

ARCTIC FOX VENTURES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Three Months Ended September 30, 2022

ARCTIC FOX VENTURES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2022

This Management's Discussion and Analysis ("MD&A") of Arctic Fox Ventures Inc. ("Arctic" or the "Company"), prepared as of November 29, 2022, should be read in conjunction with the interim financial statements and the notes thereto for the period ended September 30, 2022 which were prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are expressed in Canadian dollars unless otherwise indicated.

This MD&A contains certain forward-looking statements and information relating to the Company that is based on the beliefs of its management as well as assumptions made by and information currently available to the Company. When used in this document, the words "may", "will", "anticipate", "plan", "intend", "estimate", "project", "continue", "believe", "estimate", "expect" and similar forward-looking terminology, as they relate to the Company or its management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital and the estimated cost and availability of funding for the continued operation of the Company. Such statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

Although management believes that the expectations reflected in such forward-looking statements are reasonable, all forward-looking statements address matters that involve known and unknown risks, uncertainties and other factors and should not be read as guarantees of future performance or results. Accordingly, there are or will be a number of significant factors which could cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Factors that could cause actual future results, performance or achievements to differ materially include, but are not limited to, our limited operating history, our reliance on key personnel, future capital needs, dependence on proprietary technology and limited protection thereof and general economic trends and international risk. The Company is subject to significant risks and any past performance is no guarantee of future performance. The Company cannot predict all of the risk factors, nor can it assess the impact, if any, of such risk factors on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those projected in any forward-looking statements. Accordingly, forward-looking statements should not be relied upon as a prediction of actual results. This MD&A offers a brief overview of some of the risk factors to be considered in relation to the Company's business. This list may not be exhaustive and new risk factors may emerge from time to time. We disclaim any intention or obligation to publicly update or revise any forward-looking statements after distribution of this MD&A, whether as a result of new information, future events or other circumstances, except as may be required pursuant to applicable securities laws.

DESCRIPTION OF BUSINESS

Arctic Fox Interactive Ltd. (the "Company") was incorporated pursuant to the provisions of the Business Corporations Act (British Columbia) on February 19, 2013. On November 23, 2020, the Company changed its name to Arctic Fox Ventures Inc.

On June 4, 2021 the Company's common shares were listed for trading on the Canadian Securities Exchange. The Company started trading under the trading symbol "AFX".

The Company is a junior mining exploration company. Its current focus is on mineral exploration of its Spius Property as described below under "Spius Property", along with continuing to identify and potentially acquire additional property interests, assess their potential, and engage in exploration activities. The Company's head office is located at Suite 905, 1030 West Georgia Street, Vancouver, BC, V6E 2Y3.

ARCTIC FOX VENTURES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2022

The Company was a technology company that was engaged in the development and potential subsequent commercialization of apps in the mobile gaming industry, and has one game currently in operation. The Company intends to divest itself of this asset and concentrate its efforts on the mineral exploration of its Spius Property.

Since inception on game development the Company has produced its initial gaming app, "After: The Lawless", a multiplayer online role-playing game that has been designed to be easily scaled to be played on Apple devices. After currently allows players to engage with each other and with the game itself. Players are able to interact and join other players in certain activities in the game. The Company will look at divesting itself of this app and put its resources to develop the mineral exploration of its Spius Property.

SPIUS PROPERTY

	\$
<i>Acquisition costs:</i>	
Balance, June 30, 2022	35,000
Additions	—
Balance, September 30, 2022	35,000
<i>Exploration costs:</i>	
Balance, June 30, 2022	127,976
Assays	—
Drilling	—
Geological	—
Balance, September 30, 2022	127,976
Net carrying value, June 30, 2022	162,976
Net carrying value, September 30, 2022	162,976

On October 20, 2020 (as amended on December 27, 2021, June 23, 2022, and September 29, 2022), the Company entered into a mineral property option agreement whereby the Company has the right to earn a 60% interest in certain mineral claims located in the Nicola and New Westminster Mining Districts in British Columbia, Canada.

To earn this interest, the Company is to make cash payments totalling \$60,000, issue a total of 1,000,000 common shares, and incur exploration expenditures on the property aggregating \$550,000 as follows:

Cash consideration to be paid:

- \$15,000 to be paid within 5 business days of the Company being listed on the TSX Venture Exchange or the Canadian Securities Exchange ("Listing Date") (paid);
- a further \$15,000 on or before December 31, 2023 and
- a further \$30,000 on or before December 31, 2024.

Common shares to be issued:

- 200,000 shares within 10 days of the Listing Date (issued);
- a further 200,000 shares on or before December 31, 2023 and
- a further 600,000 shares on or before December 31, 2024.

Exploration expenditures to be incurred:

- \$150,000 on or before December 31, 2023; and
- \$550,000 in aggregate on or before December 31, 2024.

ARCTIC FOX VENTURES INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2022

RESULTS OF OPERATIONS

For the period ended September 30, 2022, the Company had a net loss of \$27,278 compared to \$31,963 for the period ended September 30, 2021. The decrease is mainly due to a decrease in travel and promotion expenses.

LIQUIDITY AND CAPITAL RESOURCES

As at September 30, 2022, the Company had cash of \$621 (June 30, 2022 - \$10,701). As at September 30, 2022, the Company had a working capital deficit of \$10,370 (working capital of \$16,908 as at June 30, 2022).

The Company may have capital requirements in excess of its currently available resources. In the event the Company's plans change, its assumptions change or prove inaccurate, or its capital resources in addition to projected cash flow, if any, prove to be insufficient to fund operations, the Company may be required to seek additional financing. There can be no assurance that the Company will have sufficient financing to meet its future capital requirements or that additional financing will be available on terms acceptable to the Company in the future.

Three months ended September 30, 2022:

Operating activities

For the three months ended September 30, 2022, the Company's operating activities used cash of \$19,080 compared to \$92,184 for the three months ended September 30, 2021.

Investing activities

For the three months ended September 30, 2022, the Company used cash of \$Nil for exploration and evaluation of asset expenditures compared to \$606 for the three months ended September 30, 2021.

Financing activities

For the three months ended September 30, 2022, the Company was provided cash of \$9,000 compared to cash of \$Nil from financing activities for the three months ended September 30, 2021.

Capital Management

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of cash and equity comprised of issued capital.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances. The Company is not subject to externally imposed capital requirements.

OFF BALANCE SHEET ARRANGEMENTS

The Company does not utilize off-balance sheet arrangements.

ARCTIC FOX VENTURES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2022

TRANSACTIONS WITH RELATED PARTIES

During the period ended September 30, 2022, the Company was involved in the following related party transactions:

- (a) As at September 30, 2022, the amount of \$2,319 (June 30, 2022 - \$4,475) included in accounts payable and accrued liabilities is owed to the President of the Company.
- (b) During the period ended September 30, 2022, the amount of \$9,000 (2021 – \$9,000) was incurred to a company controlled by the Chief Executive Officer of the Company for management fees.
- (c) During the period ended September 30, 2022, the amount of \$9,000 (2021 - \$9,000) was incurred to a company controlled by the Chief Executive Officer and the Chief Financial Officer of the Company for rent and administration fees.
- (d) During the period ended September 30, 2022, the amount of \$6,000 (2021 - \$6,000) was incurred to a company controlled by the Chief Financial Officer of the Company for professional fees. (d)

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

(a) Fair Values

Fair value measurements are classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair values of financial instruments, which includes cash, and accounts payable and accrued liabilities, approximate their carrying values due to the relatively short-term maturity of these instruments.

(b) Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash with a high credit quality financial institution. The carrying amount of financial assets represents the maximum credit exposure.

(c) Foreign Exchange Rate Risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. The Company is not exposed to any significant foreign exchange rate risk.

(d) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk as it does not have any liabilities with variable rates.

(e) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs.

ARCTIC FOX VENTURES INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2022

(f) Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

RECENT ACCOUNTING STANDARDS

A number of new standards, and amendments to standards and interpretations, are not yet effective for the period ended September 30, 2022, and have not been early adopted in preparing these condensed financial statements. These new standards, and amendments to standards and interpretations are either not applicable or are not expected to have a significant impact on the Company's financial statements.

ADDITIONAL DISCLOSURE FOR COMPANIES WITHOUT SIGNIFICANT REVENUE

An analysis of material components of the Company's general and administrative expenses is disclosed in the audited financial statements for the year ended June 30, 2022 to which this MD&A relates.

DISCLOSURE OF OUTSTANDING SHARE DATA

Share Capital

As at November 29, 2022, the Company had 27,473,416 shares issued and outstanding.

Share Purchase Warrants

As at November 29, 2022, the Company had 805,000 share purchase warrants outstanding.

Stock Options

As at November 29, 2022, the Company had no stock options outstanding.

RISK FACTORS

Coronavirus Pandemic

On March 11, 2020, the World Health Organization declared coronavirus COVID 19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. The impact on the Company has not been significant, but management continues to monitor the situation.

OTHER

Additional disclosures pertaining to the Company's material change reports, press releases, and other information are available on the SEDAR website at www.sedar.com.