Amaroq Minerals Ltd.

MANAGEMENT'S DISCUSSION AND ANALYSIS

QUARTERLY HIGHLIGHTS

Three months ended March 31, 2025

Table of Contents

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 May 14, 2025 and should be read in conjunction with the Corporation's unaudited condensed interim consolidated financial statements and related notes for the three months ended March 31, 2025 (the "Financial Statements"), as well as with the MD&A and audited consolidated financial statements for the year ended December 31, 2024. The unaudited condensed interim consolidated financial statements for the three months ended March 31, 2025 (the "Period") 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
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
Q2-25	April 1, 2025 to June 30, 2025
Q3-25	July 1, 2025 to September 30, 2025
Q4-25	October 1, 2025 to December 31, 2025
2025	January 1, 2025 to December 31, 2025

1. NATURE OF ACTIVITIES

Amaroq 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.

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.

2. OPERATIONAL PERFORMANCE HIGHLIGHTS

Throughout the three-month period ending 31 March 2025 the Corporation continued the Nalunaq underground mine development and process plant commissioning efforts. This period marked the continuation of trial mining, the on-going construction and commissioning of the processing plant, and the development of essential infrastructure.

On February 22nd 2025, the Corporation shipped its first gold dore bars, containing 75 ounces of gold to the refinery facility in Switzerland for further treatment and refining, which was sold in April 2025 for gross proceeds of $285,000.

Throughout 2025 and during the trial mining activities in the Nalunaq mine, Thyssen Schachtbau GMBH (“Thyssen”) will continue acting as the mining contractor. Alongside Thyssen, the Corporation began stope production and a new ventilation portal was also opened on level 742, to support future development.

The Corporation’s construction of the first phase of a 300 tonne-per-day processing plant and associated infrastructure continued in the period. Installation of the following items was completed and commissioned for the trial processing phase:

- mechanical and electrical installation and commissioning of primary and secondary crushing system and stacker conveyor,
- commissioning of crusher overhead doors on north and south side

In addition, ball mill feed samplers and weight transmitters were installed, requiring calibration before commissioning which is targeted to be completed in May 2025. Installation of the ball mill ball loader was completed and the third generator is installed and commissioned. Two out of the three raw water intake pumphouses were installed and temporarily commissioned, with some foundation earthworks to be rectified in Q2-2025, when the ground is dry. The planning process for the completion of the phase 1 works are in progress with all contracting firms and Amaroq team.

Installation works are ongoing for the Camp wastewater treatment plant which is targeted to be commissioned in May 2025. The on-site Aqua Regia lab installation and commissioning will be completed in Q2-2025, to speed up and streamline the processing plant samples assaying, to provide consistent metallurgical data ahead of shipments to refinery.

During the Period, the Corporation received and announced the final 2024 assay results from Nalunaq, following the completion of 2,985m of surface core drilling into the Target Block Extension zone, alongside 374.5m of underground core drilling at the Mountain Block and 203 channel samples from the western outcrops of the Main and 75 Veins.

This underground drilling provided valuable data on mineralisation continuity, with notable intersections of up to 47.6g/t Au over 1.72m, reinforcing the high-grade potential of the Mountain Block where mining activities are focused this year. The intersections from this programme have now been updated with more robust off-site assaying, which has resulted in an upgrade to the grade, to 78.3g/t Au over 1.72m.

Surface drilling identified gold-bearing structures, including an intersection of 22.7g/t Au over 0.5m, supporting further evaluation of the Target Block extension; while channel samples from the Main Vein (18.85g/t Au) and 75 Vein (6.63g/t Au) suggest mineraliation may extend further west, though additional work is required to confirm continuity.

Following these results, Amaroq completed the Mineral Resource estimate update on the project (MRE4), resulting in a 51% increase in overall contained gold, to 157.6koz Indicated plus 326.3koz Inferred, demonstrating the robust expansion potential of the Nalunaq deposit. Further, the Corporation received a maiden Indicated Mineral Resource, supporting potential future conversion to Mineral Reserves and advancing the project's development. Post period end the updated off-site, conclusive fire assay results have significantly upgraded the previously reported underground drilling, confirming stronger intersections including 78.3 g/t Au over 1.72 m. This updated resource estimate will inform the next phase of mine design, project planning, and strategic development initiatives.

Away from Nalunaq, the Corporation has been developing plans to expand its exploration activities across its gold portfolio, with the intention of conducting a new resource drilling programme across Nanoq, as well as further studies across Vagar Ridge, Eagle’s Nest and other satellite deposits to Nalunaq.

Within the Corporation’s strategic minerals portfolio, the award of the Johan Dahl Land licence, encompassing an 666.51 km² area, was announced 22nd January 2025, increasing Amaroq’s total land holdings to 6,849.2 km². The Johan Dahl Land licence incorporates the newly defined Ukaleq Target, with gold grades identified up to 12.3 g/t Au and copper grades up to 5.1% Cu, hosted in quartz and copper sulphide veins.

To expand further the Corporation's strategic mineral potential, three further licences were applied for during the period and are awaiting approval by the Government of Greenland.

2.2 Q1-25 Consolidated Financial Results

Period ended March 31, 2025	Three months	Three months
	2025	2024
	$	$
Financial Results		
Exploration and evaluation expenses	(193,420)	(875,213)
General and administrative expenses	(4,626,321)	(3,959,226)
Selling expenses	(48,352)	-
Gain on lease modification	30,543	-
Foreign exchange gain (loss)	591,610	(79,509)
Interest income	26,306	15,326
Gardaq project management fees	643,553	636,326
Share of net losses of joint arrangement	(370,343)	(646,432)
Unrealised gain (loss) on derivative liability	-	(4,300,213)
Finance costs	(452,273)	(8,574)
Net loss and comprehensive loss	(4,398,697)	(9,217,515)
Basic loss per share	(0.011)	(0.03)
Diluted loss per common share	(0.011)	(0.03)

Financial Position	As at	
	March 31, 2025	March 31, 2024
	$	$
Financial Position		
Cash	16,698,642	65,086,851
Investment in equity-accounted joint arrangement	14,531,970	22,846,379
Total assets	252,074,553	179,887,713
Total current liabilities	46,894,778	48,922,487
Total non-current liabilities	7,641,551	681,723
Shareholders' equity	197,538,224	130,283,503
Working capital (before convertible notes liability and loan payable)[1]	22,238,142	78,210,475
Working capital (convertible notes liability and loan payable included) [1]	(7,563,780)	36,659,134

[1] Working Capital as per the Consolidated Statement of Financial Position as at March 31 2025 is ($7,563,780) ($36,659,134 as at March 31, 2024) and includes $nil ($41,551,341 as at March 31, 2024) of Convertible Notes liability, hybrid instrument with complex embedded derivatives due to its early conversion and repayment feature components, and loan payable of $29,801,922 ($nil as at March 31, 2024). 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.

2.3 2024 Financial Performance Highlights

	Q1-25	Q4-24	Q3-24	Q2-24
	$	$	$	$
Exploration and evaluation expenses	(193,420)	2,290,855	(4,424,907)	127,173
General and administrative expenses	(4,626,321)	(5,690,573)	(3,536,240)	(4,335,691)
Share of net losses of joint arrangement	(370,343)	(1,891,948)	(4,788,733)	(1,263,385)
Net income (loss)	(4,398,697)	(5,454,426)	(14,013,519)	5,229,322
Basic income (loss) per share	(0.011)	(0.015)	(0.043)	0.016
Diluted income (loss) per common share	(0.011)	(0.015)	(0.043)	0.014
Cash	16,698,642	45,193,670	25,937,983	31,663,204
Investment in equity-accounted joint arrangement	14,531,970	14,902,313	16,794,261	21,582,994
Total assets	252,074,553	255,976,986	199,102,439	177,950,773
Total current liabilities	46,894,778	46,973,753	76,516,905	41,932,965
Total non-current liabilities	7,641,551	7,845,657	622,123	652,063
Shareholders' equity	197,538,224	201,157,576	121,963,411	135,365,745
Working capital (before convertible notes liability and loan payable)[1]	22,238,142	47,525,515	37,937,316	50,734,743
Working Capital (convertible notes liability and loan payable included) [1]	(7,563,780)	18,903,783	(24,983,350)	17,291,885

	Q1-24	Q4-23	Q3-23	Q2-23
	$	$	$	$
Exploration and evaluation expenses	(875,213)	(879,326)	(2,277,540)	(2,278,193)
Site development costs	-	(2,515,743)	1,825,564	(1,825,564)
General and administrative expenses	(3,959,226)	(5,616,533)	(2,632,041)	(2,806,181)
Gain on loss of control of subsidiary	-	-	-	31,340,880
Share of loss of joint arrangement	(646,432)	(2,871,156)	(3,381,749)	(1,639,482)
Net income (loss)	(9,217,515)	(14,259,107)	(6,555,222)	23,357,701
Basic income (loss) per share	(0.03)	(0.05)	(0.02)	0.09
Diluted income (loss) per common share	(0.03)	(0.05)	(0.02)	0.09
Cash	65,086,851	21,014,633	53,655,954	39,669,852
Investment in equity-accounted joint arrangement	22,846,379	23,492,811	26,363,967	29,745,716
Total assets	179,887,713	107,240,058	111,193,232	87,686,844
Total current liabilities	48,922,487	42,384,187	32,613,568	2,980,657
Total non-current liabilities	681,723	577,234	597,145	616,730
Shareholders' equity	130,283,503	64,278,637	77,982,519	84,089,457
Working capital (before convertible notes liability)[1]	78,210,475	34,092,130	58,690,733	41,017,725
Working Capital (convertible notes liability included) [1]	36,659,134	(1,650,997)	28,895,835	41,017,725

The Corporation reported a net loss of $4,398,697 for the three months ended March 31, 2025 compared to a net loss of $9,217,515 for the three months ended March 31, 2024. Main comparisons to the previous period are as follows:

- Exploration and evaluation expenses of $193,420 for three months ended March 31, 2025 (expense of $875,213 for three months ended March 31, 2024). $193,420 of expenses for three months ended March 31, 2025 mainly represent the costs associated with the preparation of the 2025 field exploration programmes and finalising analysis results from 2024 drilling season as well as the completion of a Mineral Resource estimate update (MRE4) resulting in a 51% increase in overall contained gold, to 157.6koz Indicated plus 326.3koz Inferred, demonstrating the robust expansion potential of the Nalunaq deposit. Post period end the updated off-site, conclusive fire assay results have significantly upgraded the previously reported underground drilling, confirming stronger intersections including 78.3 g/t Au over 1.72 m.
- General and administrative costs of $4,626,321 for the three months ended March 31, 2025 ($3,959,226 for the three months ended March 31, 2024).
    - Salaries and benefits of $1,137,057 for the three months ended March 31, 2025 ($869,415 for the three months ended March 31, 2024). Salaries and benefits have increased as the Corporation appointed a Head of Business Development and Corporate Affairs as well as strengthened the human resources team to support site recruitment activities as Nalunaq transitions from construction and development to operations.
    - Stock-based compensation of $779,345 for the three months ended March 31, 2025 ($712,306 for the three months ended March 31, 2024). The Corporation has implemented a Restricted Share Unit Plan ("RSU") to incentivise 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. Share based compensation expense of $779,345 recorded in three months ended March 31, 2025 represents the recognition of the three-month expense based on the fair valuation of the RSU pool for current participants, 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. 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 for the three months ended March 31, 2025 ($159,000 for the three months ended March 31, 2024).
    - Professional fees of $1,243,295 for the three months ended March 31, 2025 ($939,809 for the three months ended March 31, 2024). Increase in professional fees is mainly due to increased advisory fees for corporate development activities.
    - Investor Relations and Communication of $197,418 for the three months ended March 31, 2025 ($166,037 for the three months ended March 31, 2024) is slightly higher than for the same period of 2024, mainly driven by increased expenses relating to media training, ad campaigns as well as attending conferences.
    - Insurance of $108,905 for the three months ended March 31, 2025 ($78,916 for the three months ended March 31, 2024). 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 $454,853 for the three months ended March 31, 2025 ($393,733 for the three months ended March 31, 2024). This was mainly driven by a higher venture sustaining fee in the TSXV as a result of the Company's increased market capitalisation as well as increased custody fees.

- Foreign exchange gain of $591,610 for the three months ended March 31, 2025 (loss $79,509 in three months ended March 31, 2024) mainly represents the revaluation of DKK, GBP, and ISK denominated bank balances against a weakening Canadian dollar. In the 3-months ended March 31, 2025, DKK strengthened from 0.1996 to 0.2082 against the Canadian Dollar, GBP strengthened from 1.80 to 1.86, and ISK strengthened from 0.0103 to 0.0109 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 balance.
- Share of net loss in joint arrangement of $370,343 for the three months ended March 31, 2025 ($646,432 in three months ended March 31, 2024) representing the 51% share of exploration costs incurred by Gardaq A/S which decreased during the current period.
- Gardaq project management fees of $643,553 for the three months ended March 31, 2025 ($636,326 for the three months ended March 31, 2024) representing corporate overhead costs charged by Nalunaq A/S to Gardaq A/S.

2.4 Cash Flow and Liquidity

Cash used in operating activities in the three months ended March 31, 2025, totalled $7,234,534 compared to $4,305,037 in the three months ended March 31, 2024. Cash used in operations during the three months ended March 31, 2025 reflects costs to run the 2025 corporate overheads, as well as cash used for working capital mainly to stockpile ore to put through the processing plant which is currently being commissioned. Cash used in operations during the three months ended March 31, 2024 was lower, as the Nalunaq project was still in development and no inventory was stockpiled during the same period in 2024.

Cash used in investing activities in the three months ended March 31, 2025, was $21,814,454 (three months ended March 31, 2024 $26,548,970) representing cash spent on trial mining development in Mountain Block and advancing the commissioning activities of the 300 tonne per day processing plant, as well as associated surface infrastructure such as waste water treatment plant.

Cash used in financing activities in the three months ended March 31, 2025, was $37,412 compared to cash received from financing activities of $74,509,357 during the three months ended March 31, 2024. During the three months ended March 31, 2025, the Corporation had significantly less financing activity, since no equity capital or debt was raised during this period. Cash inflow during the three months ended March 31, 2024 was mainly driven by the Corporation's equity capital raise which closed on February 23, 2024 and which resulted in net proceeds of $74.5 million.

As of March 31, 2025, aside from $16.7 million available cash, the Corporation had undrawn facilities of $23.7 million (US $16.5M), representing short-term liquidity of $23.4 million net of trade payables and accrued liabilities.

As of March 31, 2025, the Corporation has working capital (before loan payable) of $22,238,142 compared to $47,525,515 as of December 31, 2024.

3. CORPORATE UPDATE

3.1 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.

3.2 Sustainability Report

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

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 the Corporation seeks to bring the facility up to its designed throughput capacity. During the Period, 2nd Phase construction of the flotation circuit has started, including columns, girts and the roof. Once Phases 1 and 2 of the plant are 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, Adverse weather conditions, during winter have led to delays in construction and commissioning operations. One element of weather impacting operations is in staff rotations – on January 8, 2025, and January 28, 2025, each rotation change faced three-day delays. Given these circumstances, the decision was made to scale back the contractors' construction crews and decelerate further construction during winter conditions during the Period. 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.

During the Period, development continued on the 768 to 770 ramp, the 768 level access, and east and west sides of 754 level. Long hole drilling on 720 level is almost complete with eight holes remaining to be drilled in the slot. At 600 level, the stope has been blasted and most of the material has been moved to the ore pass. Furthermore, the construction crew has completed building three bulkheads at the 400 level shop and ventilation doors have also been installed at the exiting frame. Cleanup and preparations are being made for long hole drilling at 720 level West. A total of 177 meters of diamond drilling have been completed.

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 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 during the Period and into Q2-2025, have showed signs of improvement following the remedial actions undertaken.

4.2 Process Plant commissioning

The first gold pour was successfully achieved on November 27, 2024. During the Period, the plant continued phase 1 commissioning, with the team working to bring more operational equipment online and establish a stable cycle of operations. Typical commissioning issues when working in southern Greenland were experienced, such as winter conditions impacting operations, which caused temperatures to drop sharply, leading to icing issues with some of the equipment. Poor weather conditions continued to affect the site's construction and operations effort during the Period. Intermittent heavy snowfall and high winds have sporadically shutdown site operations, with heavy snowfall delaying operations while snow clearing was conducted. After each weather event, the site rapidly returned to operations once the site was cleared, and equipment thawed. These issues were subsequently addressed by enhancing the heating system's capacity and efficiency. Looking ahead into the rest of 2025, 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, with the aim of bringing process capacity to 300 t/d by the end of 2025.

4.3 Gold Exploration Projects in Q1 2025

- **Nalunaq**
  - Results across 2,985 meters of surface core drilling completed from eleven drillholes on the Target Block Extension zone, alongside 374.5m of underground core drilling at the Mountain Block and 203 channel samples from the western outcrops of the Main Vein and 75 Veins received.
    - Most notable results include:
      - 22.7g/t Au over 0.5m, supporting further evaluation of the Target Block extension,
      - Channel samples from the Main Vein (18.85g/t Au) and 75 Vein (6.63g/t Au) suggest mineralisation may extend further west, though additional work is required to confirm continuity.
      - Underground results including 78.3g/t Au over 1.72m reinforcing the high-grade potential of the Mountain Block where mining activities are focused this year.
  - The completion of a Mineral Resource estimate update (MRE4) resulting in a 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 years[2].
  - 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.
  - Post period end the updated off-site, conclusive fire assay results have significantly upgraded the previously reported underground drilling, confirming stronger intersections including 78.3 g/t Au over 1.72 m.

[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.

- 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.

- **Nanoq**
  - Planning and preparation for a multi rig resource drilling programme and investigation of the western extension zones with the intension to mobilise during July 2025.
- **Eagle's Nest**
  - Planning and preparation for a further period of geological review to ascertain the resource potential for the target.

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

- **Stendalen**
  - Planning and preparation for further target generations and assessment of geophysical anomalies across the target and surrounding areas.

- **Copper Belt (Johan Dahl Land/Sava/North Sava, Kobberminebugt)**
  - Planning and preparation for a programme of assessment across multiple new targets across the belt with particular interest on the Ukaleq target in the Johan Dahl Land licence.

4.6 Post-period Highlights: Nalunaq Underground Drilling Results Update

As previously reported in the Company press release of 27th February 2025, a number of underground drill results were reported using provisional detectORE assaying method ahead of being dispatched offsite for traditional fire assay results. These updated results have now been received from ALS Geochemistry in Ireland and are reported here. The new updated assay results provide for a significant upgrade in intersection grades due to the partial leach properties for the detectORE assay method. This further highlights the high grade nature of the orebody present within the Mountain Black at Nalunaq

2024/5 Underground Drill Locations Reported used detectORE Provision Data

Hole ID	Easting	Northing	Elevation	Total Depth (m)	Avg. Dip	Avg. Azimuth
NAL-UG-2404*	508350	6691601	730	69.8	50	170
NAL-UG-2405*	508350	6691601	730	64.5	75	190
NAL-UG-2501*	508350	6691604	732	65.7	55	215

** logged, sampled and detectORE assays received*
Projection WGS 84 UTM zone 23N
All core drilled using NQ diameter

Updated Mineralized Intervals Following Receipt of Fire Assay Results

Hole ID	From	To	Interval (m)	True thickness (m)	Original Au ppm	Repeat Au ppm	Delta
NAL-UG-2404	49.9	50.4	0.5	0.5	31.6	56.8	**80%**
NAL-UG-2404	50.8	52.9	2.12	2.12	23.3	40.6	**74%**
		Including		*0.5*	57.2	105.5	**84%**
NAL-UG-2405	49	50.7	1.72	1.61	47.6	78.3	**65%**
		Including		*0.5*	87.1	192.0	**120%**
NAL-UG-2501	50.2	51.7	1.49	1.46	23.6	27.9	**18%**
		Including		*0.49*	48.5	65.5	**35%**
NAL-UG-2501	54.4	54.9	0.5	0.49	25.8	37.0	**43%**

Original assaying performed by detectORE™
Repeat assaying performed by fire assay methods

Gardaq 2024 results update

- During 2024, the Gardaq JV successfully completed an ambitious exploration programme across seven licences held under the Gardaq JV. Activities included extensive geological reconnaissance, mapping of previously unexplored terrain, geochemical sampling, and 5,524m of core drilling across three high-priority projects.
- Drilling at Stendalen provided key geological insights into the copper/nickel/cobalt ("Cu/Ni/Co") mineralised system, supported by the identification of several chargeable geophysical features identified post drilling.
- Quantitative petrographic analysis at Stendalen confirmed high copper, nickel, and notably high cobalt content (up to~10% Co) within sulphides, consistent with a Cu/Ni/Co geochemical signature.
- Ongoing work across the South Greenland Copper Belt has delineated approximately four new porphyry/epithermal targets for follow-up work in 2025.
- Scout drilling at Target North confirmed the presence of a significant epithermal system. Although no economic mineralisation was encountered during the scout drilling at Target North, the confirmation of a well-developed epithermal system provides compelling evidence of the region's broader potential to host Cu-Au epithermal targets.
- At Josva, scout drilling expanded the host structure at the historic mine site
- Three new licence applications have been submitted across Greenland, targeting copper, gold, and rare/critical earth elements.
- The Company is proud to announce the appointment of world-renowned porphyry and epithermal exploration specialist Dr. Steve Garwin as Chief Technical Advisor - Epithermal & Porphyry Systems to Gardaq.

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:

	Q1-25	Q1-24
	$	$
Nalunaq - Au		
Geology	3,273	13,997
Lodging and on-site support	798	184,469
Analysis	36,685	5,033
Transport	14,137	-
Maintenance infrastructure	229	480,754
Supplies and equipment	1,668	31,722
Government fees	7,924	1,976
Depreciation	25,612	157,262
	90,326	875,213
Vagar - Au		
Analysis	156	-
	156	-
Nuna Nutaaq - Au		
Lodging and on-site support	875	-
Drilling	100,556	-
Analysis	1,507	-
	102,938	-
Total		
Geology	3,273	13,997
Lodging and on-site support	1,673	184,469
Drilling	100,556	-
Analysis	38,348	5,033
Transport	14,137	-
Supplies and equipment	1,668	31,722
Maintenance infrastructure	229	480,754
Government fees	7,924	1,976
Depreciation	25,612	157,262
Total exploration and evaluation expenses	**193,420**	**875,213**

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.

6. 2025 OUTLOOK

.**Post-period Highlights**

- Post period end, good mining progress has continued, with the integration of MRE4 into the mining plan, which when combined with the increased grades from the fire-assay results allows optimisation of the mining fleet and more effective operations to target ore body.
- Construction, commissioning and calibration of the processing facilities has continued into Q2-25.
- Positive progress has been achieved with increasing average daily processing rates continuing into Q2-25, when including stoppages for commissioning, calibration and rotation, with process capacity regularly reaching 250 t/d.
- Average grades while in the commissioning and trial mining stage of a project vary, however as we experience more uptime from the processing unit, grades have been improving and in accordance with the mine plan.

Outlook for 2025

There has been significant operational progress since the conclusion of Q1-25. With continued up time in mine development rates and processing throughput the Corporation continues to target a run rate production of 300t/d in Q4-25. During this commissioning phase and as a result of promising operational progress the Corporation expects full year gold production to be in the range of 5 – 20koz; a wide range at this stage due to the nature of the trial mining and commissioning year. This for example entails stopping operations while project team installs the final automated electrical systems, water system and the phase 2 flotation system. There is however potential to narrow this guidance range as the Corporation progresses operations through the remainder of the year. Once full ramp up is achieved, the Corporation will provide its outlook for the full year run rate in 2026.

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. Typical commissioning issues while working in Southern Greenland over the winter months, have resulted in some delays and impacted commissioning activities during the Period.

- The Corporation is now planning to proceed with the construction and installation of Flotation circuit (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. The ramp-up will also require a parallel increase in underground mine activity and the Company intends to commence development into the Valley Block areas of the mine thus providing for a second mine access and production front from Nalunaq.
- 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 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

- The Corporation intends to continue the programme of underground resource definition and resource expansion drilling targeting the Mountain Block as well as the Target and Valley Blocks throughout 2025.
- Further to this, plans are being drawn up for deeper surface drilling to assess resource potential in the down dip direction with the potential of opening up further resource growth fronts.

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 muti-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.

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

The four-pillar business strategy – the full cycle mining enterprise approach

The Management of the Corporation believe that in order to truly succeed in the exploitation of mineral resources in remote jurisdictions such as Greenland, it is imperative to de-risk the full value chain of mining operations, due to the harsh environment, remoteness, lack of existing domestic logistics networks and poor energy infrastructure. As such, the Corporation has been pursuing, what it calls a 'Full Cycle Mining Enterprise' strategy, with the aim of being able to conduct its operations successfully by using all of its own infrastructure and wherewithal. To such ends, this strategy is manifested within the 'four-pillar' business strategy - Development and Mining, Exploration, Logistics and Servicing and Renewable Energy generation.

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:

- Logistics and servicing – the Corporation 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. 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 has finalised a pre-feasibility report, for at least one mega watt ("MW") of hydro power within close proximity of Nalunaq. This has allowed project preparations, design and development schedule to be completed by the end of 2025; allowing for construction and power generation in 2026.

- Pre-feasibility report finalized, with preliminary positive findings,
- Favourable quotes in and being verified, from main equipment suppliers (turbine-generator and penstock pipe),
- Further examination of local conditions and earthworks,
- Prefeasibility report updated in June 2025,
- Preparations, design and project schedule in 2025,
- Construction in 2026.

Other Areas of strategic focus in 2025

- 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.

- Scandinavian opportunities – Given the successful track record of the Corporation in developing the asset base and operations in Greenland to date the Corporation is considering leveraging its 'Full Cycle Mining Enterprise' strategy by pursuing certain opportunities in wider Scandinavia and the Nordics. Given the operating environment, shareholder base and heritage of the Corporation, there are many synergies which could potentially be unlocked through establishing a second jurisdictional area to Greenland. Unlocking the resource potential within gold and other strategic metals in this region, using the Amaroq operating model could potentially be a value accretive for our stakeholders.

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 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 7,071,246 as of March 31, 2025 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

No subsequent events in the March 31, 2025 Financial Statements.

9. TRANSACTIONS BETWEEN RELATED PARTIES

9.1 Gardaq Joint Venture

	Three months ended March 31,	
	2025	**2024**
	$	$
Gardaq management fees and allocated cost	643,553	636,326
Other allocated costs	(359)	35,898
Foreign exchange revaluation	502	6,217
	643,696	**678,441**

As at March 31, 2025, the balance receivable from Gardaq amounted to $7,342,875 ($6,699,179 as at December 31, 2024). 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 recognised 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 capitalisation, 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 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' 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 mineralisation, 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 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, Anoritooq, 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 submitted 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.

As at March 31, 2025, the Corporation had capital commitments, of $33,181,956 ($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 two leases for its offices. In October 2020, the Corporation started a 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. During February 2025, management determined that they will not renew the lease when it expires on February 28, 2026. Furthermore, the Corporation agreed to reduce the leased area of the Montreal office lease and as a result monthly rent was reduced to $5,018 per month for the remainder of the lease term and a lease modification of $505,194 was recognised during the three-month period ended March 31, 2025. In March 2024, the Corporation started a new lease for a two-year term with the option to extend for two more years. The monthly rent is $5,825 until March 2025 after which the monthly rent may increase as per the lease terms.

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14. OUTSTANDING SHARES DATA

	May 14, 2025	December 31, 2024
	Number	**Number**
Capital stock	401,120,617	397,702,330
Stocks options	7,065,483	7,220,075
Restricted share units	7,847,623	7,607,858
Fully diluted	**416,033,723**	**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 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 March 2025, an employee of the Corporation exercised his options. As a result, 104,592 options were exercised which resulted in the employee receiving 29,885 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 incentivise 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

Risk factors are more fully discussed in the Corporation’s MD&A in the annual report for the year ended December 31, 2024.

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, summarised 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 recognises 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 months ended March 31, 2025 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 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 March 31, 2025.

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 authorised and identified and entered into a well-designed, robust and clearly understood accounting system on a timely basis to minimise risk of inaccuracy, failure to fairly reflect transactions, failure to fairly record transactions necessary to present financial statements in accordance with IFRS, unauthorised receipts and expenditures, or the inability to provide assurance that unauthorised 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 months ended March 31, 2025, 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 March 31, 2025, 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 maximising value for our shareholders while adhering to responsible mining practices and managing potential risks proactively.

May 14, 2025

(s) "Eldur Ólafsson"	*(s) "Ellert Arnarson"*
Eldur Ólafsson	Ellert Arnarson
President and CEO	CFO