



Amaroq Minerals Ltd.

UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2022

*The attached financial statements have been prepared by Management of
Amaroq Minerals Ltd. and have not been reviewed by the auditor*

Amaroq Minerals Ltd.
Consolidated Statements of Financial Position
(Unaudited, in Canadian Dollars)

	Notes	As at September 30, 2022 \$	As at December 31, 2021 \$
ASSETS			
Current assets			
Cash		11,032,487	27,324,459
Sales tax receivable		65,431	51,250
Prepaid expenses and others		195,057	266,617
Total current assets		11,292,975	27,642,326
Non-current assets			
Deposit		27,944	9,805
Escrow account for environmental monitoring		396,953	424,637
Mineral properties	3	62,244	62,244
Capital assets	4	14,248,191	14,642,652
Total non-current assets		14,735,332	15,139,338
TOTAL ASSETS		26,028,307	42,781,664
LIABILITIES AND EQUITY			
Current liabilities			
Trade and other payables		1,156,834	2,049,249
Lease liabilities – current portion	5	70,907	50,835
Total current liabilities		1,227,741	2,100,084
Non-current liabilities			
Lease liabilities	5	675,654	713,078
Total non-current liabilities		675,654	713,078
Total liabilities		1,903,395	2,813,162
Equity			
Capital stock		88,726,405	88,500,205
Contributed surplus		4,703,551	3,300,723
Accumulated other comprehensive loss		(36,772)	(36,772)
Deficit		(69,268,272)	(51,795,654)
Total equity		24,124,912	39,968,502
TOTAL LIABILITIES AND EQUITY		26,028,307	42,781,664

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

Amaroq Minerals Ltd.
Consolidated Statements of Comprehensive Loss
(Unaudited, in Canadian Dollars)

		Three months ended September 30,		Nine months ended September 30,	
	Notes	2022	2021	2022	2021
Expenses					
Exploration and evaluation expenses	7	5,567,361	4,196,019	11,003,192	7,441,215
General and administrative	8	1,859,725	3,022,738	6,946,432	7,061,387
Foreign exchange loss (gain)		(391,133)	(185,986)	(417,826)	461,705
Operating loss		7,035,953	7,032,771	17,531,798	14,964,307
Other expenses (income)					
Interest income		(32,837)	(33,700)	(87,554)	(119,629)
Finance costs		9,365	9,897	28,374	30,305
Net loss and comprehensive loss		(7,012,481)	(7,008,968)	(17,472,618)	(14,874,983)

Weighted average number of common shares outstanding - basic and diluted	177,341,889	177,098,737	177,184,305	177,098,737
Basic and diluted loss per common share	(0.04)	(0.04)	(0.10)	(0.08)

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Amaroq Minerals Ltd.
Consolidated Statements of Changes in Equity
(Unaudited, in Canadian Dollars)

	Number of common shares outstanding	Capital Stock	Contributed surplus	Accumulated other comprehensive loss	Deficit	Total Equity
		\$	\$	\$	\$	\$
Balance at January 1, 2021	177,098,737	88,500,205	2,925,952	(36,772)	(27,106,415)	64,282,970
Net loss and comprehensive loss	-	-	-	-	(14,874,983)	(14,874,983)
Stock-based compensation	-	-	360,000	-	-	360,000
Balance at September 30, 2021	177,098,737	88,500,205	3,285,952	(36,772)	(41,981,398)	49,767,987
Balance at January 1, 2022	177,098,737	88,500,205	3,300,723	(36,772)	(51,795,654)	39,968,502
Net loss and comprehensive loss	-	-	-	-	(17,472,618)	(17,472,618)
Options exercised	260,000	226,200	(96,200)	-	-	130,000
Stock-based compensation	-	-	1,499,028	-	-	1,499,028
Balance at September 30, 2022	177,358,737	88,726,405	4,703,551	(36,772)	(69,268,272)	24,124,912

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

Amaroq Minerals Ltd.
Consolidated Statements of Cash Flows
(Unaudited, in Canadian Dollars)

	Notes	Nine months ended September 30,	
		2022	2021
		\$	\$
Operating activities			
Net loss for the period		(17,472,618)	(14,874,983)
Adjustments for:			
Depreciation	4	638,039	190,309
Stock-based compensation		1,499,028	360,000
Other expenses		9,048	-
Foreign exchange		(413,443)	403,826
		(15,739,946)	(13,920,848)
Changes in non-cash working capital items:			
Sales tax receivable		(14,181)	7,338
Prepaid expenses and others		71,561	(30,975)
Trade and other payables		(843,483)	2,273,639
		(786,103)	2,250,002
Cash flow used in operating activities		(16,526,049)	(11,670,846)
Investing activities			
Acquisition of capital assets	4	(301,958)	(5,415,805)
Deposit on order		-	(6,610,868)
Cash flow used in investing activities		(301,958)	(12,026,673)
Financing activities			
Principal repayment – lease liabilities	5	(39,659)	(49,115)
Exercise of stock options		130,000	-
Cash flow from financing activities		90,341	(49,115)
Net change in cash before effects of exchange rate changes on cash during the period		(16,737,666)	(23,746,634)
Effects of exchange rate changes on cash		445,694	(276,137)
Net change in cash during the period		(16,291,972)	(24,022,771)
Cash, beginning of period		27,324,459	61,874,999
Cash, end of period		11,032,487	37,852,228
Supplemental cash flow information			
Interest received		87,554	119,629
Additions in capital assets included in trade and other payables		-	551,762
Exercise of stock options credited to capital stock		96,200	-

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

Amaroq Minerals Ltd.

Condensed Notes to the interim Consolidated Financial Statements

Three and nine months ended September 30, 2022 and 2021

(Unaudited, in Canadian Dollars)

1. NATURE OF OPERATIONS, BASIS OF PRESENTATION

Amaroq Minerals Ltd. (the "Corporation") (previously known as AEX Gold Inc.) was incorporated on February 22, 2017, under the *Canada Business Corporations Act*. The Corporation's head office is situated at 3400, One First Canadian Place, P.O. Box 130, Toronto, Ontario, M5X 1A4, Canada. The Corporation operates in one industry segment, being the acquisition, exploration and development of mineral properties. It owns interests in properties located in Greenland. The Corporation's financial year ends on December 31. Since July 2017, the Corporation's shares are listed on the TSX Venture Exchange (the "TSX-V"), since July 2020, the Corporation's shares are also listed on the AIM market of the London Stock Exchange ("AIM") and from November 1, 2022, on Nasdaq First North Growth Market Iceland ("Nasdaq") under the AMRQ ticker.

These unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2022 ("Financial Statements") were approved by the Board of Directors on November 28, 2022.

1.1 Basis of presentation

The Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") including International Accounting Standard ("IAS") 34, Interim Financial Reporting. The Financial Statements have been prepared under the historical cost convention.

The Financial Statements should be read in conjunction with the annual financial statements for the year ended December 31, 2021, which have been prepared in accordance with IFRS as issued by the IASB. The accounting policies, methods of computation and presentation applied in these Financial Statements are consistent with those of the previous financial year ended December 31, 2021.

2. CRITICAL ACCOUNTING JUDGMENTS AND ASSUMPTIONS

The preparation of the Financial Statements requires Management to make judgments and form assumptions that affect the reported amounts of assets and liabilities at the date of the Financial Statements and reported amounts of expenses during the reporting period. On an ongoing basis, Management evaluates its judgments in relation to assets, liabilities and expenses. Management uses past experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments. Actual outcomes may differ from these estimates under different assumptions and conditions.

In preparing the Financial Statements, the significant judgements made by Management in applying the Corporation accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Corporation's audited annual financial statements for the year ended December 31, 2021. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Amaroq Minerals Ltd.

Condensed Notes to the interim Consolidated Financial Statements

Three and nine months ended September 30, 2022 and 2021

(Unaudited, in Canadian Dollars)

3. MINERAL PROPERTIES

	As at December 31, 2021	Additions	As at September 30, 2022.
	\$	\$	\$
Nalunaq - Au	1	-	1
Tartoq - Au	18,431	-	18,431
Vagar - Au	11,103	-	11,103
Nuna Nutaaq - Au	6,076	-	6,076
Anoritooq - Au	6,389	-	6,389
Naalagaaffiup Portornga - Strategic Minerals	6,334	-	6,334
Saarloq - Strategic Minerals	7,348	-	7,348
Sava - Strategic Minerals	6,562	-	6,562
Total mineral properties	62,244	-	62,244

	As at December 31, 2020	Additions	As at December 31, 2021
	\$	\$	\$
Nalunaq	1	-	1
Tartoq	18,431	-	18,431
Vagar	11,103	-	11,103
Nuna Nutaaq	6,076	-	6,076
Anoritooq	6,389	-	6,389
Naalagaaffiup Portornga	6,334	-	6,334
Saarloq	7,348	-	7,348
Sava	6,562	-	6,562
Total mineral properties	62,244	-	62,244

4. CAPITAL ASSETS

	Field equipment and infrastructure \$	Vehicles and rolling stock \$	Equipment (including software) \$	Construc- tion In Progress \$	Right-of- use assets \$	Total \$
Nine months ended September 30, 2022						
Opening net book value	1,989,114	4,304,709	156,011	7,452,668	740,150	14,642,652
Additions	-	-	179,041	69,417	-	248,458
Adjustment	-	-	-	-	(4,880)	(4,880)
Depreciation	(193,772)	(330,247)	(54,030)	-	(59,990)	(638,039)
Closing net book value	1,795,342	3,974,462	281,022	7,522,085	675,280	14,248,191
As at September 30, 2022						
Cost	2,351,041	4,605,320	364,919	7,522,085	836,200	15,679,565
Accumulated depreciation	(555,699)	(630,858)	(83,897)	-	(160,920)	(1,431,374)
Closing net book value	1,795,342	3,974,462	281,022	7,522,085	675,280	14,248,191

Amaroq Minerals Ltd.
Condensed Notes to the interim Consolidated Financial Statements
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(Unaudited, in Canadian Dollars)

4. CAPITAL ASSETS (CONT'D)

Depreciation of capital assets related to exploration and evaluation properties is being recorded in exploration and evaluation expenses in the consolidated statement of comprehensive loss, under depreciation. Depreciation of \$545,919 (\$122,672 for the nine months ended September 30, 2021) was expensed as exploration and evaluation expenses during the nine months ended September 30, 2022.

As at September 30, 2022, the Corporation had capital asset purchase commitments, net of deposit on order, of \$nil (\$939,016 as at September 30, 2021). These commitments related to purchases of equipment, infrastructure and vehicles.

As of September 30, 2022, the amount of \$7,522,085 of construction in progress is related to equipment and infrastructure received or in storage and which will be installed at the appropriate time. Equipment and infrastructure include process plant components that are not yet available for use.

5. LEASE LIABILITIES

	As at September 30, 2022
	\$
Balance beginning	763,913
Principal repayment	(39,659)
Adjustment	22,307
Balance ending	746,561
Non-current portion – lease liabilities	(675,654)
Current portion – lease liabilities	70,907

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

6. STOCK OPTIONS

An incentive stock option plan (the “Plan”) was approved initially in 2017 and renewed by shareholders on June 16, 2022. The Plan is a “rolling” plan whereby a maximum of 10% of the issued shares at the time of the grant are reserved for issue under the Plan to executive officers, directors, employees and consultants. The Board of directors grants 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 January 17, 2022, the Corporation granted its officers, employees and consultant 4,100,000 stock options with an exercise price of \$0.60 and expiry date of January 17, 2027. The stock options vested 100% at the grant date. The options were granted at an exercise price equal to the closing market price of the shares the day prior to the grant. Total stock-based compensation costs amount to \$1,435,000 for an estimated fair value of \$0.35 per option. The fair value of the options granted was estimated using the Black-Scholes model with no expected dividend yield, 69.38% expected volatility, 1.51% risk-free interest rate and a 5-year term. The expected life and expected volatility were estimated by benchmarking comparable companies to the Corporation.

Amaroq Minerals Ltd.

Condensed Notes to the interim Consolidated Financial Statements

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6. STOCK OPTIONS (CONT'D)

On April 20, 2022, the Corporation granted a senior employee 73,333 stock options with an exercise price of \$0.75 and expiry date of April 20, 2027. The stock options vested 100% at the grant date. The options were granted with an exercise price equal to the closing market price of the shares the day prior to the grant. Total stock-based compensation costs amount to \$32,267 for an estimated fair value of \$0.44 per option. The fair value of the options granted was estimated using the Black-Scholes model with no expected dividend yield, 68.9% expected volatility, 2.7% risk-free interest rate and a 5-year term. The expected life and expected volatility were estimated by benchmarking comparable companies to the Corporation.

On July 14, 2022, the Corporation granted an employee 39,062 stock options with an exercise price of \$0.64 and expiry date of July 14, 2027. The stock options vested 100% at the grant date. The options were granted with an exercise price equal to the closing market price of the shares the day prior to the grant. Total stock-based compensation costs amount to \$14,844 for an estimated fair value of \$0.38 per option. The fair value of the options granted was estimated using the Black-Scholes model with no expected dividend yield, 69% expected volatility, 3.1% risk-free interest rate and a 5-year term. The expected life and expected volatility were estimated by benchmarking comparable companies to the Corporation.

Changes in stock options are as follows:

	Nine months ended September 30, 2022	
	Number of options	Weighted average exercise price
		\$
Balance, beginning	6,935,000	0.51
Granted	4,212,395	0.60
Exercised	(260,000)	0.50
Expired	(1,450,000)	0.53
Balance, end	9,437,395	0.55
Balance, end exercisable	9,404,062	0.55

Stock options outstanding and exercisable as at September 30, 2022 are as follows:

Number of options outstanding	Number of options exercisable	Exercise price	Expiry date
		\$	
1,360,000	1,360,000	0.45	August 22, 2023
1,820,000	1,820,000	0.38	December 31, 2025
100,000	66,667	0.50	September 13, 2026
1,495,000	1,495,000	0.70	December 31, 2026
3,650,000	3,650,000	0.60	January 17, 2027
73,333	73,333	0.75	April 20, 2027
39,062	39,062	0.64	July 14, 2027
900,000	900,000	0.59	December 31, 2027
9,437,395	9,404,062		

Amaroq Minerals Ltd.

Condensed Notes to the interim Consolidated Financial Statements

Three and nine months ended September 30, 2022 and 2021

(Unaudited, in Canadian Dollars)

7. EXPLORATION AND EVALUATION EXPENSES

	Three months ended September 30,		Nine months ended September 30,	
	2022	2021	2022	2021
	\$	\$	\$	\$
Geochemistry	-	517,772	-	517,772
Geology	148,959	1,381,518	954,591	2,087,472
Lodging and on-site support	177,655	167,332	212,910	231,855
Underground work	-	29,929	-	48,518
Drilling	2,427,592	870,296	3,718,119	1,158,056
Analysis	23,246	21,365	164,628	105,946
Geophysics survey	412,624	-	412,624	-
Transport	168,180	12,863	311,395	35,276
Supplies and equipment	143,489	1,997	503,647	1,997
Helicopter charter	484,135	602,189	926,959	711,214
Logistic support	689,739	477,654	791,847	563,769
Insurance	-	32,490	-	41,197
Maintenance infrastructure	706,700	-	2,450,075	-
Project Engineering costs	-	56,573	-	1,792,705
Government fees	2,584	-	10,478	22,766
Exploration and evaluation expenses before depreciation	5,384,903	4,171,978	10,457,273	7,318,543
Depreciation	182,458	24,041	545,919	122,672
Exploration and evaluation expenses	5,567,361	4,196,019	11,003,192	7,441,215

8. GENERAL AND ADMINISTRATION

	Three months ended September 30,		Nine months ended September 30,	
	2022	2021	2022	2021
	\$	\$	\$	\$
Salaries and benefits	557,721	700,186	1,799,488	1,755,147
Director's fees	157,000	235,273	471,000	471,652
Professional fees	783,765	731,888	1,808,377	1,978,837
Marketing and industry involvement	112,174	220,622	414,852	576,954
Insurance	68,784	169,437	274,455	435,779
Travel and other expenses	97,019	847,998	481,589	1,150,363
Regulatory fees	27,288	94,788	105,523	265,018
General and administration before following elements	1,803,751	3,000,192	5,355,284	6,633,750
Stock-based compensation	18,468	-	1,499,028	360,000
Depreciation	37,506	22,546	92,120	67,637
General and administration	1,859,725	3,022,738	6,946,432	7,061,387

Amaroq Minerals Ltd.

Condensed Notes to the interim Consolidated Financial Statements

Three and nine months ended September 30, 2022 and 2021

(Unaudited, in Canadian Dollars)

9. SUBSEQUENT EVENTS

9.1 Acquisition of Significant Strategic Mineral Land Package in South Greenland

On May 12, 2022, the Corporation announced that it has acquired mineral exploration licences No. 2020-41 and 2021-11 (the "Licences") covering areas in South Greenland from Orano Group ("Orano") for zero upfront consideration but in exchange for a 0.5% contractual, gross revenue royalty (GRR), based on potential future sales of minerals exploited on the licences. The GRR is paid annually and capped at US\$10 million ("Royalties Cap"). The Royalties Cap is subject to an annual inflation adjustment, with an ultimate cap limited to the market capitalisation of the Corporation at the time of signature. Orano has a right of first refusal on any sales or transfer of licenses. The acquisition became effective on November 14, 2022 when all related transfer documents were signed by the Government of Greenland.

9.2 ACAM LP Joint Venture

On June 10, 2022, the Corporation announced that it had signed a non-binding head of terms with ACAM LP ("ACAM") to establish a special purpose vehicle (the "SPV") and create a joint venture (the "JV") for the exploration and development of its Strategic Mineral assets for a combined contribution of \$58.0 million (GBP 36.7 million). Subject to negotiation of the final terms of the JV, ACAM will invest \$28.5 million (GBP 18 million) in exchange for a 49% shareholding in the SPV, with Amaroq holding 51%. Amaroq is expected to contribute its strategic non-precious mineral (i.e. non-gold) licences as well as a contribution in kind, valued, in aggregate, at \$29.5 million (GBP 18.7 million) in the form of site support, logistics and overhead costs associated with utilizing its existing infrastructure in Southern Greenland to support the JV's activities. The transfer of these licences is subject to approval from the Greenland Government. An option for further future funding of \$16.0 million (GBP 10.0 million) is also potentially available on the achievement of agreed milestones. The final documentation of the deal was executed on October 19, 2022 and the initial funding is expected in Q1 2023 subject to certain regulatory conditions precedent.

9.3 Fundraising and First North Listing

On November 3, 2022, the Corporation successfully completed a capital fundraising as well as a listing on the Nasdaq First North Growth Iceland Exchange. The Corporation completed the fundraising by issuing 85,714,285 common shares at a price of GBP 0.35, \$0.54 or ISK 56.77 per share, for a gross proceeds to the Corporation of \$46,162,053.

The Fundraising is complemented by the joint venture between the Corporation and ACAM, announced on June 10, 2022 and finalized on October 19, 2022 under which the Corporation will establish a strategic mineral focused exploration subsidiary to hold certain licences in which the majority of resource is expected to relate to non-gold minerals. In addition to the Fundraising, the Corporation has now executed final documentation in relation to the ACAM joint venture, with closing and receipt of the initial \$28.5 million (GBP 18 million) funding now only subject to certain regulatory conditions precedent, and is expected to close in Q1 2023.

Arion Bank hf. and Landsbankinn hf. acted as agents in connection with the Icelandic Fundraising. In consideration for their services, the agents received a cash commission equal to \$1,668,318. Stifel Nicolaus Europe Limited ("Stifel") acted as sole bookrunner, nominated adviser and broker on the UK Placing and Panmure Gordon (UK) Limited ("Panmure Gordon"; together with Stifel, the "UK Banks") acted as manager and broker in relation to the UK Placing. In consideration for their services, they received a cash commission equal to \$451,311.

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