject to prior unregistered agreements, transfers or claims and other defects*

The Corporation cannot guarantee that title to the 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 secure claim to individual mineral properties or mining concessions may be severely constrained. The Properties may be subject to prior unregistered agreements, transfers or claims, and title may be affected by, among other things, undetected defects. A successful challenge to the precise area and location of these mineral rights could result in the Corporation being unable to operate on the Properties as permitted or being unable to enforce its rights with respect to the Properties.

3. *Development and exploration activities depend, to one degree or another, on adequate infrastructure*

Reliable roads, bridges, power sources and water supply are important determinants which affect capital and operating costs and are made more challenging through Greenland's nascent mining industry, low population density, and the remote location of the Corporation's assets. The Corporation's inability to secure adequate water and power resources, as well as other events such as unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Corporation's operations, financial condition and results of operations.

4. *There is no assurance as to the Group's ability to sustain and expand mineral resources*

The life of a mining operation is limited to its mineral resources and reserves.

Many factors are involved in the determination of the economic viability of a mineral deposit including the achievement of satisfactory mineral resource and Reserve estimates, the level of estimated metallurgical recoveries, capital and operating cost estimates and the estimate of future commodity prices and exchange rates. Capital and operating cost estimates are based upon many factors, including anticipated tonnage and grades of ore to be mined and processed, the configuration of the ore body, ground and mining conditions, expected recovery rates of gold from the ore and anticipated environmental and regulatory compliance costs. Each of these factors involve uncertainties and as a result the Corporation cannot give assurance that the Group's development of the Properties will become operating mines. If a mine is developed, actual operating results may differ from those anticipated, thereby impacting the economic viability of the mine and Property.

5. *The Corporation depends on the Properties and there is no assurance that the Corporation will be able to acquire other properties either due to availability, competition or approval*

The Properties are the only material properties of the Corporation. Any material adverse development affecting the

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progress of the Properties, in particular the Nalunaq Property, 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 the Properties, there is no assurance that it will be able to acquire another mineral property of merit, whether by way of direct acquisition, option or otherwise.

6. Commodity price volatility may adversely affect the Corporation

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 but not limited to, 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 US\$ (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.

The valuation of the Corporation's other assets is further dependent upon the market price of other commodities such as copper, nickel, titanium, vanadium, molybdenum, and rare earth elements. The volatility of these commodities varies significantly and are a product of industrial supply and demand, underlying global economic conditions, macroeconomic factors, global inventory levels and investor sentiment.

7. The Corporation's insurance does not cover all of its potential losses, liabilities and damage related to its business

The Corporation has adequately insured the assets at the Nalunaq Property. For the whole duration of the construction period of Nalunaq Project the Corporation has obtained builders liability insurance package to adequately protect the Corporation's assets, employees and contractors at the time of intensive construction activities. 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 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 Corporation 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 Corporation 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. Insofar as certain Directors and officers of the Corporation hold similar positions with other mineral resource companies, conflicts may arise between the obligations of these Directors and officers to the Corporation and to such other mineral resource companies.

8. The Corporation is subject to the risks and liabilities associated with possible accidents, injuries or deaths on the Properties

Mining, like many other extractive natural resource industries, is subject to potential risks and liabilities due to accidents that could result in serious injury or death. The impact of such accidents could affect the profitability of the operations, cause an interruption to operations, lead to a loss of licences, affect the reputation of the Corporation and its ability to obtain further licences, damage community relations and reduce the perceived appeal of the Corporation as an employer.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Corporation and cause increases in exploration expenses, capital expenditures or production costs, reduction in levels of production at producing properties, delays in the development of new mining properties, or increases in abandonment costs.

9. Uncertainty associated with mineral resource estimates

The estimation of Mineral Resources involves a certain degree of supposition, and the accuracy of these estimates is a function of the quality and quantity of available data, and the assumptions used and judgements made in interpreting information. There is significant uncertainty in any resource estimate and the assumptions used or judgements made may prove to be inaccurate; the economic viability of mining may differ materially from the Corporation's estimates. This is particularly the case for ore deposits such as those at the Nalunaq Property where the grade is not uniformly distributed in the ore. As further information becomes available through additional field work and analysis, the estimates are likely to change. This may result in alterations to development and mining plans, which may in turn adversely affect the financial position of the Corporation. No assurance can be given that the anticipated tonnages and grades will be achieved, that the indicated level of recovery will be realised or that mineral resources can be mined or processed profitably. Actual

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resources may not conform to geological, metallurgical or other expectations and the volume and grade of ore recovered may be below or above the estimated levels. Lower market prices, increased production costs, reduced recovery rates and other factors may render the Group's mineral resources uneconomic to exploit and may result in a revision of its resource estimates from time to time. Resource data is not indicative of future results of operations. If the Group's actual mineral resources are less than current estimates, its results of operations and financial condition may be materially impaired.

10. Increased competition may affect the Corporation and its business

The mining industry is intensely competitive in all of its phases. A number of other mining companies may seek to establish themselves in Greenland and have already, or may be allowed to, tender for exploration and mining permits and other services, supplies or contracts, thereby providing competition to the Corporation. The Corporation will compete with numerous other local and international companies and individuals, including larger competitors with access to greater financial, technical and other resources than the Corporation, which may give them a competitive advantage in the exploration for and commercial exploitation of attractive properties. In addition, actual or potential competitors may be strengthened through the acquisition of additional assets and interests and competition could adversely affect the Corporation's ability to acquire suitable additional properties in the future. The Corporation's success will depend on its ability to develop the Properties and in addition, select and acquire exploration and development rights on other properties and there can be no assurance that the Corporation will continue to be able to compete successfully with its rivals.

11. The Corporation may be adversely affected by general macroeconomic conditions

The Corporation's performance is influenced by general macroeconomic conditions. General macroeconomic conditions include the global economic slowdown, the overall disruption of global supply chains and distribution and changing economic cycles. These cycles are also influenced by global political events, such as terrorist acts, war and other hostilities as well as by market specific events, such as shifts in consumer confidence and consumer spending, the rate of unemployment, industrial output, labour or social unrest and political uncertainty.

There is great uncertainty concerning the European and global economic development. The Russian invasion of Ukraine has also created significant uncertainty and market volatility and could have adverse effect on European and global economies.

Besides, a widespread outbreak of an infectious illness such as the COVID-19 pandemic, may result in travel restrictions, disruption of healthcare services, prolonged quarantines, supply chain disruptions, business closures, lower consumer demand, layoffs, defaults and other significant economic, social and political impacts.

All these factors could have material adverse effect on the Corporation's business, financial condition, results of operations and growth prospects.

12. Climate change and its associated risks may adversely affect the Corporation's operations

The Corporation recognizes considerable risks posed by climate change to mining operations. Potential extreme weather conditions and shifts in climate patterns present substantial operational challenges.

Physical and Environmental Risks: Effects of climate change, such as extreme weather events, changes in precipitation and storm patterns, water scarcities, alterations in sea levels, and increased temperatures, may negatively impact operations. These conditions can disrupt mining and transportation activities, hinder mineral processing and rehabilitation efforts, cause equipment damage or loss, and elevate health and safety concerns. Additionally, environmental changes could exacerbate resource shortages, affecting the workforce and communities around sites.

Supply Chain Vulnerabilities: The Corporation's operations depend on a steady supply of crucial commodities and inputs. Climate-induced extreme weather events or other disruptions could significantly impede the delivery of these necessities, affecting operational efficiency. Any sustained interference with the supply chain or fluctuations in input prices or availability could diminish production levels, potentially leading to operational shutdowns or delays, adversely impacting profitability.

Energy Consumption and Emissions: Operations heavily depend on energy, for everything from plant operations to mobile equipment. The level of greenhouse gas emissions is influenced by factors such as the energy mix and specific project activities, including new mine operations, which can cause temporary spikes in emissions levels.

Regulatory Risks: In response to climate change, governments and international bodies are increasingly enacting and considering regulations aimed at reducing greenhouse gas emissions. These measures, along with the potential outcomes of ongoing international climate negotiations, could impose significant compliance costs on operations. The evolving regulatory landscape represents a critical risk to the operational viability and financial success of the Corporation, necessitating proactive adaptation and mitigation strategies to safeguard the business against the adverse effects of climate change.

16.3 Risks related to the Corporation's financial situation

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The Corporation is exposed to various financial risks resulting from both its operations and its investment activities. The Management manages financial risks. The Corporation does not enter into financial instruments agreements, including derivative financial instruments, for speculative purposes. The Corporation's main financial risks exposure is described below.

1. The Corporation's liquidity is uncertain, and it could encounter difficulty in meeting obligations associated with financial liabilities

Liquidity risk is the risk that the Corporation encounters difficulty in meeting its obligations associated with financial liabilities that are settled by delivering cash or other financial assets or having to do so at excessive cost. The risk arises from maturity mismatch between financial liabilities and financial assets. The Corporation may be exposed to financing and liquidity risks if it fails to adequately manage its financial structure. The Corporation is currently incurring considerable capital expenditures and operating expenditures in its projects, mainly related to the Nalunaq mine, while still in commissioning phase of its processing plant at Nalunaq. Commissioning activities and revenue generation may take longer than expected which would introduce material liquidity risk to the Corporation.

While the Corporation has secured external financing in the past, there can be no assurance it will be able to do so in the future or that equity and/or debt capital will be available on terms which are acceptable to the Corporation. The inability to secure financing may impact the liquidity of the Corporation, which may in turn have a material negative impact on its ability to meet debt obligations or conduct operations. Even if the Corporation can raise sufficient liquidity, it may be on unfavourable terms and thus have a material negative effect on the profitability of the Corporation. Lack of available and favourable financing may also impact the Corporation's ability to capitalise on investment opportunities. Amaroq remains committed to maintaining strong relationships with its shareholders, investors and the broader financial markets, in order to facilitate access to capital on favorable terms.

2. The Corporation could have insufficient funds to determine whether commercial mineral deposits exist on its Properties

The Corporation requires substantial funds to determine whether mineral reserves exist on the Properties beyond an Inferred mineral resource. Any potential development and production of the Properties depends upon the results of exploration programmes and feasibility studies and the recommendations of duly qualified engineers and geologists. Such programmes and studies require substantial funds. Any decision to further expand the Corporation's operations on the 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 of the minerals to be produced;
- environmental compliance regulations and restraints; and
- political climate and/or governmental regulation and control.

3. The Corporation's financial statements are based in part on assumptions and estimates, which, if inaccurate, could lead to future losses

The Corporation's financial statements are prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. Preparation of its financial statements requires the Corporation's management to use estimates and assumptions. Accounting for estimates requires the Corporation's management to use its judgement to determine the amount to be recorded on its financial statements in connection with these estimates. If the estimates and assumptions are inaccurate, the Corporation could be required to write down its recorded values. On an ongoing basis, the Corporation re-evaluates its estimates and assumptions. However, the actual amounts could differ from those based on estimates and assumptions.

4. The Corporation is exposed to fluctuations in exchange rates

A portion of the Corporation's undertakings will be in Greenland although the majority of the Corporation's expenditure will relate to goods or staff sourced from other countries including, but not limited to, Canada, Denmark, Iceland and the UK. The Corporation estimates that expenses, capital expenditure and commitments will be primarily denominated in Danish Krone, Icelandic Krone, Euros, Canadian dollars, U.S. dollars and UK 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 will report 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 Corporation's control.

5. Changes in accounting policies or accounting standards could affect the Corporation

The Corporation may be impacted by changes in accounting policies or accounting standards and the interpretation of

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such policies and standards. In some cases, the Corporation may be required to apply a new or revised standard, or alter the application of an existing standard, subsequently, calling for a restatement of prior period financial statements necessary. There is uncertainty surrounding the Corporation's judgement, estimates and assumptions, therefore the Corporation cannot guarantee that it will not be required to make changes to the accounting estimates or restate prior financial statements in the future, which could materially and adversely affect the Corporation.

6. Fair value risk

According to the International Financial Reporting Standards and International Accounting Standards as issued by the International Accounting Standards Board and Interpretations (collectively IFRS Accounting Standards) the Corporation initially records all financial instruments at Fair value. Fair value of some assets and liabilities are sensitive to changes in market interest rates, especially in a more volatile market environment. Fair value estimates are made at the consolidated statement of financial position date, based on relevant market information and other information about financial instruments. As at December 31, 2024, the Corporation's financial instruments are cash, escrow account for environmental monitoring, accounts payables, loan and lease liabilities. For all the financial instruments, the amounts reflected in the consolidated statement of financial position are carrying amounts and approximate their fair values due to their short-term nature.

7. Credit risk

Credit risk is the risk that one counterparty to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Corporation's cash and escrow account for environmental monitoring are exposed to credit risk. The Corporation identifies this as a risk because the Corporation's ability to fulfil obligations to the Government of Greenland in case of a request to use the funds for reclamation activities depend on the depositor bank fulfilling its obligations. The risk is, however, not significant because the Bank of Greenland (GrønlandsBANKEN A/S) is the largest bank in Greenland founded by Danish banks, with a long history of being a reliable business partner and a low risk of any non-liquidity event. Furthermore, in the unlikely event of a default by the Bank of Greenland, the Corporation's obligations to the Government of Greenland can still be met through funds held in Canadian or Icelandic banks.

16.4 Risks related to operating in Greenland

1. The Corporation may lose its interest in licences

The main operations are in Greenland. 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 Corporation could lose title to, or its interest in, the Licences if their conditions are not met. In particular, the Nalunaq Property is currently within the Nalunaq Licence. Failure to satisfy any of the conditions set forth in addendums to the Nalunaq Licence may result in the MLSA revoking the Nalunaq Licence without further notice. There is no guarantee that, when the Licences reach the end of their current term, they will be renewed or, if they are renewed, that such renewal will be on the same terms. Under Section 88 of the Greenland Parliament Act No. 7 of 7 December 2009 on mineral resources and mineral resource activities (Mineral Resources Act), a direct or indirect transfer of a licence granted under the mineral resources Act to a third party is subject to approval by the Government of Greenland. An "indirect transfer" includes any transfer of ownership interests that will affect the controlling interest of the licensee and would include any transfer of shares in Nalunaq A/S (as licensee) or of Amaroq that would result in any single shareholder, or group of shareholders who act collectively, (a) owning or controlling a majority of the voting shares of the company; (b) owning or controlling a majority of the total shares of the company; (c) directly or indirectly having the right to appoint or remove the majority of the board of directors of the company; or (d) directly or indirectly, holding majority influence over either the board or the management of the company. Any such indirect transfer would require approval from the Government of Greenland and, if such approval were not obtained, could result in the revocation of the licences.

2. The Corporation's operations depend on permits and government regulations

The Corporation's future operations on the Properties, including exploration and any development activities or commencement of production on the 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 relevant 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).

To the extent that such permits or approvals are required and not obtained, the Corporation may be delayed or prohibited

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from proceeding with planned exploration or development of the 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.

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 ("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. The Greenland parliament (Inatsisartut) may also amend or replace the mineral resources Act. Amendments to the terms one, or more, of the Licences could make the Licence uneconomic for the Group.

3. The Group's operations are subject to compliance with environmental laws and regulations

The Corporation's operations are subject to environmental and social regulations.

After a long preparation period, that continued throughout the whole of 2023, the Corporation's project Nalunaq Gold Mine entered into the official process of public consultations in Greenland with regards to Environmental Impact Assessment (EIA) and Social Impact Assessment (SIA). The EIA and SIA reports were filed in December 2023 with Greenland MLSA and are publicly available. On June 28, 2024 the Corporation announced that the Government of Greenland had approved the Environmental and Social Impact Assessments for the Nalunaq Project.

The Commissioning Phase Environmental Monitoring Plan was agreed with EAMRA in November 2024. The plan contains monitoring compliance aspects required by the Government during commissioning, including impact risks to river water quality, dust deposition, records of chemical use, fuel and water consumption and waste recording.

A 'development version' Environmental Management System was also approved for the commissioning phase. The system is still being developed and contains sufficient management plans, inspection frameworks and processes to manage the environmental aspects in-hand during commissioning.

The environmental risks were evaluated by the Corporation and described in the EIA and SIA in detail; with the mitigation measures included into relevant project elements design and action plans. Based on the EIA and SIA the Corporation's ESG Risk Register was created at the end of 2023.

The Impact Benefits Agreement will also define additional liabilities and obligations of the Corporation concerning compliance with local ESG regulations.

The Corporation recognizes the importance of social and environmental responsibility, with an emphasis of close co-operation and building long-lasting partnership with the host communities.

The Group is subject to potential risks and unanticipated liabilities associated with its activities, including negative impacts to the environment from operations, waste management and site discharges. The Corporation is aware that chemicals have been left at the Nalunaq Property by the previous operator and Nalunaq A/S has agreed a remediation plan with the MLSA in relation to how such chemicals will be disposed of. At this time the chemicals remain underground. Approximately half have been repackaged by a specialist contractor, and are awaiting agreement with a contractor for disposal in 2025. The other half has been deemed by the operation as inaccessible for safety reasons and remain in situ.

Previous operations may have caused environmental damage at certain of the Group's properties. It may be difficult or impossible to assess the extent to which such damage was caused by the Group or by the activities of previous operators, in which case the Group may be responsible for the costs of reclamation. It should be noted however that after the mine was closed in 2014, a 5-year environmental monitoring programme was undertaken, and the Danish Centre for Environment and Energy (DCE) assessed that the environmental impact from the former mining activities to the environment at Nalunaq at that time was insignificant and that no further actions were needed to reduce the environmental impact.

Although the Group does have pollution insurance cover during the field season, to the extent that the Group is subject to environmental liabilities that are not covered in full by such insurance, the payment of any liabilities or the costs that may be incurred to remedy environmental impacts would reduce funds otherwise available for operations. The anticipated costs associated with the remediation plan that has been agreed between Nalunaq A/S and the MLSA are DKK 34 million (including a 15 percent contingency). This is fully covered by funds in an escrow account, held by Nalunaq A/S, which the Government of Greenland is beneficiary of. As of December 31, 2024, the balance of the cash deposit was CAD 6,799,104. However, it is possible that the escrow funds will not be sufficient to cover future environmental liabilities in connection with the Nalunaq Licence.

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If the Group is unable to remedy an environmental problem fully, it may be required to suspend operations or enter into interim compliance measures pending completion of the required remedy. The potential financial exposure may be significant.

Environmental 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. In particular, as mineral resources in Greenland have become more accessible in recent years due to global warming, local communities have raised concerns over the environmental impact of mining in Greenland, and they may lobby for stricter environmental regulations to be introduced. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Group's operations.

4. The Corporation is subject to political risks

The Corporation's underlying business interests will be located and carried out in Greenland. As a result, the Corporation may be 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.

5. Exploration activities are influenced, amongst others, by the location, its 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 cost 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 Property and other areas of exploration potential are located on steep mountainous terrain. Surface drilling can therefore be impractical in certain parts of these assets, resulting in a greater reliance on underground exploration.

6. Weather conditions could have negative impact on the Corporation's on-going operations and results of operation

Adverse weather conditions may affect the Corporation's ability to carry on operations at the Properties. While the exact effect of these factors cannot be accurately predicted, it may result in substantial delays or operational shutdowns, may require significant capital outlays or may result in an inadequate return or loss on invested capital. In addition, the materialisation of this risk may adversely affect the Corporation's future earnings and competitive position and its business, prospects, financial condition and results of operations.

17. DISCLOSURE CONTROLS AND PROCEDURES

The President and Chief Executive Officer (the "CEO") and the Chief Financial Officer (the "CFO") of the Corporation are responsible for establishing and maintaining the Corporation's disclosure controls and procedures ("DCP") including adherence to the Disclosure Procedures Manual adopted by the Corporation. The Disclosure manual requires all staff to keep senior management fully apprised of all material information affecting the Corporation so that they may evaluate and discuss this information and determine the appropriateness and timing for public disclosure.

The Corporation maintains DCP designed to ensure that information required to be disclosed in reports filed under applicable Canadian securities laws, is recorded, processed, summarized and reported within the appropriate time periods and that such information is accumulated and communicated to the Corporation's management, including the CEO and CFO, to allow for timely decisions regarding required disclosure.

In designing and evaluating DCP, the Corporation recognizes that any disclosure controls and procedures, no matter how well conceived or operated, can only provide reasonable, not absolute, assurance that the objectives of the control system are met, and management is required to exercise its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

The CEO and CFO have evaluated whether there were changes to the DCP during the three and twelve months ended December 31, 2024 that have materially affected, or are reasonably likely to materially affect, the DCP. No such changes were identified through their evaluation.

Management, including the CEO and CFO, has evaluated the effectiveness of the design and operation of disclosure

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controls and procedures. Based on this evaluation, management has concluded that disclosure controls and procedures, as defined in NI 52-109 – Certification of Disclosure in Issuer’s Annual and Interim Filings, were effective as at December 31, 2024.

18. INTERNAL CONTROL OVER FINANCIAL REPORTING

The Corporation’s management, including the CEO and the CFO, are responsible for establishing and maintaining adequate internal control over financial reporting (“ICFR”) for the Corporation to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The fundamental issue is ensuring all transactions are properly authorized and identified and entered into a well-designed, robust and clearly understood accounting system on a timely basis to minimize risk of inaccuracy, failure to fairly reflect transactions, failure to fairly record transactions necessary to present financial statements in accordance with IFRS, unauthorized receipts and expenditures, or the inability to provide assurance that unauthorized acquisitions or dispositions of assets can be detected.

The Corporation’s ICFR may not prevent or detect all misstatements because of inherent limitations. Additionally, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because changes in conditions or deterioration in the degree of compliance with the Corporation’s policies and procedures.

The CEO and CFO have evaluated whether there were changes to the ICFR during the three and twelve months ended December 31, 2024, that have materially affected, or are reasonably likely to materially affect, the ICFR. No such changes were identified through their evaluation.

Management, including CEO and CFO, assessed the effectiveness of the design and operation of the Corporation’s internal controls over financial reporting. Based on this assessment, management concluded that internal controls over financial reporting, as defined in NI 52-109 – Certification of Disclosure in Issuer’s Annual and Interim Filings, were effective as at December 31, 2024, providing reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

19. FORWARD LOOKING INFORMATION

Certain statements in this Management Discussion and Analysis constitute “forward-looking statements” or “forward-looking information” within the meaning of applicable securities laws. Such statements and information involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Corporation, its projects, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information. Such statements can be identified by the use of words such as “may”, “would”, “could”, “will”, “intend”, “expect”, “believe”, “plan”, “anticipate”, “estimate”, “scheduled”, “forecast”, “predict” and other similar terminology, or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. These statements reflect the Corporation’s current expectations regarding future events, performance and results and speak only as of the date of this Management Discussion and Analysis.

Forward-looking statements and information involve significant risks and uncertainties, should not be read as guarantees of future performance or results and will not necessarily be accurate indicators of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements or information, including, but not limited to: material adverse changes, unexpected changes in laws, rules or regulations, or their enforcement by applicable authorities; the failure of parties to contracts with the company to perform as agreed; social or labor unrest; changes in commodity prices; and the failure of exploration, refurbishment, development or mining programs or studies to deliver anticipated results or results that would justify and support continued exploration, studies, development or operations.

The Corporation’s operational performance and financial results reflect our commitment to sustainable growth. We remain dedicated to maximizing value for our shareholders while adhering to responsible mining practices and managing potential risks proactively.

March 28, 2025

(s) “Eldur Ólafsson”
Eldur Ólafsson
President and CEO

(s) “Ellert Arnarson”
Ellert Arnarson
CFO