



**Amaroq**

# **Amaroq Ltd.**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FOR THE YEAR ENDED DECEMBER 31, 2025**

# Amaroq Ltd. Management Discussion & Analysis

For the year ended December 31, 2025

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# Amaroq Ltd. Management Discussion & Analysis

For the year ended December 31, 2025

This Management's Discussion and Analysis ("MD&A") of Amaroq Ltd. (the "Corporation", the "Company" or "Amaroq") (previously known as Amaroq Minerals Ltd.), 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 26, 2026 and should be read in conjunction with the Corporation's audited consolidated financial statements and related notes for the year ended December 31, 2025 (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](http://www.sedarplus.ca). The following abbreviations are used to describe the periods under review throughout this MD&A:

Abbreviation	Period
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
Q1-26	January 1, 2026 to March 31, 2026
2026	January 1, 2026 to December 31, 2026

## 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. As at December 31, 2025, the Corporation's shares were listed on the TSX Venture Exchange (the "TSX-V"), the AIM market of the London Stock Exchange ("AIM"), and Nasdaq Main Market Iceland ("Nasdaq") under the AMRQ ticker. The Corporation's shares also traded on the OTCQX® Best Market ("OTCQX") in the United States under the AMRQF ticker. Subsequent to year-end, in March 19, 2026, the Corporation delisted from the TSX-V.

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. Through its joint venture with GCAM (the "Joint Venture" or "JV"), the Corporation is also exploring for strategic minerals, including copper, nickel and rare earth elements, in the South Greenland Copper Belt and the Gardar Province Mineral Belt. In addition, the Corporation aims to redevelop Black Angel, a past-producing zinc-lead-silver mine in West Greenland.

To support exploration and mine development activities, Amaroq has established the subsidiary businesses Suliaq ApS and Imeq ApS, focused on providing services and energy solutions to growth industries in Greenland, initially targeting equipment leasing and services to the mining sector. In the future, the Corporation may also look to leverage its expertise in mineral exploration, development and mining outside Greenland should suitable opportunities arise.

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For the year ended December 31, 2025

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## 2. OPERATIONAL PERFORMANCE HIGHLIGHTS

### 2.1 Operations

Throughout the twelve-month period ending 31 December 2025, the Corporation continued the Nalunaq underground mine development and process plant commissioning efforts. With 97% of Phase 1 work complete and all critical path items for the delivery of Phase 2 on schedule to be in place during Q2-26, the Corporation will now focus on reaching stable gold production in 2026.

During Q4-25, construction activities at the processing plant progressed with full site teams mobilised through to mid-December. The Company implemented a planned four-week shutdown during the quarter to advance Phase 1 commissioning works, primarily to finalise major civil works and complete automation of the gravity circuit. Following restart in Q4-25, focus shifted to Phase 2 construction, including installation of the flotation circuit, with works expected to continue into Q2-26. Upon successful commissioning, the flotation circuit is expected to increase overall gold recoveries from the current 50–70% gravity recovery range to approximately 90–95%.

During the trial mining phase at the Nalunaq Mine, Thyssen Schachtbau GmbH (“Thyssen”) was engaged as the mining contractor until 1 October 2025. As of that date, Nalunaq transitioned to a fully owner-operated mining model, assuming full operational control and decision-making responsibility for all underground mining activities. As part of this transition, the Company has invested in its own underground mining fleet, which is expected to be largely delivered and commissioned by the end of Q1-26. In the interim period, certain items of Thyssen’s equipment continue to be utilised under a temporary arrangement until Nalunaq’s fleet is fully operational.

Limited activity in October and early November due to a planned shutdown for commissioning activities impacted production in Q4. Operations resumed in the latter half of November, and the mine recovered momentum through the remainder of the quarter. During Q4-25, the Corporation produced 1,000 ounces and sold 1,949 ounces of gold for gross proceeds of \$10.6 million. Approximately 5,200 t of material was milled and average mill feed grade was 16.0 g/t. For FY 2025, the Corporation produced 6,346 ounces, which includes 1,009 ounces of gold poured on 1 January 2026 to capture efficiencies in the pouring process.

For FY 2025, the Corporation sold 5,310 ounces of gold for gross proceeds of \$27 million.

During the twelve-month period ending 31 December 2025, the Company completed exploration plans across its full portfolio but most notably across eight key project sites.

At Nalunaq, eleven surface drillholes targeting the South Block Deeps were completed. The initial holes from this programme have been sampled and assayed confirming that the MV structure continues down dip from the operating mine approximately 700m providing further upside to the resource growth potential. Underground drilling also recommenced with the deployment of a new drill rig under a hire-purchase agreement. This drilling, a total of 40 holes in 2025, is providing grade control and resource definition data to support short- to medium-term mine planning.

At Nanoq, core drilling commenced in early August utilising three Company-owned rigs. The campaign was completed on 24 September, with a total of 4,806.9 metres drilled. By the end of the reporting period, approximately 60% of the core had been logged and sampled. Results from this programme confirmed the presence of multiple mineralised intervals averaging approximately 3.3m thickness at a grade of 9.98g/t<sup>3</sup> Au at vertical depth of up to 70m. All materials were winterised on site allowing for a more rapid restart in 2026.

Amaroq continued its earlier stage exploration across the satellite gold targets to Nalunaq which included a re-interpretation of the Vagar Ridge target and the discovery of significant mineralisation at Qoorormiut North Ridge (Q-North Ridge).

Under the Company’s Gardaq AS Joint-Venture, fieldwork on the Stendalen Cu-Ni target was conducted from the Nanoq exploration base. This programme followed on from the 2024 drilling and geophysical studies, with the objective of improving geological understanding and defining controls to mineralisation in advance of potential follow-up drilling in 2026. Further, Gardaq, continued exploration in the Nunarsuit licence within the Gardar Igneous Province resulting in the discovery of REE mineralisation with high grades of up to 2.31% Total Rare Earth Oxide (“TREO”) within a Pegmatite Zone now named the Ilua target. The final programme of the season comprised a short reconnaissance campaign over the Minturn IOCG (Iron-Oxide-Copper-Gold) target in Northern Greenland. This programme highlighted the presence of an important mineralising system that holds the potential to host a IOCG target of significant scale.

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Following the announcement of the Black Angel and Kangerluarsuk licence acquisitions, and during the process of finalising these transfers, Amaroq undertook a series of reconnaissance site visits and commenced re-assaying of selected historical bulk samples. The result from this re-assaying confirmed the high-grade nature of the mineralisation, averaging 24.6% zinc, 28.1% lead and 295 g/t silver, but importantly also showed commercial levels of germanium (44 ppm) and gallium (21 ppm) and cadmium (1,328 ppm); adding significant value to the future project from these critical minerals. These activities, combined with the ongoing collation and review of historical datasets, will form the basis for detailed forward-looking exploration and development plans for both assets.

Amaroq's 2025 exploration activities have strengthened the Company's pipeline of resource growth opportunities, while providing additional optionality to inform future exploration and development planning.

## 2.2 Summary of 2025 Exploration Activities

Licence	Project	2025 Activities	No. Drill Holes	No. of Meters	No. of Samples
2003-05	Nalunaq	Surface/Underground Drilling	10/ 40	4,167.5 / 2,862.2	400/ 957
2006-10	Vagar	Geological Reconnaissance			251
2015-17	Tartog	Geological Reconnaissance			2
2019-113	Nanoq	Exploration Drilling	27	4803.4	2014
2020-36	Anoritooq	Geological Reconnaissance			149
2021-11	Stendalen	Geological Reconnaissance			56
2022-01	Koberminebugt	Geological Reconnaissance			3
2023-70	Nunarsuit	Geological Reconnaissance			7
2025-138	Minturn	Geological Reconnaissance			43
2025-17	Johan Dahl Land	Geological Reconnaissance			8

## 2.3 Q4-25 Consolidated Financial Results

Period ended December 31, 2025	Three months Unaudited		Twelve months	
	2025	2024	2025	2024
	\$	\$	\$	\$
<b>Financial Results</b>				
Revenue	10,700,675	-	26,984,361	-
Cost of Sales	(4,777,969)	-	(15,280,034)	-
Selling, refining and royalty costs	(148,436)	-	(627,146)	-
Exploration and evaluation expenses	(4,643,597)	2,290,855	(10,911,234)	(2,882,092)
Site development costs	-	-	-	-
General and administrative expenses	(5,230,498)	(5,690,573)	(18,957,075)	(17,521,730)
Gain on loss of control of subsidiary	-	-	-	-
Loss on disposal of capital assets	-	-	(253,269)	(149,916)
Foreign exchange gain (loss)	165,529	(567,541)	889,978	907,890
Interest income	267,032	245,081	741,658	1,188,104
Garda project management fees	621,041	630,075	2,496,884	2,453,361
Gain on lease modification	-	-	55,323	-
Loss on liability derecognition	-	-	(307,263)	-
Share of net losses of joint arrangement	(369,171)	(1,891,948)	(2,124,689)	(8,590,498)
Unrealized gain (loss) on derivative liability	-	86,115	-	1,722,682
Finance costs	173,713	(556,490)	(1,308,479)	(583,939)

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For the year ended December 31, 2025

Net loss and comprehensive loss	(3,241,681)	(5,454,426)	(18,600,985)	(23,456,138)
Basic and diluted loss per common share	(0.007)	(0.015)	(0.044)	(0.071)

Financial Position	As at		
	December 31, 2025	December 31, 2024	December 31, 2023
	\$	\$	\$
<b>Financial Position</b>			
Cash	21,546,829	45,193,670	21,014,633
Investment in equity-accounted joint arrangement	12,777,624	14,902,313	23,492,811
Total assets	354,522,908	255,976,986	107,240,058
Total current liabilities	20,546,306	46,973,753	42,384,187
Total non-current liabilities	53,862,252	7,845,657	577,234
Shareholders' equity	280,114,350	201,157,576	64,278,637
Working capital (before convertible notes liability and loan payable) <sup>1</sup>	46,600,441	47,525,515	34,092,130
Working capital (convertible notes liability and loan payable included) <sup>1</sup>	46,600,441	18,903,783	(1,650,997)

## 2.4 2025 Financial Performance Highlights (unaudited)

	Q4-25	Q3-25	Q2-25	Q1-25
	\$	\$	\$	\$
Revenue	10,700,675	12,838,378	3,445,308	-
Gross profit (loss)	5,774,270	5,928,476	(577,213)	-
Exploration and evaluation expenses	(4,643,597)	(5,541,654)	(532,563)	(193,420)
General and administrative expenses	(5,230,498)	(4,209,419)	(4,890,837)	(4,626,321)
Share of net losses of joint arrangement	(369,171)	(1,041,310)	(343,865)	(370,343)
Net income (loss)	(3,241,681)	(5,314,581)	(5,646,026)	(4,398,697)
Basic income (loss) per share	(0.007)	(0.012)	(0.014)	(0.011)
Diluted income (loss) per common share	(0.007)	(0.012)	(0.014)	(0.011)
Cash	21,546,829	55,314,709	86,010,495	16,698,642
Investment in equity-accounted joint arrangement	12,777,624	13,146,795	14,188,105	14,531,970
Total assets	354,522,908	339,032,279	342,020,663	252,074,553
Total current liabilities	20,546,306	61,593,664	60,170,699	46,894,778
Total non-current liabilities	53,862,252	8,241,937	8,075,788	7,641,551
Shareholders' equity	280,114,350	269,196,678	273,774,176	197,538,224
Working capital (before convertible notes liability and loan payable) <sup>1</sup>	46,600,441	76,906,563	99,470,230	22,238,142
Working Capital (convertible notes liability and loan payable included) <sup>1</sup>	46,600,441	34,320,242	59,221,096	(7,563,780)

	Q4-24	Q3-24	Q2-24	Q1-24
	\$	\$	\$	\$
Revenue	-	-	-	-
Gross loss	-	-	-	-
Exploration and evaluation expenses	2,290,855	(4,424,907)	127,173	(875,213)

<sup>1</sup> Working Capital as per the Consolidated Statement of Financial Position as at December 31 2025 is \$46,600,441 (\$18,903,783 as at December 31, 2024) and includes loan payable of \$nil (\$28,621,732 as at December 31, 2024). As at December 31, 2024, the loan payable was classified as current because it was maturing within 12 months of the reporting date.

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For the year ended December 31, 2025

General and administrative expenses	(5,690,573)	(3,536,240)	(4,335,691)	(3,959,226)
Share of loss 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) <sup>1</sup>	47,525,515	37,937,316	50,734,743	78,210,475
Working Capital (convertible notes liability and loan payable included) <sup>1</sup>	18,903,783	(24,983,350)	17,291,885	36,659,134

The Corporation reported a net loss of \$3,241,681 and \$18,600,985 respectively for the three and twelve months ended December 31, 2025 compared to a net loss of \$5,454,426 and \$23,456,138 respectively for the three and twelve months ended December 31, 2024. Main comparisons to the previous period are as follows:

- Revenue of \$10,700,675 and \$26,984,361 respectively for three and twelve months ended December 31, 2025 (\$nil for three and twelve months ended December 31, 2024). During three and twelve month period ended December 31, 2025 the Corporation sold respectively 1,949 and 5,310 ounces of gold and recognized respectively a gross profit of \$5,774,270 and \$11,077,181 (\$nil for the three and twelve months ended December 31, 2024).
- Exploration and evaluation expenses of \$4,643,597 for three months and \$10,911,234 for twelve months ended December 31, 2025 (expense of (\$2,290,855) for three months and \$2,882,092 for twelve months ended December 31, 2024). \$4,643,597 and \$10,911,234 of expenses for three and twelve months ended December 31, 2025, mainly represent the costs associated with the completion of drilling program at Nanoq. During Q4-2024, the Corporation reassessed the nature of certain exploration activities at the Nalunaq mine and concluded that these costs are directly attributable to underground mine development. Accordingly, exploration costs of \$3,033,945 incurred during 2024 were capitalised in Q4 2024.
- General and administrative costs of \$5,230,498 and \$18,957,075 respectively for the three and twelve months ended December 31, 2025 (\$5,690,573 and \$17,521,730 respectively for the three and twelve months ended December 31, 2024).
  - Salaries and benefits of \$2,808,544 and \$6,355,499 for the three and twelve months ended December 31, 2025 (\$2,682,877 and 6,598,886 for the three and twelve months ended December 31, 2024).
  - Stock-based compensation of \$738,113 and \$2,960,936 for the three and twelve months ended December 31, 2025 (\$699,788 and \$2,047,386 for the three and twelve months ended December 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 plan, participants share in a "RSU pool" of up to 10% in excess of the Corporation's growth in value, determined by the 10% hurdle rate per annum over a performance period. Commencement date was on January 1, 2022. A portion of the RSU pool is reserved for future participants. Growth in value is based on the Corporation's share price, adjusted for any dividends paid during the period (to the extent such distributions are made), based on the 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. In June 2024, the departure of the previous Chief Financial Officer of the Corporation resulted in the reversal of a previously recognized stock-based compensation expense. Furthermore, in December 2024, additional restricted shares were awarded to employees of the Corporation. As a result, share-based compensation expense increased over the twelve-month period ended December 31, 2025, compared to the same period ended December 31, 2024. Further details on the RSU description and valuation are provided under Note 16.2 of December 31, 2025, Financial Statements.
  - Director's fees of \$135,500 and \$584,897 for the three and twelve months ended December 31, 2025 (\$159,000 and \$636,000 for the three and twelve months ended December 31, 2024). The reduction of directors' fees reflects the resignation of one of the directors, Liane Kelly, effective June 13, 2025.

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- Professional fees of \$21,609 and \$3,481,844 for the three and twelve months ended December 31, 2025 (\$1,019,551 and \$3,665,043 for the three and twelve months ended December 31, 2024). Decrease in professional fees is mainly due to less contracted work and fewer contractors engaged during the year compared to the prior year.
- Investor Relations and Communication of \$107,585 and \$802,455 for the three and twelve months ended December 31, 2025 (\$241,060 and \$724,012 for the three and twelve months ended December 31, 2024). Increase in Investor Relations expenses is mainly driven by consulting services related to services provided for special projects, media training, ad campaigns as well as attending conferences.
- Insurance of \$188,446 and \$485,481 for the three and twelve months ended December 31, 2025 (\$63,619 and \$319,988 for the three and twelve months ended December 31, 2024) Increase in Insurance expense are mainly due to higher premiums for 2025 which reflects the increase in coverage for the addition of new employees in 2025
- Travel and other expenses of \$841,528 and \$2,774,806 for the three and twelve months ended December 31, 2025 (\$507,308 and \$2,286,142 for the three and twelve months ended December 31, 2024). The twelve-month increase in travel and other expenses is mainly driven by higher travel costs due to expanded business development activities and increased rotational travel by the management team for operational oversight.
- Regulatory fees of \$248,299 and \$1,297,901 for the three and twelve months ended December 31, 2025 (\$271,505 and \$1,068,200 for the three and twelve months ended December 31, 2024). The twelve-month increase was mainly driven by a higher venture sustaining fees in the securities exchanges as a result of the Company's increased market capitalisation as well as increased custody fees.
- Foreign exchange gain of \$165,529 and gain of \$889,978 for the three and twelve months ended December 31, 2025 (loss of \$567,541 and gain of \$907,890 in three and twelve months ended December 31, 2024) mainly represents the revaluation of DKK, GBP, and USD denominated bank balances, accounts receivables, accounts payable and loan payable against a weakening Canadian dollar. In the three and twelve months ended December 31, 2025, DKK strengthened from 0.21 to 0.22 against the Canadian Dollar, GBP strengthened from 1.84 and 1.86, and USD weakened from 1.44 and 1.37. The gain was mainly due to the FX gain on the USD denominated loan payable.
- Share of net loss in joint arrangement of \$369,171 and \$2,124,689 for the three and twelve months ended December 31, 2025 (\$1,891,948 and \$8,590,498 in three and twelve months ended December 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 \$621,041 and \$2,496,884 for the three and twelve months ended December 31, 2025 (\$630,075 and \$2,453,361 for the three and twelve months ended December 31, 2024) representing corporate overhead costs charged by Nalunaq A/S to Gardaq A/S.

## 2.5 Cash Flow and Liquidity

Cash used in operating activities in the twelve months ended December 31, 2025, totalled \$29,885,867 compared to \$6,025,383 in the twelve months ended December 31, 2024. Cash used in operations during the twelve months ended 31 December 2025 primarily reflects corporate overheads incurred during the year, as well as working capital movements. These working capital outflows mainly relate to advance payments for mining equipment scheduled to arrive on site in Q1-2026 as part of the transition to an owner-operated mining team and fleet, the purchase of spare parts required for underground mine and processing plant operations, and working capital movements associated with stockpiling, processing and selling gold inventory.

Cash used in operations during the twelve months ended December 31, 2024 primarily related to downpayments made on orders placed with processing plant equipment suppliers.

Cash used in investing activities in the twelve months ended December 31, 2025, was \$83,903,265 (twelve months ended December 31, 2024 \$117,467,501) 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 increasing camp accommodation, maintenance workshop and wastewater treatment plant.

Cash received from financing activities in the twelve months ended December 31, 2025, was \$90,093,026 compared to cash received from financing activities of \$145,533,873 during the twelve months ended December 31, 2024. During the twelve months ended December 31, 2025, the Corporation finalized an equity capital raise with net proceeds of \$81.2 million, as well as drawing down on \$10.5 million of net proceeds under its US\$35.0 million revolving credit facility. Cash inflow during the twelve months ended December 31, 2024 was mainly driven by the Corporation's equity capital raise which closed on February 23, 2024 which resulted in net proceeds of \$74.5 million.

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As of December 31, 2025, available cash is \$21.5 million, the Corporation had undrawn facilities of \$8.9 million (US \$6.5M), and a cash deposit in transit of \$5.7 million (US \$4.2M).

As of December 31, 2025, the Corporation has working capital of \$46,600,441 compared to \$47,525,515 as of December 31, 2024.

## 3. CORPORATE UPDATE

### 3.1 Appointment of Chief Corporate Development & Strategy Officer

On January 21, 2025 the Corporation announced the appointment of Edward Westropp as Head of Business Development and Corporate Affairs (from February 2026 - Chief Corporate Development & Strategy Officer) 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 issued its inaugural Sustainability Report in Q2-25.

### 3.3 GBP 45 million Fundraising

On June 30, 2025, the Corporation successfully closed its fundraising as announced on 11 June 2025, pursuant to which it raised gross proceeds of approximately GBP 45.0 million (CAD 83.2 million, ISK 7.6 billion), through a placing of 52,986,036 new common shares.

Panmure Liberum Limited acted as nominated adviser, joint bookrunner and joint broker, alongside Canaccord Genuity Limited who also acted as joint bookrunner and joint broker on the UK Placing. Landsbankinn hf. and Acro verðbréf hf. acted as joint bookrunners on the Icelandic Placing.

Following admission, Amaroq's total issued share capital consists of 454,106,653 common shares of no-par value.

### 3.4 Strategic Acquisitions

As part of the Corporation's strategy to expand its Greenlandic footprint and diversify its commodity exposure, on 11 June 2025, Amaroq announced the acquisition of the entire issued share capital of Black Angel Mining A/S ("Black Angel") from FBC Mining (BA) Limited ("FBC Mining"), as well as the proposed acquisition of the Kangerluarsuk licences from 80 Mile plc ("80 Mile") to create the West Greenland Hub. The Corporation entered into a binding, conditional share sale and purchase agreement with FBC Mining, with a consideration of US\$10 million, for the Black Angel acquisition; and a binding, conditional asset purchase agreement with 80 Mile and Disko Exploration Ltd, with an initial consideration of US\$0.5 million and a potential deferred consideration of US\$1.5 million (subject to the delineation of a mineral resource in the licence areas that could support the commencement of a formal Preliminary Economic Assessment, scoping study, or equivalent, which indicates the potential for economic extraction), for the acquisition of the Kangerluarsuk licences.

On December 22, 2025, the Corporation closed the acquisitions of the entire issued share capital of Black Angel from FBC Mining and of the Kangerluarsuk licences from 80 Mile. As consideration for the acquisitions, the Corporation issued 7,654,222 common shares of Amaroq to FBC Mining and 392,939 common shares of Amaroq to 80 Mile.

The acquisition of Black Angel is a related party transaction for the purposes of the AIM Rules and Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("MI 61-101").

### 3.5 Commencement of Trading on OTCQX in the U.S.

On July 1, 2025, the Corporation announced that it has been approved to trade on the OTCQX® Best Market ("OTCQX") in the United States of America. Trading on OTCQX commenced on 01 July 2025 under the ticker symbol "AMRQF".

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## 3.6 Company name change to Amaroq Ltd.

The Annual General and Special Meeting of the Corporation held on 13 June 2025 approved a special resolution to change the Corporation's name to "Amaroq Ltd". The new name change reflects the Corporation's continued strategic evolution from a pure mineral exploration company to a broader, full-cycle mining enterprise. The Board of directors believes that the new name better represents the Corporation's diversified asset base and long-term vision. The name change was accepted by the TSXV and became effective on 15 July 2025.

## 3.7 Improved debt financing agreements

On November 19, 2025, the Corporation announced that it had executed an amendment to its US\$35 million debt financing agreement with Landsbankinn, extending the termination date from December 2026 to February 2028 as well as providing the potential to improve overall margin to 4.5% plus SOFR based on operational results.

## 4. OPERATIONAL UPDATES

### 4.1 Nalunaq Project Development

#### Process Plant Construction Activities

During Q4-25, construction activities at the processing plant progressed with full site teams mobilised through to mid-December. The Company implemented a planned four-week shutdown during the quarter to advance Phase 1 commissioning works, primarily to finalise major civil works and complete automation of the gravity circuit.

Following restart in Q4-25, focus shifted to Phase 2 construction, including installation of the flotation circuit, with works expected to continue into Q2-26. Upon successful commissioning, the flotation circuit is expected to increase overall gold recoveries from the current 50–70% gravity recovery range to approximately 90–95%.

#### Mine Production and Operation

Limited activity in October and early November due to a planned shutdown for commissioning activities impacted production in Q4. Operations resumed in the latter half of November, and the mine recovered momentum through the remainder of the quarter. In total, 1,000 oz of gold were produced and 1,949 oz were sold during the quarter. Approximately 5,200 t of material was milled and average mill feed grade was 16.0 g/t, supported by high-grade intersections from the 790L and 780L zones.

Key strategic transitions were completed during the period: the mine fully transitioned from contractor to owner operation, the diamond drilling contractor was replaced in April, and winterization improvements (heating and ventilation) were commissioned. These changes improved planning execution alignment, increased work-day efficiency and removed the persistent ice build-up bottleneck on the ramp.

A significant portion of October and the first half of November was dedicated to safely relocating the tailings facility on schedule. Q4 delivered 374 metres of development to reach 1,690 m YTD, including completion of the 802L vent drift, establishment of 790L access (+60 m on-vein), advancement of 768L and 754L west sills (70 m), completion of 768L east and 780L east drives, and the close-out of stopes in the 732–720L zone.

Material movement for Q4 totaled 15,730 t (5,551 t of ore and 10,179 t of waste). Combined with improved per-day productivity, ore production held up comparably to prior quarters despite the interruption, demonstrating resilience and efficiency gains.

Drilling performance accelerated dramatically: diamond drilling logged 177 m in Q1, 87 m in Q2, 825 m in Q3, and 1,436 m in Q4, averaging 23 m per active day in Q4. Longhole drilling advanced 1,217 m in Q1, 1,449 m in Q2, 1,225 m in Q3 and a record 2,959 m in Q4, supporting stope readiness and sequencing.

Operational highlights include: safe execution of the tailings relocation; record performances in drilling (diamond and longhole); elimination of ice-related inefficiencies through winterization; and mill feed grade exceeding plan.

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With strategic infrastructure in place and the largest inefficiencies addressed, the mine is entering 2026 in a robust condition. Increased stope optionality, stronger geological definition and a stable owner-operated model create a platform for a stable, predictable production profile in the coming year.

## 4.2 Gold Exploration Projects in 2025

- **Nalunaq**
  - Underground drilling was conducted from multiple level through the last 12-months period providing data to support short- and medium-term mine planning.
  - Surface drilling assessing the potential for the Main Vein to continue at depth was commenced with 11 holes completed and the first 4 logged and sampled.
  - Bara Consulting were commissioned to assist with a further Mineral Resource Estimate (MRE5), scheduled and to support the development of procedures to advance certain Mineral Resources to Mineral Reserves.
  - Mine geology and engineering teams progressed the design and implementation of a robust grade control and reconciliation programme for the operation.
  
- **Nanoq**
  - A ~40-person exploration camp was established on site, with full facilities to support the 2025 field season.
  - A three-rig, helicopter-supported drilling programme was completed, totalling 4,806.9 metres across the Central Zone, with all core logged and sampled.
  - Systematic geological and structural mapping was conducted across the Central Zone and on additional target areas to the west.
  - All equipment was staged and winterised on site to allow for a rapid startup of the 2026 season.
  
- **Satellite Deposits**
  - Follow-up work was undertaken across the Vagar and Anoritoq licences, including collection of grab samples for external assay.
  - Following the positive results returned from this programme, Amaroq are assessing options to return and potential run a scout drilling programme across these targets in 2026.

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

- **Stendalen**
  - A geological team conducted field programmes to assess Cu-Ni potential at Stendalen and regionally, based out of the Nanoq exploration camp.
  - Activities built upon drilling and geophysical work completed in 2024, with the aim of refining drill targets for a potential 2026 programme.
  - These results are being reviewed with the view of designing a follow up programme for 2026.
  
- **Ilua**
  - A field programme following up from previous years results and airborne geophysical data, resulted in the discovery of a significant pegmatite systems.
  - Sampling of these pegmatites provided grades of up to 2.31% Total Rare Earth Oxide (“TREO”)
  - The system was provisionally mapped across an approximate 5km strike.
  
- **Minturn**
  - Following the granting of a new licence in North Greenland, Amaroq mobilised a small team to conduct provisional geological investigations
  - Provisional assessments highlighted an extensive iron oxide-rich alteration system aligned to a regional magnetic anomaly, indicative of a large and robust IOCG-style system over a ~9 km trend.
  
- **Copper Belt (Johan Dahl Land/Sava/North Sava, Kobberminebugt)**
  - Additional targets were identified and assessed, with input from Amaroq’s technical team and external experts including Steve Garwin.
  - Sampling and reconnaissance activities were completed to support prioritisation of future exploration.

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## 4.4 West Greenland Hub

- **Black Angel**
  - Reconnaissance visits were conducted and discussions held with contractors and service providers to prepare for exploration and development programmes planned for 2026 and beyond. A historic bulk sample collected from the Black Angel deposit was re-assayed, confirming the high-grade nature of the zinc-lead-silver mineralisation, and indicating potential for commercial levels of germanium, gallium and cadmium.
- **Kangerluarsuk**
  - Reconnaissance visits were also completed at Kangerluarsuk, with future work, including future scout drilling, expected to be staged from a Black Angel base of operations.
- **Ukkusissat**
  - An application for a new Mineral Exploration Licence was submitted to the MLSA in November 2025, covering an area of approximately 60km<sup>2</sup> close to the small settlement of Ukkusissat, 20km SW of Maarmorilik camp and Black Angel Mine.
  - The licence contains several massive Pb-Zn sulphide lenses on the NE face of Ukkusissat Mountain (up to 8m thick grading 10.9% Pb, 29% Zn). These were tested with a short drilling programme in 1979 which returned several narrow mineralised intervals, although a more recent interpretation of the structural geology suggests that the holes did not adequately test the target, and that further drilling may be necessary.
  - A short period of fieldwork in 2026 would aim to verify historic geological and structural models of Ukkusissat mountain, and define drill targets.

## 4.5 Post-period Highlights:

### 4.5.1 Minturn

- As disclosed on the 21<sup>st</sup> January 2026, based on initial assay results and geological data review, Amaroq believe that Minturn represents a highly strategic opportunity, in which the discovery of a Kiruna-type IOCG system in this region would be of international significance, reinforcing Greenland's prospectivity for large "critical mineral" deposits, beyond gold and adding a new dimension to Amaroq's growth pipeline.

### 4.5.2 Mineral Licence Management

- A number of mineral licences have been renewed or reduced in size to concentrate efforts on the most prospective areas held within the Amaroq portfolio.

## 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:

	Q4-25	Q4-24	2025	2024
	\$	\$	\$	\$
<b>Nalunaq - Au<sup>2</sup></b>				
Geology	528,515	112,786	1,460,820	685,994
Lodging and on-site support	42,588	1,207	87,406	286,019
Drilling	-	(2,028,482)	23,425	60,000
Analysis	-	(51,620)	36,685	141,466
Transport	19,526	(83,186)	56,447	(60,296)
Supplies and equipment	33,549	(483)	269,196	229,179

<sup>2</sup> During Q4-2024, the Corporation reassessed the nature of certain exploration activities at the Nalunaq mine and concluded that these costs are directly attributable to underground mine development. Accordingly, exploration costs of \$3,033,945 incurred during 2024 were capitalised in Q4 2024.

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	Q4-25	Q4-24	2025	2024
	\$	\$	\$	\$
Helicopter charter	-	(773,289)	-	-
Maintenance infrastructure	-	(11,766)	229	363,333
Government fees	1,089	(589)	6,921	15,976
Depreciation	(189,602)	126,030	-	682,661
	435,665	(2,709,392)	1,941,129	2,404,332
<b>Vagar – Au</b>				
Geology	-	-	52,493	-
Lodging and on-site support	-	-	12,212	-
Underground works	71,402	-	71,402	-
Analysis	753,550	-	787,019	-
Geophysical Survey	190,780	-	190,780	-
Transport	64,329	-	64,329	(3,922)
Helicopter charter	22,079	-	248,686	-
Logistics Support	437,009	-	437,009	-
Maintenance infrastructure	1,087	-	1,087	4,131
Project Engineering	5,114	-	5,114	-
Government fees	-	-	8,527	16,312
	1,545,350	-	1,878,658	16,521
<b>Tartoq – Au</b>				
Analysis	-	-	291	-
Maintenance infrastructure	-	-	-	189
Government fees	-	-	9,574	8,722
	-	-	9,865	8,911
<b>Siku – Au</b>				
Lodging and on-site support	105,483	-	105,483	-
Underground works	761,382	-	761,382	-
Helicopter Charter	78,753	-	78,753	-
Maintenance infrastructure	-	-	-	189
Project Engineering	12	-	12	-
	945,630	-	945,630	189
<b>Nuna Nutaaq – Au</b>				
Lodging and on-site support	116,337	-	286,061	-
Underground works	839,726	-	839,726	-
Drilling	-	114,209	1,447,660	114,209
Analysis	-	43,641	28,696	43,641
Transport	-	143,675	914,742	143,675
Supplies and equipment	-	1,156	277,266	2,344
Helicopter charter	86,856	115,856	1,647,959	147,894
Maintenance infrastructure	-	-	20,856	187
Project Engineering	13	-	13	-
Government fees	-	-	(1,047)	-
	1,042,932	418,537	5,461,932	451,950
<b>Anoritooq – Au</b>				
Lodging and on-site support	62,665	-	62,665	-
Underground works	452,318	-	452,318	-
Helicopter Charter	46,785	-	46,785	189
Project Engineering	7	-	7	-
	561,775	-	561,775	189
<b>Black Angel (Mammorilik) – Pb, Zn</b>				
Analysis	5,828	-	5,828	-
Transport	3,402	-	3,402	-
Helicopter charter	92,832	-	92,832	-
Government fees	10,183	-	10,183	-
	112,245	-	112,245	-

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	Q4-25	Q4-24	2025	2024
	\$	\$	\$	\$
<b>Total</b>				
Geology	528,514	112,786	1,513,313	685,994
Lodging and on-site support	327,074	1,207	553,827	286,019
Underground works	2,124,828	-	2,124,828	-
Drilling	-	(1,914,273)	1,471,085	174,209
Analysis	759,378	(7,979)	858,519	185,107
Geophysical Survey	190,780	-	190,780	-
Transport	87,257	60,489	1,038,920	79,457
Supplies and equipment	33,549	673	546,462	231,523
Helicopter charter	327,305	(657,433)	2,115,015	147,894
Logistics support	437,009	-	437,009	-
Maintenance infrastructure	1,087	(11,766)	22,172	368,218
Project Engineering	5,146	-	5,146	-
Government fees	11,272	(589)	34,158	41,010
Depreciation	(189,602)	126,030	-	682,661
<b>Total exploration and evaluation expenses</b>	<b>4,643,597</b>	<b>(2,290,855)</b>	<b>10,911,234</b>	<b>2,882,092</b>

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. It is located on the northern side of the Kirkespirdalen Valley, about 33 km northeast of the town of Nanortalik.

The area lies within exploitation licence 2003/05 issued by the Government of Greenland, Mineral Licence and Safety Authority (the "Nalunaq Licence"), which covers an area, following a small expansion granted 23 April 2024, of 33.7 km<sup>2</sup> and includes the former underground mine which ceased operating in 2013 (the "Nalunaq Gold Mine") which has since been restarted.

### b) Nalunaq exploration results

The 2025 exploration season concentrated on commissioning underground drilling campaigns to provide near-term grade control data in the ongoing mine design and optimisation and to provide options for progressive resource replacement.

In addition, surface drilling in the South Block Deeps area was commissioned to assess the potential for the Main Vein continuing down dip from the current and historical mining operations.

Provisional results from these programmes were released on the 4<sup>th</sup> of December 2025.

## 5.2 Vagar – Gold

### a) Property description

The Vagar Licence covers an official area of 292 km<sup>2</sup> 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 km<sup>2</sup>. The Government of Greenland agreed on May 2024 and gave an extension of the licence period by 3 years, extending the license until December 31, 2026. The licence 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

Detailed structural assessments were conducted upon the Vagar Ridge target to better define potential target drill locations to intersect the high-grade mineralisation seen at surface and in historical drill core.

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## 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 km<sup>2</sup> within the Nanortalik Gold Belt.

The Nanoq licences (2019-113) are being renewed following the Company's application in Q4 2025, with a new expiry date in 2030, pending completed signed documentation from the government.

### b) Exploration work – Nanoq

Between July and October 2025, Amaroq conducted the first comprehensive exploration campaign at Nanoq since 1997, including the project's first major drill programme.

As Nanoq had never been properly mapped or modelled, the 2025 programme focussed on building a strong geological foundation: understanding the structures that control gold mineralisation, how the veins are arranged, and where additional high-grade zones may occur. This work is essential in modern mineral exploration, as it enables future drilling to target gold zones efficiently and cost-effectively.

Mobilisation and construction of the 45-person exploration camp were completed in July 2025, followed by detailed geological mapping in early August and drilling from mid-August to late September 2025. Drilling of 4,807 m of diamond drilling was completed across 27 holes, testing >600 m of strike in the Central Zone. 63% of holes intersected mineralisation including up to 187.4 g/t Au over 1.5m and 19.6 g/t Au over 4.9 m, all at shallow depths; despite the programme being designed primarily to advance subsurface geological understanding. The programme was completed ahead of schedule and within budget.

With the latest results confirming both the geological model and the presence of further gold mineralisation, Nanoq is now positioned as a high-potential growth asset within Amaroq's expanding gold portfolio.

The Company is now evaluating the steps following the taking of an initial metallurgical sample, with a view to assessing how this material may perform within the existing Nalunaq processing flowsheet. Given Nanoq's proximity to the coastline, the Company sees a clear pathway for short-haul transport and ship-based transfer of material to Nalunaq. As part of this, the Company are exploring infrastructure solutions, including a short 3km access road from the drill sites to a potential harbour site, that would allow us to move material efficiently.

### c) Nanoq exploration plans

The Company is actively designing follow up drill and logistical plans for the 2026 field season and will announce these in due course.

## 5.4 Eagle's Nest - Anoritoq - Gold

### a) Property description

This 1,185 km<sup>2</sup> 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

During Summer 2025, Amaroq's exploration team carried out an extensive field programme focused on regional gold targets across South and South-West Greenland. This work was the first full-season exploration campaign on the Company's gold satellite prospects, since the commencement of Nalunaq mining operations, and its aim was to identify and advance additional gold sources that could eventually supplement production from the Nalunaq mine or form standalone development projects.

The programme included exploration in the Anoritoq licence where sampling at Isortup Qoorua confirmed a high-grade gold-copper system with values up to 38.7 g/t Au and 1.98% Cu, marking a major new discovery along the Nanortalik Belt. The potential mineralised corridor extends for several kilometres and will now be advanced toward drilling.

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## 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 km<sup>2</sup> 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

The regional satellite gold exploration programme also included the Tartoq licence where new gold-bearing quartz veins were discovered at Iterlak, with assays up to 3.14 g/t Au, extending the known gold footprint on this underexplored greenstone belt.

## 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 km<sup>2</sup> of land located between both Nanoq and Jokum’s shear, Nataarnaq (also known as Siku) 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 Black Angel (Mammorilik) – Pb, Zn (Ga, Ge)

### a) Property description

On June 11, 2025 Amaroq announced the acquisition of the entire issued share capital of Black Angel from FBC Mining and entered into a binding, conditional share sale and purchase agreement with FBC Mining, with a consideration of US\$10 million, for the Black Angel acquisition which was closed on December 22, 2025. Black Angel is engaged in holding and using exploration licences and is currently working on Project Mammorilik Pb Zn, centered around the historical Black Angel Mine in northwestern Greenland, which was active from 1973 to 1990 and has since ceased operations. Project Mammorilik comprises of two mineral exploration licences MEL2020-26 (52 km<sup>2</sup>) expiring on December 31, 2026 and MEL2025-171 (113.7 km<sup>2</sup>) expiring on December 31, 2028.

### b) Exploration work

Exploration work in 2025 was limited to a number of short reconnaissance visits to assess the infrastructure conditions and exploration requirements. Amaroq intend to advance this project during 2026.

## 5.8 Kangerluarsuk – Zn

### a) Property description

On June 11, 2025 Amaroq announced the proposed acquisition of the Kangerluarsuk licences from 80 Mile and a binding, conditional asset purchase agreement with 80 Mile and Disko Exploration Ltd, with an initial consideration of US\$0.5 million and a potential deferred consideration of US\$1.5 million (subject to the delineation of a mineral resource in the licence areas that could support the commencement of a formal Preliminary Economic Assessment, scoping study, or equivalent, which indicates the potential for economic extraction), for the acquisition of the Kangerluarsuk licences which was closed on December 22, 2025. The Kangerluarsuk project represents a highly prospective exploration opportunity for Amaroq within the same geological belt as Black Angel and is located only circa 12 km north of the Black Angel mine. Project Kangerluarsuk comprises of two mineral exploration licences

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MEL2011-31 (107 km<sup>2</sup>) expiring on December 31, 2025 and MEL2020-06 (586 km<sup>2</sup>) expiring on December 31, 2026.

## b) Exploration work

Exploration work in 2025 was limited to a number of short reconnaissance visits to assess the infrastructure conditions and exploration requirements. Amaroq intends to advance this project during 2026.

## 5.9 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 2025, a number of licences have been refined and reduced in size to allow the technical teams to concentrate on the most prospective ground. Alongside this, a further two mineral licences in South Greenland have been applied for and the Company is awaiting approval with the Greenlandic Government.

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

## 6. 2026 OUTLOOK

### Post-period highlights

- On 8 January 2026, the Company announced its 2025 full-year gold production from the Nalunaq gold mine and confirmed that the final Impact Benefit Agreement in respect of the Nalunaq gold mine had been formally awarded.
- On 21 January 2026, the Company announced significant exploration results from the 2025 field campaign at its Minturn prospect, north of the US Pituffik Space Base in Northwest Greenland.
- On 18 February 2026, the Company announced its intention to transition to the Main Market of the London Stock Exchange in 2026 and the appointment of Citigroup Global Markets Limited as sponsor and financial adviser in connection with the process. The Company also announced its intention to voluntarily delist from the TSX Venture Exchange, with the delisting becoming effective at the close of trading on 19 March 2026.
- On 25 February 2026 the Company announced its 2026 production and financial guidance, estimating gold production from Nalunaq between 25,000 and 35,000 thousand ounces. The Company also shared cost- and capital targets for the year, including all-in sustaining cost range of USD 69-73m for Nalunaq, USD 14m of non-sustaining capital investment as well as a base case wider exploration budget of USD 11m.

### Outlook and guidance for 2026

Amaroq Ltd. expects 2026 to represent a transitional year at Nalunaq as operations stabilise and the Phase 2 flotation circuit is fully integrated. Gold production is guided at a range of 25,000–35,000 ounces, weighted toward the second half of the year as recoveries improve following flotation commissioning and continual operational ramp-up. Average feed grade is expected to range between 14-15 g/t, with recoveries increasing from a range of 50-70% on gravity circuit only to 90-95% once the combined gravity and flotation circuits are operating at steady state.

At Nalunaq, operating costs (cash costs) are forecast in the range of USD 44–47 million, with all-in sustaining costs (AISC) ranging between USD 69–73 million for the full year. Unit costs are expected to trend lower through the year, particularly in the fourth quarter, reflecting higher throughput, improved recoveries and the continued transition toward an owner-operator model underground and across site support functions.

Non-sustaining capital expenditure of approximately USD 14 million is planned, primarily relating to processing plant completion and underground and camp infrastructure upgrades.

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Exploration will continue to be a strategic priority in 2026, underpinned by a base budget of approximately USD 11 million, with flexibility to scale depending on market conditions and working capital. The programme will focus primarily on resource drilling at Nanoq, advancing the West Greenland Hub portfolio, and progressing activities within the Gardaq Joint Venture.

## 6.1 Operations

### Nalunaq:

- During the remainder of 2025, the main focus will be on completing the Phase 1 construction to the engineering designs specification and commissioning of the Nalunaq processing plant to achieve full throughput and gravity recovery capacity. The completion of the building will also be done during this phase of construction. 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. The Corporation plans to complete the onboarding of an interim mining team by the end of Q4 2025, with the transition to a fully owner-operated mining operation also targeted for completion by the end of Q4 2025. Some positions will need to be filled Q1 of 2026 to allow for the production ramp-up after the flotation circuit is commissioned. The new equipment fleet is expected to be fully delivered and commissioned in Q1 2026. These initiatives align with the Company's long-term strategy to expand owner-operated teams, enabling improved development and production rates in a cost-effective manner that supports optimal mill feed and sustained plant operations.

### Permitting:

- In December 2025, the Corporation was awarded the final Impact Benefit Agreement in respect of the Nalunaq gold mine.
- On March 20, 2026 the Corporation received an approval from the Government of Greenland of the Mine Plan and Closure Plan under sections 77 and 80 of the Act on Mineral Activities and Nalunaq's licence with the Mine Plan approval period starting from the date of signing until April 24, 2033. If the Corporation does not apply for the extension of the Mine Plan approval period no later than 90 days prior to the expiry data then the Corporation shall discontinue exploitation activities and commence closure activities no later than the date of expiry of the approval period.

## Gold Exploration Projects

### Nalunaq

- Underground resource definition drilling will continue on an ongoing basis to provide information for short- to medium-term mine planning.
- Amaroq are assessing other surface exploration options for 2026 and will announce these in due course.

### Nanoq

- Amaroq are currently assessing the follow up exploration plans for 2026 which will likely include Phase 1 resource drilling and camp/logistical upgrades. These will be announced in due course.

### Satellite Deposits

- The Company is actively assessing the 2026 field season for all the Satellite which may include scout drilling at Q North Ridge.

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

### Minturn

- Amaroq are currently assessing logistical options to conduct a follow up field season at Minturn which may include further ground based geophysics and scout drilling to assess grades at depth. These programmes will be announced in due course.

### Stendalen

- Amaroq are continuing their geophysical and geological review of the target area with a view to define potential further drill sites to target potential massive sulphide trap sites. These programmes will be announced in due course.

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## Ilua (Nunarsuit)

- Amaroq are conducting detailed planning for a follow up field season at the Ilua Pegmatite Zone which may include scout drilling to assess the depth and grade potential of the project. These programmes will be announced in due course .

## West Greenland Hub

### Black Angel & Kangerluarsuk

- Amaroq are assessing development strategies for both these projects based from their newly defined West Greenland Hub. This will likely include target drilling to commence resource growth across the historical mine area, underground surveys and the updating of historical feasibility studies to enable the commencement of Phase 1 mine extraction (pillar robbing). These programmes will be announced in due course.

Looking ahead, Amaroq's exploration priorities remain focused on supporting near-term production at Nalunaq, advancing the resource growth at Nanoq, and progressing satellite deposits within the Nanortalik Gold Belt. At the same time, the Company is maturing a pipeline of strategic mineral assets through the Gardaq joint venture and the newly acquired West Greenland hub. Collectively, these initiatives are expected to provide a balanced platform of gold growth, base-metal potential, and critical mineral opportunities to underpin the 2026 field season and beyond.

## Corporate strategy and business model

### 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.

Alongside the Corporation's focus on its two key pillars of mining development and exploration, two mining associated 'enabler' business lines were established in 2025:

### Suliaq

In May 2025, Amaroq announced the establishment of Suliaq A/S ("Suliaq"), a wholly dedicated entity providing essential services, supplies, and supporting assets to Greenland's rapidly expanding mining sector. Suliaq's core strategic focus encompasses mining services, maritime operations, logistics, infrastructure, consumables, and support for exploration activities.

Amaroq remains committed to advancing Suliaq's strategic objectives and market presence. Amaroq will continue to provide updates as Suliaq progresses towards operational launch, secures additional financing, and expands its service portfolio.

### Imeq

The company Imeq ApS ("Imeq") was incorporated in Greenland on 14 October 2025, with a focus on renewable energy generation. Power generation and energy provision are one of the largest, most expensive and polluting cost items within remote mining operations. To de-risk the future life of mine at Nalunaq, whilst at the same time investing in technologies to power future mines, the Corporation is in advanced plans for the construction of c. one megawatt ("MW") of hydro power, within close proximity of Nalunaq. During the second half of 2025, following the submission of the trial pit investigation licence application in July 2025, project designs were finalised and tender processes initiated for key components, including the turbine, generator, transformer, powerhouse and penstock. This work was completed in advance of the prefeasibility report and the application for the project to be incorporated within the existing Nalunaq Mine Plan framework, enabling potential construction in late 2026 / early 2027 and subsequent power generation thereafter.

## Other Areas of strategic focus 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; the US president has publicly declared his intentions of engaging more with Greenland as a resource and

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strategically important province to the US. 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 – On February 18, 2026, the Corporation announced its intention to transition to the Main Market of the London Stock Exchange in 2026 and the appointment of Citigroup Global Markets Limited as sponsor and financial adviser in connection with the process. On March 19, the voluntarily delisting from the TSX Venture Exchange, completed at the close of trading on March 19, 2026.

## 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. As a result, the escrow balance 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 7,318,691 as of December 31, 2025 as a result of foreign exchange fluctuations). On December 22, 2025 as a result of acquisition of Black Angel the Corporation has acquired Black Angel escrow account with a balance of CAD1,714,550.

## 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 27 to the December 31, 2025 Financial Statements.

## 9. TRANSACTIONS BETWEEN RELATED PARTIES

### 9.1 Gardaq Joint Venture

	2025	2024
	\$	\$
Gardaq management fees and allocated cost	2,496,884	2,453,361
Other allocated costs	23,006	460,568
Foreign exchange revaluation	(243,354)	263,312
	<b>2,276,536</b>	<b>3,177,241</b>

As at December 31, 2025, the balance receivable from Gardaq amounted to \$8,975,715 (\$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.

### 9.2 Acquisition of Black Angel

The acquisition of Black Angel is a related party transaction by virtue of the fact that the ultimate parent company of Black Angel (of which Black Angel is a 100% owned subsidiary), BAMAS ehf. ("BAMAS"), is controlled by certain directors of Amaroq. In aggregate, Eldur Olafsson, Sigurbjorn Thorkelsson and Graham Stewart, all of whom are directors of Amaroq, hold approximately 72% of the issued share capital of BAMAS either directly or indirectly. Eldur Olafsson, through Vatnar hf (Iceland) holds 42.9%, Sigurbjorn Thorkelsson through Fossar Holdings Ltd. holds 20.6%

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and Graham Stewart directly holds 8.5% of the issued share capital of BAMAS respectively.

## **9.3 New lease agreement**

On November 14, 2025, the Corporation entered into a new lease agreement with the company Klettur Investments ehf. for the rental of its existing office premises in Reykjavik, Iceland. The Agreement is a continuation of the rental relationship previously established between the parties. The premises accommodate Amaroq's expanding Icelandic team and support the Corporation's continued growth in operational, administrative, and corporate functions. Klettur Investments ehf. is a related party of Amaroq as it is a company controlled by Sigurbjorn Thorkelsson, Non-Executive Director. The Agreement is for an indefinite period effective from September 1, 2025. The Corporation can terminate the lease at any time with no penalty. The Corporation will pay a monthly rent of 2,000,000 ISK (\$22,000), to be adjusted in accordance with changes in the consumer price index as published monthly by Statistics Iceland (Hagstofa Íslands).

## **10. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES 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, equity 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**

#### **10.1.1 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 capital assets require impairment testing involves the application of management judgement and consideration of various internal and external indicators. These include whether the assets are in use and being depreciated as intended, any indication of a decline in their market value, whether the Corporation's net assets exceed its market capitalisation, evidence of obsolescence or physical damage, and changes in market conditions such as increases in 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'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, 2025.

#### **10.2 Determination of functional currency**

The determination of the functional currency of the Corporation and its subsidiaries requires significant judgment and is

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based on the economic environment in which each entity operates, in accordance with IAS 21, *The Effects of Changes in Foreign Exchange Rates*.

In determining functional currency, management considers the primary economic factors, including the currency that mainly influences sales prices for goods and services, and the currency of the country whose competitive forces and regulations primarily determine those sales prices. Management also considers secondary factors, including the currency in which financing activities are denominated and the currency in which receipts from operating activities are retained.

For entities in the development stage or those with limited revenue-generating activities, the determination of functional currency requires additional judgment, as there may be limited observable indicators. In such cases, management places greater emphasis on the currency of funding, expenditures, and the expected future economic environment in which the entity will operate.

Based on an evaluation of these factors, management has determined the functional currency of each entity is the Canadian dollar. Changes in the underlying transactions, events, or conditions may result in a change in functional currency, which could have a material impact on the Corporation's financial statements.

## 10.3 Capitalisation of borrowing costs

The Corporation applies significant judgment in determining the amount of borrowing costs to be capitalized to its mining assets under development in accordance with IAS 23, *Borrowing Costs*.

Borrowing costs that are directly attributable to the acquisition, construction, or development of qualifying assets are capitalized as part of the cost of those assets. A qualifying asset is one that necessarily takes a substantial period of time to prepare for its intended use.

Management exercises judgment in identifying qualifying expenditures, determining the commencement, suspension, and cessation of capitalization, and assessing whether borrowing costs are directly attributable to the development of the mining asset. This includes evaluating the timing and extent of development activities, including construction and commissioning phases, and whether activities necessary to prepare the asset for its intended use are actively in progress.

The capitalization of borrowing costs ceases when the asset is substantially complete and ready for its intended use, which requires judgment and is closely linked to the assessment of when commercial production is achieved.

## 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.

## 10.5 Going Concern and Achievement of Commercial Production

In assessing the appropriateness of the going concern assumption, management has applied significant judgment in evaluating the Corporation's ability to achieve commercial production within the next fiscal year.

The Corporation is currently in the development stage and has not yet generated sufficient operating cash flows to fund its activities. Management's going concern assessment is highly dependent on the Corporation successfully transitioning to commercial production, which is expected to enable the generation of positive cash flows from operations and reduce reliance on external financing.

The determination of when commercial production will be achieved requires significant judgment and is based on an

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evaluation of both quantitative and qualitative factors, including progress toward completion of construction and commissioning activities, achievement of targeted production and recovery levels, operational stability, and the Corporation's ability to operate in a manner consistent with management's expectations.

Management has developed forecasts and cash flow projections that assume commercial production will be achieved in 2026. These forecasts incorporate assumptions related to production volumes and recoveries, operating costs, commodity prices, and capital requirements.

Based on its assessment of these factors and the available financing arrangements, management has concluded that there are no material uncertainties that cast significant doubt on the Corporation's ability to continue as a going concern. However, this assessment is subject to significant judgment, and changes in the timing or achievement of commercial production could impact the Corporation's ability to generate sufficient cash flows to meet its obligations as they come due.

## **ESTIMATES AND ASSUMPTIONS**

### **10.6 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.

### **10.7 Restricted Share Units ("RSU")**

For the purpose of determining the fair market value of conditional restricted share unit awards with market conditions, 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, conditional restricted share units awards with market conditions and embedded derivative value represents Management's best estimate of awards fair value vesting at measurement dates stipulated under the RSU award contract.

## **11. CHANGES IN ACCOUNTING POLICIES**

The accounting policies, most relevant standards, amendments and interpretations issued up to the date of the issuance of the 2025 Financial Statements are listed at notes 2 and 3 of the 2025 Financial Statements.

## **12. FINANCIAL INSTRUMENTS**

Financial instruments are described in note 3.19 of the 2025 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 9 exploration licences Vagar, Tartoq, Nanoq, Anoritoq, Siku Kangerluarsuk 1 & 2, Black Angel 1 & 2 and one exploitation licence, Nalunaq. The total amount of future exploration obligations as at December 31, 2025 for the seven exploration licences is DKK 134,681,105 (\$29,015,563 using the exchange rate as at December 31, 2025). 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

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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 2025 year to the MLSA on April 1, 2026. The details of the exploration commitments are described in note 10 to the 2025 Financial Statements.

As at December 31, 2025, the Corporation had capital commitments, of \$12,917,082 (\$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.

In 2025 the Corporation had 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 Corporation had 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, and subsequently agreed with the lessor to terminate the lease at the end of September 2025. As a result a lease modification of \$529,974 was recognized during the twelve-month period ended December 31, 2025 due to the early termination of the lease. 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.

During June 2025, the Corporation entered into a two-year lease for a drill rig, with August 1, 2025, being the lease commencement date. Under the terms of the lease, ownership of the drill rig will be transferred to the Corporation at the end of the lease term.

The total amount of lease liabilities as at December 31, 2025 is \$311,727.

## 14. OUTSTANDING SHARES DATA

	March 26, 2026	December 31, 2025
	Number	Number
Capital stock	465,441,058	463,648,822
Stocks options	5,417,288	5,428,738
Restricted share units	6,969,884	7,079,904
<b>Fully diluted</b>	<b>477,828,230</b>	<b>476,157,464</b>

## 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 13, 2025. 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 September 22, 2025, the Corporation granted its employees 23,255 stock options with an exercise price of \$1.29 per share. The stock options will vest three months from the date of grant. The options were granted at an exercise price equal to the closing market price of the shares the day prior to the grant.

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In March and April 2025, an employee of the Corporation exercised his options. As a result, 154,592 options were exercised which resulted in the employee receiving 88,583 shares net of applicable withholdings. In November and December 2025, directors, employees and a consultant of the Corporation exercised their options. As a result, 1,660,000 options were exercised which resulted in the directors, employees and consultant receiving 741,559 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, on June 14, 2024 and on June 13, 2025. 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 February 12, 2025 the Corporation granted new RSUs to directors and employees of the company based on Second Measurement Date. 50% of the shares vesting on 12 February 2026, with the remaining 50% vesting on the second anniversary of the grant. .

On April 11, 2025, 3,329,704 restricted shares vested and were converted to common shares and transferred to capital stock.

On September 8, 2025, the Corporation announced granting 75,498 new RSUs to its employees. The awards will vest on the one-year anniversary of the grant, with all other terms governed by the RSU Plan.

On November and December 2025, 753,449 restricted shares vested and were converted to common shares and transferred to capital stock.

## 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 risks. The major risks facing the Corporation are detailed in the sections below.

### 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*

During 2025, the Corporation progressed the commissioning and ramp-up of the Nalunaq mine and processing plant. Although advancement has been made toward nameplate throughput capacity, operations remain in a commissioning and ramp-up phase and have not yet demonstrated sustained steady-state production at full design performance.

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In 2026, the Corporation intends to commission a flotation circuit to improve metallurgical recoveries and support the operation in achieving its full production potential. The construction, integration and optimisation of this circuit will involve additional technical, operational and execution risks, and there can be no assurance that anticipated recovery enhancements or production targets will be realised within expected timelines or cost parameters.

The completion of commissioning activities and transition to stable, full-capacity operations involve inherent risks, including variability in mining performance, plant reliability, grade reconciliation and cost control. Should the Corporation be unable to stabilise operations, improve recoveries or achieve planned production levels, its financial performance, cash flows and ability to meet guidance could be materially adversely affected

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 Corporation 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 requires the Corporation to perform additional mining and exploration activities and there can be no certainty that this will be successful.

The Corporation's other licence interests are each at 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 their commercial viability. 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. The stage of development from a geological concept to a project entering production are different for different projects but broadly follow the following sequence:

- Geological Concept - involves generating a geological concept based on the identification of potential mineral deposits.
- Target Generation - potential targets for exploration are identified within the broader geological concept.
- Exploration Drilling - exploration drilling is undertaken to collect core samples from the subsurface. Drilling helps determine the presence, quality, and quantity of minerals, as well as their distribution within the target area.
- Resource Estimation - a resource estimation is conducted to determine the quantum and quality of mineral resources present within the deposit.
- Economic Feasibility - an economic assessment is conducted to evaluate the feasibility of developing the deposit into a profitable mine, this will likely involve various substages such as scoping, pre and full feasibility studies.
- Permitting - once the project is considered feasible, the necessary permits and approvals from regulatory bodies and stakeholders are sought.
- Construction - with the necessary permits in place, construction and development of the mine infrastructure and processing facilities can begin.

For a project to advance from one stage to the next, there needs to be a progressive development in geological, environmental and engineering understanding and a demonstration of the project potential economic viability.

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 of the Corporation have experience of

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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 fulfil 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's 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 foregoing as well as substitution on similar terms, may have a material adverse effect on the annual work plan and subsequently the financial condition of the Corporation. When the world mining industry is buoyant there is increased competition for the services of suitably qualified and/or experienced sub-contractors, such as mining and drilling contractors, assay laboratories, metallurgical test work facilities and other providers of engineering, project management and mineral processing services.

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.

### *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. Neither the Mineral Resource estimate included in the NI 43-101 report titled "Technical Report on the Updated Mineral Resource Estimate (MRE4) of the Nalunaq Gold Mine, Greenland" dated May 19, 2025, "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 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 -

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none of which has been completed to date to a prefeasibility or a feasibility study level. Whether the Corporation succeeds in converting the current Indicated Mineral Resource to an Mineral Reserve depends on a number of factors, including: (i) the particular attributes of the deposit (including its size, grade and geological formation); (ii) assessment of the key mining factors (iii) assessment of the current metallurgical and processing factors, (iv) the market price of gold; (v) 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.

## *6. Decision to mine not based on feasibility study*

The decision by the Corporation to produce at the Nalunaq Gold Mine was not based on a feasibility study of mineral reserves demonstrating economic and technical viability, and, as a result, there may be an increased uncertainty of achieving any particular level of recovery of minerals or the cost of such recovery, including increased risks associated with developing a commercially mineable deposit. Historically, such projects have a much higher risk of economic and technical failure. There is no guarantee that anticipated production costs will be achieved. Failure to achieve the anticipated production costs would have a material adverse impact on the Corporation's cash flow and future profitability.

## *7. 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 have no previous operations and therefore lack historical operating data to support an assessment of commercial viability. While the Nalunaq Property has a prior operating history, current activities remain in the commissioning and ramp-up phase. Trial mining and processing are ongoing to optimise operations and advance toward steady-state production. As the operation matures, mining and processing methods may change, which could result in variations to operating costs, capital expenditures, remediation requirements or asset retirement obligations from current expectations.

The Corporation's exploration activities outside of Nalunaq are at an early stage and have no operating history on which to base estimates of future operating costs, capital expenditure requirements or site remediation obligations. Although phase 1 of the Black Angel project is supported by technical studies, including a pre-feasibility study, and benefits from certain existing infrastructure, it remains subject to development, financing and execution risks.

## *8. 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.

## *9. 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, development and operation 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.

## *10. 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's corporate existence was continued under the OBCA. The rights of holders of Common Shares are governed by the OBCA 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

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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.

## *11. 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 (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.

## *12. 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 Corporation 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.

## *13. 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 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

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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 mineralized material 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 mineralized 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 mineralized material 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 mineral 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 mineralized material to be mined and processed, the configuration of the ore body, ground and mining conditions, expected recovery rates of gold from the mineralized material 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 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*

Profitability of the Corporation's operations is 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

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and speculators, levels of gold production, short-term changes in supply and demand because of speculative hedging activities, confidence in the global monetary system, expectations of the future rate of inflation, the strength of the U.S. dollar (the currency in which the price of gold is generally quoted), interest rates, terrorism and war, and other global or regional political or economic events.

The valuation of the Corporation's other assets is further dependent upon the market price of other commodities such as zinc, lead, silver, copper, nickel, iron ore 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*

For the duration of the construction period of the 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. Following the transition from construction to operations in 2026, the Corporation's insurance coverage will change from builders' risk to an operational programme. Such coverage may not fully protect against all operational risks, and any uninsured or underinsured loss could materially adversely affect the Corporation's business, financial condition and results of operations.

Exploration, development and production operations on mineral properties may involve numerous risks not covered by insurance, 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. Potential conflicts of interest may arise between the obligations of directors and officers of the Corporation and to other entities*

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. Certain directors and officers of the Corporation are, and may continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in companies, partnerships or joint ventures which are potential competitors of the Corporation. Situations may arise in connection with potential acquisitions or investments where the other interests of these directors and officers may conflict with the interests of the Corporation. Directors and officers of the Corporation with conflicts of interest will be subject to and will follow the procedures set out in applicable corporate and securities legislation, regulations, rules and the Corporation's corporate governance policies.

## *9. 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.

*10. 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 mineral deposits such as those at the Nalunaq Property where the grade is not uniformly distributed in the mineralization. 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 realized or that mineral resources can be mined or processed profitably. Actual resources may not conform to geological, metallurgical or other expectations and the volume and grade of mineralized material recovered may be below or above the estimated levels. Lower market prices, increased production costs, reduced recovery rates and other factors may render the Corporation'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 Corporation's actual mineral resources are less than current estimates, its results of operations and financial condition may be materially impaired.

*11. 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.

*12. 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 European and global economic development. The Russian invasion of Ukraine and the ongoing conflict in the Middle East have created significant uncertainty and market volatility and could have adverse effects on European and global economies. Sanctions, trade-wars, trade restrictions, and wider geopolitical tensions have further contributed to this environment. The global markets are experiencing high volatility due to these geopolitical tensions, economic uncertainties, and fluctuating investor sentiment. This can lead to unpredictable stock price movements and impact the Corporation's market valuation.

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.

*13. 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.

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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

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 significant capital expenditures and operating expenditures across its projects, mainly related to the Nalunaq Gold Mine, while still in commissioning phase of its processing plant at Nalunaq. Commissioning activities carry inherent risks and may extend beyond anticipated timelines. Additionally, construction and operational costs during this phase can exceed expectations, and delays in revenue generation may occur, 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, financial institutions and the broader financial markets, in order to facilitate access to capital on favourable terms.

Subsequent development of the Nalunaq Property, including production and processing, and future exploration and development of the Corporation's other licences, will depend on the Corporation's ability to obtain financing through joint ventures, offerings of equity securities or offerings of debt, or by obtaining financing through banks or other entities. The Corporation has not established a limit as to the amount of debt it may incur nor has it adopted a ratio of its equity to debt allowance. If the Corporation needs to obtain additional financing, there is no assurance that financing will be available from any source, on terms acceptable to the Corporation, or that any future offering of securities will be successful. Volatile markets for precious metals may make it difficult or impossible for the Corporation to obtain debt financing or equity financing on favourable terms or at all. The Corporation could suffer adverse consequences if it is unable to obtain additional capital, which would cast substantial doubt on its ability to continue its operations and growth.

### 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 Indicated 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:

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- 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 may not be able to comply with financial covenants in its financing arrangements*

The Corporation is subject to financial and other covenants under its debt and financing arrangements. The Corporation's ability to comply with such covenants depends on its future operating performance, commodity prices, exchange rates and other factors, some of which are beyond its control. If the Corporation were to fail to comply with any covenant and were unable to obtain a waiver or amendment on acceptable terms, this could result in an event of default, permitting lenders to accelerate repayment of outstanding indebtedness or enforce security over assets. Any such event could have a material adverse effect on the Corporation's business, financial condition, cash flows and ability to continue operations.

### *4. 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.

### *5. The Corporation is exposed to fluctuations in exchange rates*

The Corporation generates its revenues primarily in U.S. dollars, while a substantial portion of its operating and capital expenditures are denominated in other currencies, including Danish Krone, Icelandic Krone, Euros, Canadian dollars and UK Pound Sterling. As a result, the Corporation is exposed to foreign exchange risk, and fluctuations in exchange rates may adversely affect its operating costs, cash flows and results of operations. The Corporation may seek to hedge a portion of its foreign currency exposure; however, there can be no assurance that any hedging strategy will be effective or that it will fully mitigate the impact of exchange rate volatility. In addition, the Corporation reports its financial results in Canadian dollars and is therefore subject to translation risk. Exchange rate movements are outside the Corporation's control and may be material.

### *6. 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 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.

### *7. 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, 2025, the Corporation' 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.

### *8. Credit risk*

Credit risk is the risk that a counterparty fails to meet its obligations under a financial instrument, resulting in financial loss. The Corporation's cash balances, including funds held in escrow for environmental monitoring and reclamation

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purposes, are exposed to credit risk, as access to such funds depends on the financial stability of the relevant depository institutions. The Corporation seeks to mitigate this risk by distributing its cash balances among reputable financial institutions. GrønlandsBANKEN A/S is primarily used in respect of the escrow funds, while other operational funds are held with financial institutions in Canada and Iceland. The Corporation considers the associated credit risk to be limited given the established financial standing of these institutions; however, there can be no assurance that losses would not arise in the event of a counterparty default.

## 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).

There is no guarantee that such permits or approvals will be granted. To the extent that such permits or approvals are required and not obtained, the Corporation may be delayed or prohibited from proceeding with planned exploration or development of 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

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accordance with the terms of such Addendum. The Greenland parliament (Inatsisartut) may also amend or replace the Mineral Resources Act. Amendments to the terms of one, or more, of the Licences could make the Licence uneconomic for the Group.

### *3. The Corporation'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.

A preliminary Nalunaq monitoring plan for the production phase will be submitted to the authorities for review in March 2026, (recognising that this will be a somewhat live document as the project progresses) in preparation for full production. The production phase monitoring will expand on the existing commissioning phase monitoring with increased frequency & and further monitoring locations added in alignment with discussions and recommendations from the regulator. Thus, the monitoring aspects will be in accordance with regulatory requirements for the production phase. The site team have refined and built experience for this work over the commissioning phase to date.

A key goal for 2026 as the next step will be to move some monitoring aspects, such as; fuel storage inspections, incident reporting, sampling field observations, and some consumption data reporting onto a platform with the ability for mobile app based data collection, to allow real time data and evidence gathering, streamline much of the monitoring and allow for automated report uploads and distribution Corporation wide, where relevant. In other words, strengthening and integrating Corporation level review where local operations monitoring aspects may be of marginal, or potentially non-satisfactory condition and promoting remedy and resolution at early stage.

Another goal for 2026 is to continue to build and align the Environmental Management System framework to be ready by the end of 2026 to certify ISO14001 at a future point thereafter.

The Impact Benefits Agreement awarded in December 2025 determines some of the Corporation's liabilities and requirements regarding compliance with local ESG regulation.

Previous operations may have caused environmental damage at certain of the Corporation's properties. It may be difficult or impossible to assess the extent to which such damage was caused by the Corporation or by the activities of previous operators, in which case the Corporation 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.

The Corporation 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 will be disposed of in 2026. The other half has been deemed by the operation as inaccessible for safety reasons and remain in situ. The Government of Greenland is being kept fully informed of the actions being taken by the Corporation. 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, 2025, the balance of the cash deposit for Nalunaq A/S was CAD . 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.

The Corporation's activity programmes on the Properties will be subject to approval by the MLSA and the Environmental Agency for Mineral Resource Activities established by the Government of Greenland.

Development of the Properties located in Greenland will be dependent on the projects meeting environmental regulations and guidelines set by governmental agencies in Greenland and, where required, being approved by governmental authorities.

#### *4. The Corporation is subject to political risks*

The Corporation's underlying business interests are 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.

Greenland's significant mineral resource potential and strategic location between North America and Europe have attracted increased geopolitical attention in recent years. Heightened interest from major global powers, including public statements by senior U.S. officials regarding Greenland's strategic and resource importance, has contributed to greater political and media scrutiny of activities in the region. While such attention may create opportunities for investment, partnerships or strategic support, it may also result in increased regulatory focus, policy shifts, permitting uncertainty or changes in the operating environment. The Corporation's activities in Greenland are therefore subject to geopolitical developments that are outside its control, and which could materially affect its operations, financing arrangements or growth strategy.

#### *5. The Corporation may be affected by emerging geopolitical and jurisdictional risks specific to Greenland*

Greenland is a self-governing territory within the Kingdom of Denmark, with full authority over its mineral and natural resources. While the legal framework governing mining operations is generally stable, broader geopolitical developments may introduce new and unpredictable risks to the Corporation's operations.

Greenland's significant mineral resource potential and strategic location between North America and Europe have attracted increased geopolitical attention in recent years. Heightened interest from major global powers, including public statements by senior U.S. officials regarding Greenland's strategic and resource importance, has contributed to greater political and media scrutiny of activities in the region. While such attention may create opportunities for investment, partnerships or strategic support, it may also result in increased regulatory focus, policy shifts, permitting uncertainty or changes in the operating environment. The Corporation's activities in Greenland are therefore subject to geopolitical developments that are outside its control, and which could materially affect its operations, financing arrangements or growth strategy.

Additionally, there is an active political debate within Greenland regarding increased autonomy or potential full independence from Denmark. Any future change in Greenland's constitutional or international status could result in a new legal, regulatory, or fiscal regime affecting existing licences and the overall framework under which the Corporation operates. There can be no assurance that such developments would not have a material adverse effect on the Corporation's activities, its rights under current licences, or future project economics. The materialisation of this risk may adversely affect the Corporation's future earnings and competitive position and its business, prospects, financial conditions and results of operations.

Greenland's significant mineral resource potential and strategic location between North America and Europe have

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attracted increased geopolitical attention in recent years. Heightened interest from major global powers, including public statements by senior U.S. officials regarding Greenland's strategic and resource importance, has contributed to greater political and media scrutiny of activities in the region. While such attention may create opportunities for investment, partnerships or strategic support, it may also result in increased regulatory focus, policy shifts, permitting uncertainty or changes in the operating environment. The Corporation's activities in Greenland are therefore subject to geopolitical developments that are outside its control and which could materially affect its operations, financing arrangements or growth strategy.

## *6. 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.

## *7. 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 materialization of this risk may adversely affect the Corporation's future earnings and competitive position and its business, prospects, financial condition and results of operations.

### **16.5 Risks relating to the taxation of the Corporation**

#### *1. There can be no assurance that the Corporation may not experience adverse tax consequences or will be able to make returns for Shareholders in a tax-efficient manner*

The Corporation acts as the holding company to a group of companies involved in the mining industry, and endeavours to maximise returns for Shareholders in a fiscally responsible manner. In this regard, the Corporation has made certain assumptions regarding taxation. However, should it transpire that these assumptions are disputed by the revenue authorities, taxes may be imposed with respect to any of the Corporation's assets, or the Corporation may be subject to tax on its income, profits, gains or distributions in excess of the taxes that were anticipated by the Corporation. This may alter the post-tax returns for Shareholders (or Shareholders in certain jurisdictions). The level of return for Shareholders may also be adversely affected. Any change in tax laws or tax authority practices may also adversely affect any distributions to Shareholders, including post-tax returns of capital or payments of dividends to Shareholders. In addition, the Corporation may incur costs in taking steps to mitigate any such adverse effect on the post-tax returns for Shareholders.

### **16.6 Risks relating to the Common Shares**

#### *1. Risk related to investment in equity securities*

Investments in equities are generally considered to bear more risk than investments in various other financial instruments, such as bonds. Share prices can fluctuate more than bond prices and their value can drop to zero and investors can lose their entire investment. In the event of a company's liquidation, shareholders are last in line of receivership, collecting only that which is left when all other claims have been settled. Return on investment in equity securities is dependent on dividend payments and the change in price, i.e., the difference between the purchase price and the selling price of each security. Theoretically, the risk involved can be partly mitigated by investing in a portfolio of diverse investments and limiting the investments to companies that the investor either knows well or can study in detail. Investors can further reduce risk by limiting or avoiding the use of borrowings to fund purchases of equity securities. Nevertheless, the inherent risks of the equity markets cannot be fully avoided when investing in equity securities.

Investors should bear in mind that even though equities, such as shares, can provide a positive return on investment, there is always a risk that an investment in the shares of individual companies will decline in value. It is therefore recommended that investors pay close attention to diversifying their risk and they are furthermore advised to seek assistance from experts, such as licensed financial institutions, to assist them in their assessment of the Common Shares as an investment option.

Investments in equities, such as shares, bear with them diverse risk. Examples of these risks are liquidity risk, counterparty risk and market risk. Liquidity risk is the risk that investors are not able to dispose of certain securities when

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they so desire or cannot dispose of them at a price deemed acceptable. This risk can be measured by the difference in the ask and bid rates of the relevant securities. Counterparty risk is the risk that a counterparty in any given transaction does not hold up his, her or its end of the contract upon settlement. Market risk is the risk of fluctuations in the market price of securities. Multiple events can lead to market price fluctuations, resulting in either an increase or decrease in the price of equity securities. Many of such events are outside the control of a company's management.

Companies are dependent on the legal framework imposed by local authorities at any given time. Once their shares, or other securities, are admitted to trading on a regulated market, companies are further subject to the laws and regulations pertaining to financial markets. Extensive or far-reaching changes to that legal framework can negatively affect financial markets or cause turbulence resulting in fluctuations in the price of listed securities.

Leverage is the use of debt (borrowed capital) to invest, e.g., in equity securities. The return from using leverage to invest in equity comes from the difference between the return on the equity and the cost of the associated interest on the borrowed capital. Leverage amplifies both investors return and loss, therefore exposing the investor to higher risk of investing in equity.

## *2. The market price of the shares could be subject to volatility*

The market price of the shares is affected by many variables not directly related to the success of the Corporation. These variables include but are not limited to; macroeconomic developments in North America, the United Kingdom, Iceland and globally, market perceptions of the attractiveness of particular industries, changes in financial estimates by securities analysts, changes in commodity prices, currency exchange fluctuation, the extent of analytical coverage available to investors concerning the business of the Corporation, the issuance of securities in connection with acquisitions made by the Corporation or otherwise, and other factors. These external factors are outside the control of the Corporation.

In recent years, the securities markets have experienced a high level of price and volume volatility, and the market price of securities of many companies, particularly those considered to be exploration and development stage companies, has experienced wide fluctuations which have not necessarily been related to operating performance, underlying asset values or prospects of such companies. There can be no assurance that such fluctuations will not affect the price of the common shares

## **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 and twelve months ended December 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 December 31, 2025.

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## 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 and twelve months ended December 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 December 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.

March 26, 2026

*(s) "Eldur Ólafsson"*  
Eldur Ólafsson  
President and CEO

*(s) "Ellert Arnarson"*  
Ellert Arnarson  
CFO