Amaroq Ltd.

MANAGEMENT'S DISCUSSION AND ANALYSIS

QUARTERLY HIGHLIGHTS

Three and six months ended June 30, 2026

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This Management's Discussion and Analysis ("MD&A") of Amaroq Ltd. (the "Corporation", the "Company" or "Amaroq"), 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 August 13, 2026 and should be read in conjunction with the Corporation's unaudited condensed interim consolidated financial statements and related notes for the three and six months ended June 30, 2026 (the "Financial Statements"), as well as with the MD&A and audited consolidated financial statements for the year ended December 31, 2025. The unaudited condensed interim consolidated financial statements for the three and six months ended June 30, 2026 (the "Period") are prepared in accordance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All dollar amounts in this MD&A are expressed in Canadian dollars, unless otherwise noted.

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

Abbreviation	Period
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
Q2-26	April 1, 2026 to June 30, 2026
Q3-26	July 1, 2026 to September 30, 2026
Q4-26	October 1, 2026 to December 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. The Corporation's common shares trade on the Main Market of the London Stock Exchange and Nasdaq Iceland under the ticker AMRQ and on OTCQX under the ticker AMRQF. The Company's shares were admitted to the Main Market and cancelled from AIM on 31 July 2026.
On March 19, 2026, the Corporation delisted from the TSX Venture Exchange (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 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.

2. OPERATIONAL PERFORMANCE HIGHLIGHTS

2.1 Operations

Nalunaq Capital Project
Throughout the six-month period ending 30 June 2026, the Corporation continued the Nalunaq underground mine development and process plant commissioning efforts.

During Q2-26, primary focus remained on completion of Phase 2 construction and commissioning of the flotation circuit at the processing plant. Construction was completed end of May and subsequent commissioning of the flotation circuit took place thereafter. First flotation concentrate was produced in June, marking a key operational milestone for the transition from a gravity-only recovery circuit to a combined gravity plus flotation flow sheet. Overall gold recoveries are expected to increase to the 90–95% range as the flotation circuit reaches steady-state operation, up from the historical 50–70% range under gravity-only recovery.

Environmental projects also progressed well during the quarter. All materials required for the southern hydrocarbon settling pond were delivered to site, enabling completion of the lined pond, while the northern settling pond was also completed during the quarter.

Mining
Following the transition to a fully owner-operated mining model from 1 October 2025, Thyssen has fully demobilised from site. The Corporation completed the commissioning of its underground mining fleet during Q2-26 and continued development activities within the Mountain Block, developing up to the 816 level and opening up additional ore faces for H2-26. During H1-26, a total of 21,847 ore tonnes were mined and 43,568 tonnes of waste were moved. Ore tonnes mined in Q2-26 (10,727 t) were broadly consistent with Q1-26 (11,120 t).

Processing
During Q2-26, the Corporation continued to process material through the gravity circuit while completing construction and commissioning of the flotation circuit in parallel. First flotation concentrate was produced in June 2026. Following commissioning, the flotation circuit continued to be ramped up and optimised during June, with operating parameters being refined as the plant transitioned towards steady-state operation.

H1-26 production is tracking in line with guidance (H1-26: 7-10 koz).

Key H1-26 processing metrics:

Metric	H1-26
Ore processed	23,160 t
Average mill feed grade	19.8 g/t
Gold recovery	63.0%
Gold produced	8,985 oz
Gold sold	8,610 oz

Gold produced comprises gold contained in doré bars poured and flotation concentrate produced during the period.

In Q2, sales amounted to 5,640 (H1: 8,610) ounces of gold. The average realised gold price during the quarter was US$4,678 (H1: US$4,696) per ounce.

Exploration and Evaluation

During Q2-26, the Company has completed its 2026 exploration planning and commenced its activities at Nalunaq, Nanoq, across the satellite gold projects and Ilua (Nunarsuit).

At Nalunaq, alongside finalisation of MRE5 to incorporate new mine reconciliation data, a new programme of surface sampling was conducted. This has seen a dedicated mountaineering team transect the Main Vein and the 75 Vein taking channel samples from the 804 Level up to the 996 Level. These data will be important in providing additional grade confidence to the Nalunaq mine in the immediate to near term. The team will continue to work up dip on the North surface of Nalunaq thereby continuing to derisk future areas of the Mountain Block

At Nanoq, the exploration and logistics teams returned to site to assess the camp and equipment after the winter and update plans ahead of commencement of the 2026 field season. Following this, the camp reconstruction has commenced with the drilling team planning to return in late July.

Across the Satellite projects, the same Mountaineering team working at Nalunaq, have been conducting additional surface sampling at Q-North ridge in difficult access area. This programme aims to help define the target ahead of potential drilling either later in 2026 or 2027.

At the Ilua Pegmatite Zone, a dedicated exploration team have been conducting detailed mapping and drone surveys of the zone extending across a strike of up to 11km. This programme include individuals from the University of St Andrews experts in the geology and mineralisation of the Gardar Province. Following completion of this programme a core drilling programme has commenced with 699m completed in the reporting period.

Amaroq has held a series of internal and external strategy sessions to define the direction and 2026 objectives for the exploration and development of the Black Angel Pb-Zn-Ag-Ge-Ga project within the West Greenland Hub. The outcomes of these sessions will be progressed through a number of initiatives during Q3.

Final logistical planning and procurement activities have been progressing ahead of the Minturn exploration programme.

2.2 Q2-26 Consolidated Financial Results

Period ended June 30, 2026	**Three months**		**Six months**	
	2026	**2025**	**2026**	**2025**
	$	$	$	$
Financial Results				
Revenue	37,296,988	3,445,308	56,242,392	3,445,308
Cost of Sales	(11,205,519)	(3,874,670)	(19,789,621)	(3,874,670)
Selling, refining and royalty costs	(1,053,612)	(147,851)	(1,547,587)	(196,203)
Exploration and evaluation expenses	(2,292,187)	(532,563)	(2,693,754)	(725,983)
General and administrative expenses	(7,917,613)	(4,874,922)	(13,711,644)	(9,456,038)
Depreciation and amortisation	(488,650)	(15,915)	(758,764)	(61,120)
Foreign exchange gain (loss)	(1,884,086)	1,127,017	(2,622,025)	1,718,627
Interest income	149,091	93,937	298,425	120,243
Gardaq project management fees	729,743	613,985	1,343,356	1,257,538
Gain on lease modification	-	-	-	30,543
Gain (loss) on liability derecognition	474,550	(307,263)	203,113	(307,263)
Impairment of related party receivable	(591,528)	-	(591,528)	-
Share of net losses of joint arrangement	(1,184,207)	(343,865)	(1,560,887)	(714,208)
Finance costs	(897,134)	(829,224)	(1,227,611)	(1,281,497)
Net income (loss) and comprehensive income (loss)	11,135,836	(5,646,026)	13,583,865	(10,044,723)
Basic earnings (loss) per common share	0.024	(0.014)	0.029	(0.025)
Diluted earnings (loss) per common share	0.023	(0.014)	0.029	(0.025)

Financial Position	**As at**	
	June 30, 2026	**June 30, 2025**
	$	$
Financial Position		
Cash	28,545,651	86,010,495
Investment in equity-accounted joint arrangement	20,570,144	14,188,105
Total assets	426,785,071	342,020,663
Total current liabilities	37,638,520	60,170,699
Total non-current liabilities	94,595,667	8,075,788
Shareholders' equity	294,550,884	273,774,176
Working capital (before loan payable)[1]	39,693,762	99,470,230
Working capital (loan payable included) [1]	39,693,762	59,221,096

[1] Working Capital as per the Consolidated Statement of Financial Position as at June 30 2026 is $39,693,762 ($59,221,096 as at June 30, 2025) and includes loan payable of $nil ($40,249,134 as at June 30, 2025). As at June 30, 2025, the loan payable was classified as current because it was maturing within 12 months of the reporting date.

2.3 2026 Financial Performance Highlights

	Q2-26	Q1-26	Q4-25	Q3-25
	$	$	$	$
Revenue	37,296,988	18,945,404	10,700,675	12,838,378
Gross profit (loss)	25,037,857	9,867,327	5,774,270	5,928,476
Exploration and evaluation expenses	(2,292,187)	(401,567)	(4,643,597)	(5,541,654)
General and administrative expenses	(7,917,613)	(5,794,031)	(5,089,624)	(4,198,157)
Share of net losses of joint arrangement	(1,184,207)	(376,680)	(369,171)	(1,041,310)
Net income (loss)	11,135,836	2,448,029	(3,241,681)	(5,314,581)
Basic income (loss) per share	0.024	0.005	(0.007)	(0.012)
Diluted income (loss) per common share	0.023	0.005	(0.007)	(0.012)
Cash	28,545,651	8,772,700	21,546,829	55,314,709
Investment in equity-accounted joint arrangement	20,570,144	12,400,944	12,777,624	13,146,795
Total assets	426,785,071	375,589,106	354,522,908	339,032,279
Total current liabilities	37,638,520	33,638,679	20,546,306	61,593,664
Total non-current liabilities	94,595,667	59,085,389	53,862,252	8,241,937
Shareholders' equity	294,550,884	282,865,038	280,114,350	269,196,678
Working capital (before convertible notes liability and loan payable)[1]	39,693,762	24,252,228	46,600,441	76,906,563
Working Capital (convertible notes liability and loan payable included) [1]	39,693,762	24,252,228	46,600,441	34,320,242

	Q2-25	Q1-25	Q4-24	Q3-24
	$	$	$	$
Revenue	3,445,308	-	-	-
Gross loss	(577,213)	-	-	-
Exploration and evaluation expenses	(532,563)	(193,420)	2,290,855	(4,424,907)
General and administrative expenses	(4,874,922)	(4,581,116)	(5,644,708)	(3,490,374)
Share of loss of joint arrangement	(343,865)	(370,343)	(1,891,948)	(4,788,733)
Net income (loss)	(5,646,026)	(4,398,697)	(5,454,426)	(14,013,519)
Basic income (loss) per share	(0.014)	(0.011)	(0.015)	(0.043)
Diluted income (loss) per common share	(0.014)	(0.011)	(0.015)	(0.043)
Cash	86,010,495	16,698,642	45,193,670	25,937,983
Investment in equity-accounted joint arrangement	14,188,105	14,531,970	14,902,313	16,794,261
Total assets	342,020,663	252,074,553	255,976,986	199,102,439
Total current liabilities	60,170,699	46,894,778	46,973,753	76,516,905
Total non-current liabilities	8,075,788	7,641,551	7,845,657	622,123
Shareholders' equity	273,774,176	197,538,224	201,157,576	121,963,411
Working capital (before convertible notes liability and loan payable)[1]	99,470,230	22,238,142	47,525,515	37,937,316
Working Capital (convertible notes liability and loan payable included) [1]	59,221,096	(7,563,780)	18,903,783	(24,983,350)

The Corporation reported a net income of $11,135,836 and $13,583,865 respectively for the three and six months ended June 30, 2026 compared to a net loss of $5,646,026 and $10,044,723 respectively for the three and six months ended June 30, 2025. Main comparisons to the previous period are as follows:

- Revenue of $37,296,988 and $56,242,392 respectively for three and six months ended June 30, 2026 ($3,445,308 for three and six months ended June 30, 2025). During three and six months period ended June 30, 2026 the Corporation sold respectively 5,640 and 8,610 ounces of gold and recognized respectively a gross profit of $25,037,857 and $34,905,184 (gross loss of $577,213 and $625,565 for the three and six months ended June 30, 2025).
- Exploration and evaluation expenses of $2,292,187 for three months and $2,693,754 for six months ended June 30, 2026 (expense of $532,563 for three months and $725,983 for six months ended June 30, 2025). Increase in exploration expenditure for the period reflects higher exploration activity in 2026, primarily at the Nalunaq and Nuna Nutaaq properties.
- General and administrative costs of $7,917,613 and $13,711,644 respectively for the three and six months ended June 30, 2026 ($4,874,922 and $9,456,038 respectively for the three and six months ended June 30, 2025).
  - Salaries and benefits of $3,405,695 and $5,112,350 for the three and six months ended June 30, 2026 ($1,249,955 and $2,387,012 for the three and six months ended June 30, 2025).
  - Stock-based compensation of $640,339 and $1,014,298 for the three and six months ended June 30, 2026 ($695,832 and $1,475,177 for the three and six months ended June 30, 2025).
  - Director’s fees of $135,500 and $271,000 for the three and six months ended June 30, 2026 ($154,897 and $313,897 for the three and six months ended June 30, 2025). The reduction in directors’ fees reflects a decrease in the number of Board members during the comparative period.
  - Professional fees of $1,584,360 and $3,552,960 for the three and six months ended June 30, 2026 ($1,323,188 and $ 2,566,483 for the three and six months ended June 30, 2025). Increase in professional fees is mainly due to legal fees incurred for special projects such as main market listing.
  - Investor Relations and Communication of $106,856 and $280,991 for the three and six months ended June 30, 2026 ($178,673 and $376,091 for the three and six months ended June 30, 2025).
  - Insurance of $219,366 and $465,962 for the three and six months ended June 30, 2026 ($63,314 and $172,219 for the three and six months ended June 30, 2025). Increase in insurance expense is driven by higher premiums in 2025-2026 and increased headcount.
  - Travel and other expenses of $973,276 and $1,787,371 for the three and six months ended June 30, 2026 ($943,676 and $1,444,919 for the three and six months ended June 30, 2025). The 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 and HR related expenses for the recruitment of site employees.
  - Regulatory fees of $852,221 and $1,226,712 for the three and six months ended June 30, 2026 ($265,387 and $720,240 for the three and six months ended June 30, 2025). Higher costs are mainly driven by custody and venture sustaining fees in securities exchanges and listing fees for the main market listing.
- Foreign exchange loss of $1,884,086 and $2,622,025 for the three and six months ended June 30, 2026 (gain of $1,127,017 and 1,718,627 for the three and six months ended June 30, 2025) was primarily driven by the strengthening of the US dollar, Icelandic Krona, Euro and Danish Krona relative to the Canadian Dollar during the quarter. The appreciation of the currencies resulted in unfavorable revaluation adjustments on foreign currency-denominated monetary assets and liabilities, mainly due to the revaluation adjustment of the Corporation’s US dollar denominated loan payable.
- Share of net loss in joint arrangement of $1,184,207 and $1,560,887 for the three and six months ended June 30, 2026 ($343,865 and $714,208 for the three and six months ended June 30, 2025) representing the Corporation’s 51% ownership stake in Gardaq A/S.
- Gardaq project management fees of $729,743 and $1,343,356 for the three and six months ended June 30, 2026 ($613,985 and $1,257,538 for the three and six months ended June 30, 2025) representing corporate overhead costs charged to Gardaq A/S.

2.4 Cash Flow and Liquidity

Cash from operating activities in the six months ended June 30, 2026, totalled $20,427,079 compared to the cash used in operations of $13,362,668 in the six months ended June 30, 2025. Cash from operations during the six months ended June 30, 2026 reflects cash generated by gold sales from Nalunaq, partly offset by cash used for working capital associated with the stockpiling, processing and sale of gold inventory, including the procurement of spare parts required to support underground mining and processing plant operations.

Cash used in investing activities during the six months ended June 30, 2026 amounted to $44,243,050 (six months ended June 30, 2025: $37,916,356), primarily reflecting expenditure associated with the ongoing construction and commissioning of the 300 tonne per day processing plant, underground mine development within the Mountain Block, and investments in surface infrastructure.

Cash from financing activities in the six months ended June 30, 2026, was $30,001,720 (cash received of $91,802,419 during the six months ended June 30, 2025), primarily reflecting net proceeds from borrowings under the revolving credit facility, partly offset by lease payments and share issuance costs.

As of June 30, 2026, available cash is $28.5 million and the Corporation had undrawn facilities of $18.4 million (US $13M).

As of June 30, 2026, the Corporation has working capital of $39,693,762 compared to $46,600,441 as of December 31, 2025.

3. CORPORATE UPDATE

3.1 Upsized US$70 million Revolving Credit Facility Agreement Signed

On 30 April 2026, the Corporation announced an amended and restated US$70 million revolving credit facility agreement with Landsbankinn and Gunvor Group, doubling the size of the previous facility from US$35 million, extending maturity to May 2028 and reducing borrowing costs through an EBITDA-linked margin ratchet structure ranging from SOFR + 7.50% down to SOFR + 4.50%.

3.2 Main Market Admission

On 31 July 2026, the Company's common shares were admitted to the equity shares (commercial companies) category of the Official List maintained by the Financial Conduct Authority and commenced trading on the Main Market of the London Stock Exchange. Concurrently, trading of the Company's common shares on AIM was cancelled. No new common shares were issued and no proceeds were raised in connection with the admission. The Company's common shares continue to trade under the ticker symbol AMRQ.

The Board believes the Main Market admission represents an important milestone in the Company's evolution as a producing mining company and is expected to enhance its profile amongst institutional investors while supporting future growth initiatives.

4. OPERATIONAL UPDATES

4.1 Nalunaq Project and Operations

Process Plant Construction Activities

During Q2-26, primary focus remained on completion of Phase 2 construction and commissioning of the flotation circuit at the processing plant. Construction was completed end of May and subsequent commissioning of the flotation circuit took place thereafter. First flotation concentrate was produced in June, marking a key operational milestone for the transition from a gravity-only recovery circuit to a combined gravity plus flotation flow sheet. Overall gold recoveries are expected to increase to the 90–95% range as the flotation circuit reaches steady-state operation, up from the historical 50–70% range under gravity-only recovery.

Mine Production and Operation

Following the transition to a fully owner-operated mining model from 1 October 2025, Thyssen has fully demobilised from site. The Corporation completed the commissioning of its underground mining fleet during Q2-26 and continued development activities within the Mountain Block, developing up to the 816 level and opening up additional ore faces for H2-26.

During H1-26, a total of 21,847 ore tonnes were mined, alongside 43,568 waste tonnes. Ore tonnes mined in Q2-26 (10,727 t) were broadly consistent with Q1-26 (11,120 t).

Underground grade control drilling continued to progress well through H1-26, with strong drilling productivity achieved during the period. Long-hole drilling accelerated during Q2-26, reflecting improved rig management and the successful concurrent execution of drilling and stope mining activities.

Year-to-date production is 8,985 ounces and is tracking well in line with guide of 7-10 koz in H1-26. The Corporation has processed a total of 23,160 tonnes of material at an average mill feed grade of 19.8 g/t gold and gold recovery of 63.0%. The successful commissioning of the flotation circuit in Q2-26 represents a significant operational milestone, and the Corporation expects total recoveries to reach the 90–95% guidance range as the circuit reaches steady-state operation in Q3.

In Q2, sales amounted to 5,640 (H1: 8,610) ounces of gold. The average realised gold price during the quarter was US$4,678 (H1: US$4,696) per ounce.

4.2 Gold Exploration Projects in Q2 2026

- **Nalunaq**
  - During Q2-26 a total of 3,399m of underground drilling from 31 holes has been completed providing support to short and medium term mine planning.
  - Alongside Bara Consulting, the Company have been completing the MRE5 update and will look to announce this shortly. The delay in the completion of this programme is due to the incorporation with the Nalunaq mine reconciliation data as the mine has been ramping up.
  - Longer-term underground-focused exploration programmes continued to be evaluated, including development plans designed to support future resource growth opportunities while simultaneously providing access for ongoing mining activities.
  - Mountain sampling has been conducted along the North side of the Main Vein outcrop in order to further supplement the grade continuity and mine plans for the near immediate and near term.
- **Nanoq**
  - A metallurgical sample is under investigation at SGS Lakefield, Canada, providing initial results to assessing anticipated processing performance and recovery characteristics.
  - A series of visit to the site have been conducted to assess the condition following the snow melt and to commence the reponing of the camp facility.

- **Satellite Deposits**
  - Mountain sampling similar to that conducted at Nalunaq has been on going at Q-North Ridge and reconnaissance visit to Ippatit.

4.3 Strategic Minerals Projects in Q2 2026 (51% ownership through Gardaq Joint Venture)

- **Stendalen**
  - The Company have commence the site clean up and preparation for a 2027 field season which may include targeting drilling into a number of potential massive sulphide traps.

- **Ilua**
  - Detailed geological mapping and surface sampling across the pegmatite zone spaning over 11km strike.
  - Increased understanding on the style, mineralisation and geology of these pegmaitie swarms.
  - Commencement of the 2026 scout drilling programme with the completion of 699m by the end of the reporting period.

- **Minturn**
  - Completion of the require procurement and logistical provision for the 2026 programme in preparation for mobilisation in early July.

- **Copper Belt (Johan Dahl Land/Sava/North Sava, Kobberminebugt)**
  - Results from across the wider South Greenland Copper Belt continued to be reviewed and evaluated during the reporting period.
  - Commence site clean up operation across Sava.

4.4 West Greenland Hub in Q2 2026

- **Black Angel**
  - Amaroq continued discussions with contractors and consultants regarding logistical preparation for the 2026 field season, data review, 3D modeling, and updating of historical technical studies.
- **Kangerluarsuk**
  - Equipment is currently being prepared for mobilisation to the project site for a maiden drilling programme planned to begin in August-September 2026.

- **Ukkusissat**
  - Amaroq continued to review the geological data associated with the new exploration licence and its relationship to the mineralisation hosted at Black Angel.
  - Field programmes for 2026 have been developed and will involve structural mapping and drone photogrammetry to refine drill targets and assist with logistical planning.

4.5 Post-period Highlights:

4.5.1 Exploration Activities Update

- Drilling has continued at Ilua and is nearing completion at 666m across 5 holes.
- Minturn mobilisation has commenced as of 4th July

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:

	Q2-26	Q2-25	Q2-26 YTD	Q2-25 YTD
	$	$	$	$
Nalunaq - Au				
Geology	514,796	264,248	887,725	267,521
Lodging and on-site support	21,731	-	22,814	798
Drilling	-	23,425	-	23,425
Analysis	-	-	-	36,685
Transport	490,086	4,559	490,086	18,696
Helicopter Charter	88,347	-	88,347	-
Maintenance infrastructure	-	-	320	229
Supplies and equipment	-	12,274	11,936	13,942
Government fees	7,706	(2,093)	7,706	5,831
Depreciation	-	25,611	-	51,223
	1,122,666	328,024	1,508,934	418,350
Vagar – Au				
Analysis	-	-	-	156
Helicopter charter	88,347	51,882	88,347	51,882
Government fees	-	8,527	1,080	8,527
	88,347	60,409	89,427	60,565
Tartoq - Au				
Government fees	-	9,574	-	9,574
	-	9,574	-	9,574
Nuna Nutaaq – Au				
Geology	8,253	-	16,364	-
Lodging and on-site support	915	16,013	915	16,888
Drilling	76,686	119,590	76,685	220,146
Transport	353,368	-	353,368	-
Helicopter Charter	548,056	-	548,056	-
Analysis	-	-	-	1,507
Supplies and Equipment	61,971	-	61,971	-
Government fees	7,675	(1,047)	7,675	(1,047)
	1,056,924	134,556	1,065,034	237,494
Black Angel (Mammorilik) – Pb, Zn				
Geology	2,381	-	2,381	-
Maintenance Infrastructure	8,331	-	8,331	-
Supplies and Equipment	13,538	-	13,538	-
Government Fees	-	-	6,109	-
	24,250	-	30,359	-
Total				
Geology	525,431	264,248	906,470	267,521
Lodging and on-site support	22,646	16,013	23,729	17,686
Drilling	76,685	143,015	76,685	243,571
Analysis	-	-	-	38,348
Transport	843,454	4,559	843,454	18,696
Supplies and equipment	75,509	12,274	87,445	13,942
Helicopter charter	724,750	51,882	724,750	51,882
Maintenance infrastructure	8,331	-	8,651	229
Government fees	15,381	14,961	22,570	22,885
Depreciation	-	25,611	-	51,223
Total exploration and evaluation expenses	**2,292,187**	**532,563**	**2,693,754**	**725,983**

James Gilbertson CGeol, Vice President – Exploration of the Corporation and a Chartered Geologist with the Geological Society of London and as such a qualified person as defined in NI 43-101, supervised the preparation of the technical information in this report.

6. 2026 OUTLOOK

6.1 Operations

Nalunaq

- The Corporation's operational focus for 2026 at Nalunaq remains on completing the commissioning of the Phase 2 flotation circuit, ramping up mining and processing activities, and achieving stable gold production through the second half of the year. Gold production for 2026 is guided at 25,000-35,000 ounces, with production expected to be weighted towards H2-26 following commissioning of the flotation circuit and increased throughput.
- A number of infrastructure and compliance projects, including surface water management, warehouse and fuel farm improvements, will be progressed during 2026 to support long-term operational readiness and regulatory compliance.
- Nalunaq mine all-in sustaining costs remain guided at ("AISC") of US$69–73 million. Management continues to focus on delivering against this cost target while advancing the operational ramp-up and increasing production.
- Following commissioning of the flotation circuit in Q2-26, the Corporation's focus remains on steady-state plant operation and continued underground development within the Mountain Block to support consistent ore feed and delivery of 2026 production guidance.

Exploration

- 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.

Gold Exploration Projects

Nalunaq

- Underground resource definition drilling will continue throughout 2026 to support short- and medium-term mine planning activities.
- Mountain sampling will continue through much of July 2026 to continue to supplement the mine data.

Nanoq

- Following the reconstruction of the exploration camp at Nanoq, the Company intend to progress with additional infill resource drilling within the Central Zone.
- In parallel, further surface evaluation work is planned across the West 1–4 zones, which may include initial drilling activities at West 1.
- Amaroq will also continue to evaluate opportunities to enhance infrastructure supporting the expanding Nanoq project, including the potential development of harbour facilities and road access to drill sites to improve logistical access and operational efficiency.

Satellite Deposits

- The results from the sampling at Q-North Ridge and Ippatit and further follow up exploration options will be assessed.

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

Minturn

- Upon a successful mobilisation, Amaroq intends to undertake the project's first scout drilling programme during the summer of 2026, alongside ground geophysical surveys and geological mapping and sampling activities across both Area 1 and Area 2.
- These activities are expected to be supported through the construction of a small remote geological camp, which will also serve as a staging point for additional geological review programmes within the newly applied Special Exploration Licence area.

Stendalen

- Amaroq intend to continue with the site preparation and logistical consolidation across the Central Valley zone at Stendalen ahead of an expected 2027 drilling season.

Ilua (Nunarsuit)

- Following the completion of the drilling programme here, Amaroq personnel will carefully review the data and log and sample the collected cores ahead of potentially conducting follow up field studies before the end of the 2026 season.

West Greenland Hub

Black Angel & Kangerluarsuk

- Amaroq plans to undertake a programme of site and infrastructure preparation at Maarmorilik, which will support development of future access and infrastructure required for resource growth and development initiatives. This will begin with refurbishment of the access to Black Angel mine, allowing underground studies to continue in August.
- Historical technical studies are expected to be reviewed and updated to align with Amaroq's development strategy.
- Underground infrastructure is planned to be reassessed and surveyed in detail to support future mine safety assessments and production planning activities.
- Additional environmental baseline data collection programmes are planned to support potential future exploitation licence applications.
- At Kangerluarsuk, Amaroq is preparing for a scout drilling programme aimed at assessing the scale and extent of SEDEX mineralisation identified across the licence area.

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 West Greenland Hub. Collectively, these initiatives are expected to provide a balanced platform of gold production and 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 have been established:

Suliaq

In May 2025, the Company announced the establishment of Suliaq ApS ("Suliaq"), a dedicated services company formed to provide essential services, supplies, and supporting assets to Greenland's rapidly expanding mining sector. Suliaq's strategic focus encompasses mining services, maritime operations, logistics, infrastructure, consumables, and support for exploration activities.

Following the Company's announcement in February 2026, that it had entered into discussions with third-party investors, substantial progress has been made towards securing independent equity financing for Suliaq in the range of USD20-35m. EIFO, the Danish state-backed investment fund and one of the Company's largest shareholders, has completed an initial screening and expressed significant preliminary, non-binding interest in potentially participating in the future financing of Suliaq, together with selected Greenland-based partners. Any such participation remains subject to comprehensive due diligence, internal governance processes, and agreement on final terms.

In June 2026 Suliaq Maritime ApS was formed as a wholly owned subsidiary to Suliaq, set up specifically to own and operate the maritime equipment and vessels of the Suliaq portfolio. On 25 June 2026, Suliaq Maritime ApS acquired the icebreaker, Thorbjorn, currently moored in Svendborg, Denmark.

The Company will continue to provide updates as Suliaq advances towards operational launch, secures additional financing and expands its service offering, with a targeted financing close in Q3 2026.

Imeq

The company Imeq ApS ("Imeq") was incorporated in Greenland in 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 advancing the planned construction of c. one megawatt ("MW") of hydro power, within close proximity of Nalunaq.

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. As of June 30, 2026, the escrow balance increased to CAD9,096,848 as a result of foreign exchange fluctuations (escrow balance was CAD9,033,241 as of December 31, 2025).

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 20 to the June 30, 2026 Financial Statements.

9. TRANSACTIONS BETWEEN RELATED PARTIES

9.1 Gardaq Joint Venture

	Three months ended June 30,		Six months ended June 30,	
	2026	**2025**	**2026**	**2025**
	$	$	$	$
Gardaq project management fees	729,743	613,985	1,343,356	1,257,538
Other allocated costs	63,754	6,573	63,973	6,214
Receivable converted to additional equity	(9,353,407)	-	(9,353,407)	-
Impairment of receivable	(591,528)	-	(591,528)	-
Foreign exchange revaluation	157,822	(243,716)	267,420	(243,214)
	(8,993,616)	**376,842**	**(8,270,186)**	**1,020,538**

As at June 30, 2026, the balance receivable from Gardaq amounted to $705,529 ($8,975,715 as at December 31, 2025). 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.

A balance of CAD 9,353,407 was converted into Gardaq shares following the third anniversary of completion of the Subscription and Shareholder Agreement dated April 13, 2023.

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 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 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 June 30, 2026 Financial Statements are listed at notes 1.1 of the 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 12 exploration licences; Vagar 1 & 2, Tartoq, Nanoq, Anoritooq, Siku, Gronseland, Ukkusissat, Kangerluarsuk 1 & 2 and Black Angel 1 & 2 and one exploitation licence, Nalunaq. The total approved MLSA exploration obligations for 2026 for 9 licences is DKK 40,238,657 ($8,733,162 using the exchange rate as at June 30, 2026). The license obligations are reviewed and determined on an annual basis by the MLSA in Greenland. For the purpose of crediting expenditures against the amounts set forth in these licences, actual expenditures are multiplied by a factor of between 1.5 and 3, depending upon the type of expenditure made. If these obligations are not met, certain measures may be taken by the licence holder to rectify the situation, including reducing the area of the licence proportionately to the spending shortfall or rolling over the exploration commitment to the next period subject to approval from the MLSA. Nalunaq A/S submitted its statements of expenses for these exploration licences for the 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 June 30, 2026, the Corporation had capital commitments of $9,358,276 ($12,917,082 as at December 31, 2025). 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.

On November 14, 2025, the Corporation entered into a new lease agreement with the company Klettar Investments ehf. Klettar 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).

During June 2025, the Corporation entered into a two-year lease for a drill rig, with August 1, 2025, being the lease commencement date, for semi-monthly payments of $7,046. Under the terms of the lease, ownership of the drill rig will be transferred to the Corporation at the end of the lease term.

During January 2026, the Corporation enter into several leasing agreements for mining and support equipment. These leases commenced between February to June 2026, with lease terms ranging from 17 months to 25 months. At the end of the lease terms, ownership of this equipment will be transferred to the Corporation.

The total amount of lease liabilities as at June 30, 2026 is $5,160,603.

14. OUTSTANDING SHARES DATA

	August 13, 2026	**December 31, 2025**
	Number	**Number**
Capital stock	466,244,132	463,648,822
Stocks options	4,032,630	5,428,738
Restricted share units	6,948,912	7,079,904
Fully diluted	**477,225,674**	**476,157,464**

15. STOCK OPTION PLAN AND RESTRICTED SHARE UNIT PLAN

15.1 Stock option Plan

The purpose of the Stock Option Plan is to provide the Corporation with a share related mechanism to attract, retain and motivate qualified officers, employees and consultants of the Corporation, to reward such 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 Stock Option Plan was last approved by the Shareholders on May 7, 2026. Following the delisting of the Common Shares from the TSX Venture Exchange on March 19, 2026, and in contemplation of the proposed transition to the Main Market of the London Stock Exchange (the “Admission”), the Board of directors on 07 April 2026 and the shareholders at the Annual General meeting held on 07 May 2026 approved certain amendments to the Stock Option Plan. The purpose of such amendments was to, among other things, remove provisions that were specific to TSX Venture Exchange policies and the inclusion of provisions that are more customary for UK listed issuers. In particular, the amendments reflect market standard provisions typically found in equity incentive plans of LSE listed companies, taking into account applicable institutional and governance expectations in the United Kingdom.

The Corporation has adopted the Stock Option Plan for officers, employees and consultants of the Corporation. The Stock Option Plan provides for the issuance of stock options to acquire up to 10% of the Corporation's issued and outstanding capital in the preceding ten year period ending on the date of grant.

Notwithstanding any other provision of the Stock Option Plan, the Board may, in its discretion, reduce, cancel or forfeit all or part of any unvested options at any time prior to vesting, if the Board determines that a Trigger Event has occurred - a material misstatement of the Corporation's financial statements; the assessment of any conditions in respect of Options having been based on error, or inaccurate or misleading information; the discovery that any information used to determine the number of Shares subject to Options was based on error, or inaccurate or misleading information; fraud, dishonesty or gross misconduct on the part of the Optionee; events or behaviour of an Optionee that have led to the censure of a group member by a regulatory authority or serious reputational damage to the Corporation or a group member resulting from the Optionee's actions or omissions; a material failure of risk management or internal controls of the Corporation or the relevant business unit in which the Optionee works; or corporate failure or materially adverse financial distress of the Corporation that the Board determines following an appropriate review of accountability that the Optionee should be held responsible (in whole or in part) for that insolvency or corporate failure.

On April and June 2026, employees of the Corporation exercised their options. As a result, 1,384,658 options were exercised which resulted in the employees receiving 782,102 shares net of applicable withholdings.

15.2 Restricted Share Unit (the “RSU”) Plan

The purpose of the RSU Plan is to advance the interests of the Corporation and its subsidiaries by: (i) assisting the Corporation and its subsidiaries in attracting and retaining directors, executive officers and key employees with experience and ability; (ii) allowing certain directors, executive officers, key employees and consultants of the Corporation and its subsidiaries to participate in the long term success of the Corporation; and (iii) promoting a greater alignment of interests between the directors, executive officers, consultants and key employees designated under the RSU Plan and the shareholders.

The RSU Plan was last approved by the Shareholders on May 7, 2026. Following the delisting of the Common Shares from the TSX Venture Exchange on March 19, 2026, and in contemplation of the proposed Admission, the Board of directors on 07 April 2026 and the shareholders at the Annual General meeting held on 07 May 2026 approved certain amendments to the RSU Plan. The purpose of such amendments was to, among other things, remove provisions that were specific to TSX Venture Exchange policies and the inclusion of provisions that are more customary for UK listed issuers. In particular, the amendments reflect market standard provisions typically found in equity incentive plans of LSE listed companies, taking into account applicable institutional and governance expectations in the United Kingdom.

The aggregate number of Common Shares which may be issued, committed to be issued or delivered pursuant to RSUs granted under the RSU Plan and any other employee share schemes operated by the Corporation, shall not exceed ten percent (10%) of the issued Common Shares in the capital of the Corporation in the preceding ten year period ending on the date of grant.

The Board may determine that a non executive director of the Corporation may receive a portion of his or her fees in the form of RSUs under the RSU Plan. Any such award shall constitute fixed remuneration only and shall not be subject to performance conditions under the RSU Plan or otherwise be performance related.

The vesting of RSUs and the extent to which they vest may be subject to the satisfaction of one or more performance conditions set by the Compensation committee on or before the Grant Date. The RSUs may also vest according to time vesting conditions.

Notwithstanding any other provision of the RSU Plan, the Compensation Committee may, in its discretion, reduce, cancel or forfeit all or part of any unvested RSUs (whether conditionally awarded or not) at any time prior to vesting, if the RSUP Committee determines that a Trigger Event has occurred - a material misstatement of the Corporation's financial statements; the assessment of any performance conditions in respect of RSUs having been based on error, or inaccurate or misleading information; the discovery that any information used to determine the number of Common Shares subject to RSUs was based on error, or inaccurate or misleading information; fraud, dishonesty or gross misconduct on the part of the RSU Plan participant; events or behaviour of a participant that have led to the censure of a Group Member by a regulatory authority or serious reputational damage to the Corporation or a Group Member resulting from the Participant's actions or omissions; a material failure of risk management or internal controls of the Corporation or the relevant business unit in which the Participant works; or corporate failure or materially adverse financial distress of the Corporation that the Board determines following an appropriate review of accountability that the RSUP Participant should be held responsible (in whole or in part) for that insolvency or corporate failure.

On 13 February 2026, following the release made on 12 February 2025 regarding the granting of an award to directors and employees in line with the Company's RSU plan, a total of 1,792,236 RSUs (representing 50% of the award) vested. This included allocations to the PDMRs Eldur Olafsson (Director and CEO) and Joan Plant (Interim COO. The remaining 50% of shares will vest on the second anniversary of the grant date.

On 10 April 2026, following the release made on 31 March 2025 regarding the grant of an award to Edward Westropp (Chief Corporate Development & Strategy Officer) under the Company's RSU Plan, a total of 20,927 RSUs vested.

On 10 April 2026, in accordance with the RSU Plan, the Corporation granted a total of 2,254,467 RSUs to certain directors and employees of the Company, including Eldur Olafsson, CEO, Ellert Arnarson, CFO, Joan Plant, Interim COO, and Edward Westropp, Chief Corporate Development and Strategy Officer. The awards consist of a right to receive common shares in the Company if the time and performance targets, applicable to the awards, are met. Each RSU is granted under, and governed in accordance with, the rules of the RSU Plan. Performance period is from 1 January 2026 to 31 December 2028. The Measurement Date is 31 December 2028. The award to the Chief Executive Officer is subject to a two year post-vesting holding period.

16. RISK FACTORS

Risk factors are more fully discussed in the Corporation's MD&A in the annual report for the year ended December 31, 2025.

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 six months ended June 30, 2026 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 June 30, 2026.

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 six months ended June 30, 2026, 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 June 30, 2026, 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.

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