

ARCTIC FOX MINERALS CORP.

Management's Discussion and Analysis
For the nine months ended September 30, 2022
(Expressed in Canadian Dollars)

ARCTIC FOX MINERALS CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

Introduction

The following Management Discussion and Analysis ("MD&A") of Arctic Fox Minerals Corp. (the "Company" or "Arctic") has been prepared by management, in accordance with the requirements of National Instrument 51-102 ("NI 51-102") as of November 23, 2022 and should be read in conjunction with the condensed interim financial statements for the nine months ended September 30, 2022 and 2021 and audited financial statements for the year ended December 31, 2021 and the related notes contained therein which have been prepared under International Financial Reporting Standards ("IFRS"). The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Company. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

All financial information in this MD&A has been prepared in accordance with IFRS and all dollar amounts are quoted in Canadian Dollars, the reporting and functional currency of the Company, unless specifically noted.

Overview

The Company was incorporated under the *Business Corporations Act* (Ontario) on March 23, 2018 under the name "Fish Purdy Holdings Corp." to operate as a resource exploration company focused on the acquisition and exploration of mineral properties. The Company changed its name to "Melius Capital Corp." on August 24, 2020. The Company changed its name to "Arctic Fox Minerals Corp." on July 8, 2021. The Company's head office is located at 22 Leader Lane, Suite 409, Toronto, Ontario, M5E 0B2, and its registered and records office is located at 22 Leader Lane, Suite 409, Toronto, Ontario, M5E 0B2. The Company has no subsidiaries and does not hold securities in any corporation, partnership, trust or other corporate entity. The Company is currently engaged in the business of mineral exploration of the Up Town Gold Property in the Northwest Territories, Canada (the "**Up Town Gold Property**" or the "**Property**").

The Up Town Gold Property is approximately three kilometers north of the city of Yellowknife, and geographically centered at 62°30' North latitude and 114°24' West longitude. The property is comprised of six mineral claims, totaling 3,267.24 hectares. The claims are located on 1:50,000 NTS map sheets 85J/08 and 85J/09. The property was initially staked by Panarc Resources Ltd. to cover gold showings that occur in intrusive rocks adjacent to the Yellowknife greenstone belt; a deposit model similar to the Granny Smith and Woodcutters Goldfield deposits in Australia, and the Renabie, Perron, Hammond Reef, and Cote Lake deposits in Canada.

2021 Exploration Summary

Prior to the Company's public listing in June of 2022, the Company conducted a winter drill program between October 5th - 31st, 2021 to further define and identify new zones of gold mineralization at the Property. A total of 976 metres was drilled in 20 diamond drill holes, from which 240 samples were collected for geochemical analysis. Drill core was logged and sampled at a facility in Yellowknife and samples were submitted to ALS Global Labs, an independent and ISO accredited facility (ISO/IEC 17025 and ISO 9001).

Diamond drilling completed in 2021 was designed to test gold-bearing silicified shear zones that have been identified at surface in several areas of the Property. Gold mineralization was intersected in all drill holes, and analytical results from 2021 drill samples compare well with those collected from outcrop at surface, as well as what has been reported historically. To date, sample results are most significant at the Fox South Zone where surface and 2021 drill samples consistently return considerable grades.

Fox South Zone

A total of four holes were drilled from one setup location in 2021 for a total of 208 metres. Drill collars were selected to test the southern extension of previously identified gold-bearing shear zones. Mineralization is most consistent at the Fox South Zone where drill samples returned the highest and most comparable sample grades of any zone. The two most significant intervals in the Fox South Zone were 4.62 g/t Au over 1.61 m, including 0.76 m of 8.79 g/t Au in hole UTG-21-002; and 4.5 g/t Au over 1.69 m, including 8.62 g/t Au over 0.44 m in hole UTG-21-003.

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Significant Events and Overall Performance (continued)

Work completed to date on the Property, both historical and current, demonstrates the potential for the Project. Future work at the Property will focus on further delineation of broader structural zones as these are commonly areas found to contain significant gold mineralization. The company is pleased with results to date and is looking forward to outlining a summer and fall exploration plan for the Property.

For further details from the 2021 drill program, please refer to the Up Town Gold Property Technical Report on SEDAR (www.sedar.com).

The Company is a natural resource company engaged in the acquisition and exploration of mineral properties. The Company is currently in the process of satisfying the terms of an assignment agreement for the option to acquire a 100% interest in the Up Town Mineral Property Assets (the "Up Town Mineral Property Assets"), located in the Northwest Territories. On June 21, 2022, the Company listed on the Canadian Stock Exchange ("CSE") under the ticker FOXY. Capital markets have been seeing an increase in activity during COVID-19 due to the increase in prices of commodities and the Company is aiming to use this opportunity to gain access to sufficient capital to meet exploration budgets through equity issuance.

On February 25, 2021, the Company issued 246,340 common shares at fair value of \$4,927 for services rendered by a consultant of the Company.

On March 23, 2021, the Company issued 3,000,000 common shares at fair value of \$300,000 to Rover Metals Corp. pursuant to the amended Up Town Mineral Property agreement.

On June 23, 2021 the Company closed a private placement and received \$689,100 for 6,891,000 shares issued.

On June 30, 2021, the Company issued 930,000 Common Shares at with a fair value of \$0.10 per share to settle \$93,000 of accounts payable.

On July 22, 2021, the Company issued 2,250,000 common shares upon the exercise of 2,250,000 warrants at \$0.02 per share for proceeds of \$45,000.

On September 24, 2021, the Company issued 3,625,000 common shares upon the exercise of 3,625,000 warrants at \$0.02 per share for proceeds of \$72,500.

On December 30, 2021, the Company issued 323,500 common shares upon the conversion of 323,500 Special Warrants.

On August 29, 2021, the Company closed a private placement and issued 123,500 special warrants (the "Special Warrants") at a price of \$0.10 per Special Warrant for gross proceeds of \$12,350 and it issued 200,000 Special Warrants as compensation in connection with the Offering. The terms of the Special Warrants provide that the Special Warrants will be deemed to be exercised on the earlier of:

- (i) at any time, at the discretion of the Issuer; or
- (ii) upon the issuance by a Canadian securities regulatory authority of a receipt for a final prospectus qualifying the issuance of the common shares upon conversion of the special warrants; or
- (iii) on that date that is 18 months from the date of issuance of the Special Warrants, at which time each Special Warrant shall be automatically exercised into one Common Share, subject to adjustment in certain circumstances, without payment of any additional consideration and without any further action on the part of the holder.

On September 24, 2021, the Company issued 3,625,000 common shares upon the exercise of 3,625,000 warrants at \$0.02 per share for proceeds of \$72,500

On December 30, 2021, the Company issued 323,500 common shares upon the conversion of 323,500 Special Warrants.

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Significant Events and Overall Performance (continued)

On September 7, 2022, the Company issued 4,730,000 common shares at a fair value of \$212,850 to settle debt of \$233,009. The Company recorded a gain of \$20,159 on the settlement of debt.

Up Town Mineral Property Assets

On December 4, 2020, the Company entered into an Assignment and Assumption agreement (the "**Assignment Agreement**") with Rover Metals Corp. ("**Rover**") and Silver Range Resources Ltd. ("**SRR**").

Rover, SRR and Panarc Resources Ltd. ("**Panarc**") are parties to a property option agreement dated September 9, 2016, as amended on August 15, 2017, April 6, 2018, September 5, 2018 and February 18, 2020 (collectively the "**Option Agreement**") pursuant to which SRR granted to Rover an option (the "**First Option**") to acquire a 75% interest in certain mineral claims located in the Northwest Territories (the "**Up Town Mineral Property**" or the "**Property**").

Under the Option Agreement, Rover was also granted a second option (the "**Second Option**") to acquire from SRR the remaining 25% interest in the Up Town Mineral Property upon the exercise of the First Option.

Under the Option Agreement, upon the exercise of the First Option, the Up Town Mineral Property shall become subject to a net smelter royalty return interest of 2% in favour of SRR (the "**NSR**"), which can be reduced to 1% for a cash payment to SRR of \$1,000,000.

Under the Assignment Agreement the Company was required to:

- (i) make a \$50,000 cash payment (paid);
- (ii) issue to Rover, within 25 business days of the closing date, such number of Common Shares of the Company as is equal to \$300,000 divided by the price per share at which Common Shares are offered by the closing date (issued);
- (iii) complete an aggregate \$1,250,000 in Exploration Expenditures (as defined in the Option Agreement) as follows:
 - (1) \$500,000 by June 30, 2021 (extended, as per below); and
 - (2) an additional \$725,000 by June 30, 2022 (amended, as per below).
- (iv) pay an amount of \$120,000 to SRR on or before March 16, 2021 (amended, as per below);
- (v) ensure that all mineral claims, mining leases and other mining interests into which mineral claims may have been converted are and remain in good standing until the later of: (A) one (1) year from the date of the termination of the First Option; or (B) December 16, 2022.

On March 18, 2021, the Company, Rover, and SRR (collectively, the "**Parties**") agreed to amend certain terms of the Assignment Agreement ("**Amending Agreement**") as follows:

- (i) The Company will issue to the Rover, within five days of the execution of the Amending Agreement, three million Common Shares;
- (ii) The Company will complete an aggregate \$1,250,000 in Exploration Expenditures as follows:
 - (1) \$500,000 by December 31, 2021; and
 - (1) an additional \$750,000 by December 31, 2022.
- (iii) The Company will pay the amount of \$120,000 to SRR in two instalments as follows:
 - (1) \$75,000 upon execution of the Amending Agreement (paid in March 2021); and
 - (2) \$45,000 on the earlier of:
 - (A) within 5 days of the Arctic Shares being listed for trading on a Canadian securities exchange; or
 - (B) June 30, 2021.
- (iv) The Company will launch a new second private placement of Arctic Shares within two days of the execution of the Amending Agreement.

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Significant Events and Overall Performance (continued)

On March 23, 2021, the Company issued 3,000,000 shares at fair value of \$300,000 to Rover, to satisfy the terms of the assignment agreement.

As of March 31, 2022, the Company had paid \$50,000 to Rover, as well as the \$75,000 and the remaining \$45,000 to SRR.

On January 11, 2021, the Parties agreed to amend the Assignment Agreement whereby the Company will incur an additional \$750,000 in Exploration Expenditures by June 30, 2023.

Recommended Work Program

Exploration conducted on the Property since 2012 has confirmed several historic gold showings, and has also identified new ones. Gold showings on the Property can be classified into two domains based on their mineral and alteration associations. Both domains are host to numerous north-northwest to north-northeast trending narrow, decimetre to metre-scale, zones of quartz veining and flooding (Covello, 2017). Gold tenor within these mineralized zones has been shown to contain significant gold grades over decimetre-scale widths, up to several tens of grams per tonne.

Future exploration on the Property should focus on reconciling zones of small and somewhat discontinuous zones of mineralization within shears exposed in outcropping bedrock with larger coherent mineralized orebodies. Outcrop exposure on the Property is characterized by extensive areas of continuous outcrop, particularly in the 'Lode Gold Domain', separated by swamps or lakes up to several hundred metres wide. If broader zones of structural failure-related gold mineralization are to be found, it will be within overburden-covered areas where softer less competent rocks may be more likely to occur. Future exploration should focus on these areas.

Several mineral showings have been identified at the Property, several which were drilled during the 2021 drill campaign. A series of sulphide-rich shear zones were drilled and sampled for analysis. Elevated sulphides content noted during logging suggests that an IP survey would be a favourable tool to define new drill targets in the area, specifically at the Fox South zone. The IP survey grid should be located south of the 2021 drilling to prioritize drill targets to the south of the 2021 drill collars. Other IP targets include the No. 22 Vein and north of the J7 Zone.

A program consisting of targeted Induced Polarization geophysics and diamond drilling was recommended. A budget of CDN\$100,000 is recommended to conduct the first phase of exploration at the Up Town Gold Property.

Diamond drilling is recommended at all zones on the property, as well as the IP geophysics at the Fox South Zone, this information, together with findings from a final LiDAR interpretation should be used to prioritize zones and refine the ongoing exploration strategy.

Recommended Phases and Estimated Budget

<u>Exploration Phase</u>	<u>Estimated Budget CDN</u>
Phase I: Induced Polarization Survey (Fox South Zone)	\$100,000
Phase II: Diamond Drilling (est. 1,500 m inclusive)	\$650,000
Total Estimated Budget	\$750,000

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Recommended Work Program (continued)

Program payment was executed through a series of advances from the Company to the Aurora Geosciences who provided the program management for the work to be performed. These advances are held in a Royal Bank of Canada Trust account (“RBC Trust”). Payments from the RBC Trust were approved by the Company based on Invoices received from Aurora Geosciences. Of the \$590,000 advanced by the Company, \$579,406 of expenditures were incurred up to September 30, 2022. There is a balance of \$10,594; sufficient to fund the remaining objectives from 2021.

Diamond drilling was completed October 31, 2021 and samples were analyzed and updated in the NI 43-101 and shared with the securities commission as of May 2022.

The work completed will be indicative of where the next set of drill campaigns are to be positioned and any further grab or trench samples to be conducted on trend. The company expects to fulfil and/or exceed its Assignment Agreement option agreement obligation by July 2023 as per last amendment to the agreement that is dated January 2022. Results from the two seasons of drilling will allow the management team to decide on the next steps that will identify zones of focus towards development.

Unless stated otherwise, the information in this section is summarized, compiled or extracted from the Technical Report. The Technical Report was prepared in accordance with NI 43-101 and has been filed with the securities regulatory authorities in Ontario.

Portions of the following information are based on assumptions, qualifications and procedures which are not fully described herein. The Technical Report is available for review under the Company’s profile on the SEDAR website at www.sedar.com.

Results of Operations

For the nine months ended September 30, 2022

During the nine months ended September 30, 2022 (“2022”) the Company reported a net loss of \$487,910 compared to \$445,875 for the nine months ended September 30, 2021 (“2021”), an increase in loss of \$256,824. The loss is primarily comprised of the following:

- (a) Interest expense of \$Nil in 2022 (2021 - \$677). The decrease was the result of repaying the promissory note during 2021.
- (a) Consulting expense of \$276,000 in 2022 (2021 - \$137,222). This increase was a result of the Company incurring additional fees for services rendered during 2022. The Company remains mindful of its cash preservation strategy.
- (b) Filing expenses in of \$27,497 in 2022 (2021 - \$11,066). This increase was the result of the costs associated with the listing process under the CSE. On June 21, 2022, the Company successfully listed on the CSE under the stock ticker symbol “FOXY.” The Company had not undertaken any of these activities prior to listing on the CSE.
- (c) Management fees of \$36,000 (2021 - \$Nil). The Company pays or accrues fees from the former CEO and the CFO on a monthly basis.
- (d) Professional fees of \$135,180 in 2022 (2021 - \$43,843). Professional fees are generally in relation to accounting and legal fees and increased during the period as the Company listed on the CSE during the period.
- (e) Investor communication decreased to \$3,714 from \$30,152, as the Company continues to monitor and manage its cash position.
- (f) Share-based compensation of \$Nil in 2022 (2021 - \$86,903). The decrease is due to the result of the Company not issuing any share-based compensation in 2022. In 2021, the Company issued 5,875,000 performance warrants at fair value of \$86,903 on January 11, 2021.
- (g) Non-cash gain on fair value of shares issued for debt settlement of \$20,159 (2021 - \$Nil) relating to the shares issued on September 7, 2022.

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For the three months ended September 30, 2022

During the three months ended September 30, 2022 (“2022”) the Company reported a net loss and comprehensive loss of \$346,403 compared to net income and comprehensive income of \$274,277 for the three months ended September 30, 2021 (“2021”), an increase in loss of \$72,126. The loss is primarily comprised of the following:

- (h) Consulting expense of \$259,500 in 2022 (2021 - \$111,310). This increase was a result of the Company incurring additional fees for services rendered during 2022.
- (i) Filing expenses in of \$2,250 in 2022 (2021 - \$8,151). This decrease was the result of the costs associated with the process of listing fees on the CSE in 2021.
- (j) Management fees of \$9,000 (2021 - \$Nil). The Company pays or accrues fees from the CEO and CFO on a monthly basis.
- (k) Professional fees of \$91,336 in 2022 (2021 - \$17,863). Professional fees are generally in relation to accounting and legal fees and have stayed consistent over 2022 and 2021.
- (l) Investor communication decreased to \$80 from \$1,250, as the Company continues to monitor and manage its cash position.
- (m) Non-cash gain on fair value of shares issued for debt settlement of \$20,159 (2021 - \$Nil) relating to the shares issued on September 7, 2022.

Cash Flow Analysis

Operating Activities

During the nine months ended September 30, 2022, cash used in operating activities was \$184,535 (2021 - \$344,484). Please refer to results of operations for details.

Investing Activities

During the nine months ended September 30, 2022, cash used in investing activities was \$39,663 compared to \$Nil during the period ended September 30, 2021. The increase during the 2022 period is attributed to the expenditure of cash for exploration and evaluation assets.

Financing activities

During the nine months ended September 30, 2022, cash provided by financing activities was \$Nil compared to \$1,078,069 during the period ended September 30, 2021. The decrease is primarily attributed to the \$Nil financing activities in 2022 as compared to the receipt of \$1,086,910 from the issuance of common shares and \$11,159 from the issuance of special warrants that were offset by the repayment of \$20,000 for a related party promissory note in 2021.

Summary of Quarterly Results

	Three months ended September 30, 2022	Three Months Ended June 30, 2022	Three Months Ended March 31, 2022	Three Months Ended December 31, 2021
Total assets	\$ 1,109,922	\$ 1,275,067	\$ 1,287,293	\$ 1,302,437
Working capital	77,887	235,531	340,898	372,451
Loss for the period	(346,403)	(102,249)	(19,099)	(70,461)
Loss per share	(0.00)	(0.00)	(0.00)	(0.00)

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Summary of Quarterly Results (Continued)

	Three Months Ended September 30, 2021	Three Months Ended June 30, 2021	Three Month Ended March 31, 2021	Three Months Ended December 31, 2020
Total assets	\$ 1,302,437	\$ 1,360,958	\$ 764,012	\$ 216,200
Working capital	1,296,853	1,349,471	755,961	158,329
Income (loss) for the period	(274,277)	(28,181)	(98,508)	(157,871)
Loss per share	0.00	(0.00)	(0.00)	(0.00)

During the period ended December 31, 2020, the Company saw an increase in operations including exploration expenditures and incurred consulting expenses evenly throughout the year.

The issuance of shares for cash and prepaid expenses during the three months ended March 31, 2021, increased total assets and working capital for the period. During the three months ended March 31, 2021, the Company maintained increased operations and activity which increased net loss. The issuance of shares for cash in June 2021, increased total assets and working capital at June 30, 2021 as well. Net loss for the three months ended March 31, 2021 increased as a result of \$86,903 of share-based compensation incurred during the period.

Net income during the quarter ended September 30, 2021 increased over all other quarters as the Company further increased operations and added additional consultants to further advance the Company’s directives. Net loss during the quarter ended December 31, 2021 decreased from the previous quarter as the Company reduced consulting expenses. Total assets increased during the quarter ended September 30, 2021 as the Company issued shares for cash proceeds and decreased during the quarter ended December 31, 2021 as the Company used cash from operations.

For the quarter ended March 31, 2022, net assets decreased as a result of cash expended for operations. Net loss for the quarter decreased as the Company decreased operations.

For the quarter ended June 30, 2022, net assets decreased as a result of cash expended for operations. Net loss for the quarter increased as the Company successfully listed on the CSE on June 21, 2022. The Company paid or accrued management fees of \$27,000 and various listing, accounting and legal fees associated with the Company’s listing process.

For the quarter ended September 30, 2022, net assets decreased as a result of cash expended for operations. Net loss for the quarter increased as the Company successfully listed on the CSE on June 21, 2022. The Company paid or accrued management fees of \$9,000, consulting fees of \$259,500 and various listing, accounting and legal fees associated with the Company’s listing process.

Liquidity and Capital Resources

The Company is in the exploration stage and therefore has no cash flow from operations. Its only source of funds since incorporation has been from the sale of Common Shares and Special Warrants. During the years ended December 31, 2021 and 2020, it has raised a total of \$1,328,410 from the sale of common shares and Special Warrants for cash. At September 30, 2022, the Company had current liabilities of \$138,521 comprised mainly of accounts payable and accrued liabilities. At September 30, 2022, the Company had working capital of \$77,887 comprised mainly of cash on hand of \$135,785, \$57,183 of taxes recoverable and prepaid expenses of \$23,440.

The Company is in the process of exploring its mineral property and has not yet determined whether the Property contains mineral reserves that are economically recoverable. The recoverability of the amounts shown for resource properties and related deferred exploration costs are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

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Liquidity and Capital Resources (Continued)

While the information included has been prepared in accordance with IFRS on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future, there are conditions and events that cast significant doubt on the validity of this presumption. The Company's ability to continue as a going concern is dependent upon achieving profitable operations and upon obtaining additional financing. While the Company is making its best efforts in this regard, the outcome of these matters cannot be predicted at this time.

Risk, Uncertainties and Outlook

The business of mineral deposit exploration and extraction involves a high degree of risk. Few properties that are explored ultimately become producing mines. The following risk factors, as well as risks not currently known to the Company, could materially adversely affect the Company's future business, operations and financial condition and could cause them to differ materially from the estimates described in forward-looking statements relating to the Company.

Limited Operating History

The Company has a limited operating history upon which an evaluation of the Company, its current business and its prospects can be based.

Uncertain Liquidity and Capital Resources

For the period from incorporation to September 30, 2022, the Company accumulated losses of \$1,367,048. The Company may need to raise additional capital by way of an offering of equity securities, an offering of debt securities, or by obtaining financing through a bank or other entity. In particular, the Company may not have sufficient funds to complete the recommended exploration program on the Up Town Gold Property. The Company has not established a limit as to the amount of debt it may incur nor has it adopted a ratio of its equity to debt allowance. If the Company needs to obtain additional financing, there is no assurance that financing will be available from any source, that it will be available on terms acceptable to the Company, or that any future offering of securities will be successful. If additional funds are raised through the issuance of equity securities, there may be a significant dilution in the value of the Company's Common Shares. The Company could suffer adverse consequences if it is unable to obtain additional capital which would cast substantial doubt on its ability to continue its operations and growth.

No Known Economic Deposits

The Company is an exploration stage company and cannot give assurance that a commercially viable deposit, or "reserve," exists on any properties for which the Company currently has or may have (through potential future joint venture agreements or acquisitions) an interest. Therefore, determination of the existence of a reserve depends on appropriate and sufficient exploration work and the evaluation of legal, economic, and environmental factors. If the Company fails to find a commercially viable deposit on any of its properties, its financial condition and results of operations will be materially adversely affected.

Fluctuations in Metal Prices

Factors beyond the Company's control may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years. The effect of these factors on the Company's exploration activities cannot be predicted. For example, gold prices are affected by numerous factors including central bank sales, producer hedging activities, the relative exchange rate of the U.S. dollar with other major currencies, global and regional demand and political and economic conditions. Worldwide gold production levels also affect gold prices. As well, the price of gold has on occasion been subject to rapid short-term changes due to speculative activities.

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Risk, Uncertainties and Outlook (continued)

Title Risk

The Company cannot guarantee that title to its mineral properties will not be challenged. Title insurance is generally not available for mineral properties and the Company's ability to ensure that it has obtained secure claim to individual mineral properties or mining concessions may be severely constrained. The Company's mineral properties may be subject to prior unregistered agreements, transfers or claims, and title may be affected by, among other things, undetected defects. The Company has not conducted surveys of all of the claims in which it holds direct or indirect interests. A successful challenge to the precise area and location of these claims could result in the Company being unable to operate on its properties as permitted or being unable to enforce its rights with respect to its properties.

First Nations Land Claims

First Nations rights may be claimed on Crown properties or other types of tenure with respect to which mining rights have been conferred. The Supreme Court of Canada's 2014 decision in *Tsilhqot'in Nation v. British Columbia* marked the first time in Canadian history that a court has declared First Nations title to lands outside of a reserve. The Company is not aware of any First Nations land claims having been asserted or any legal actions relating to native issues having been instituted with respect to any of the land which is covered by the Up Town Gold Mineral Property. The legal basis of a land claim is a matter of considerable legal complexity and the impact of a land claim settlement and self-government agreements cannot be predicted with certainty. In the event that First Nations title is asserted and proved on the Up Town Gold Property, provincial and federal laws will continue to be valid provided that any infringements of First Nations title, including mining and exploration, are either consented to by First Nations groups or are justified. However, no assurance can be given that a broad recognition of First Nations rights by way of a negotiated settlement or judicial pronouncement would not have an adverse effect on the Company's activities. Such impact could be marked and, in certain circumstances, could delay or even prevent the Company's exploration or mining activities.

Land Use Approvals and Permits

The proposed exploration program described in the Technical Report is expected to include exploration work for which land use approvals or permits must be obtained from the Northwest Territories government. The Company cannot guarantee that it will be able to obtain all such approvals or permits in a timely manner or at all, and any delay or failure to receive any required land use approvals or permits could negatively impact the Company's future exploration of the Up Town Gold Property.

Influence of Third-Party Stakeholders

The Property or the roads or other means of access which the Company intends to utilize in carrying out its work programs or general business mandates on the Property may be subject to interests or claims by third party individuals, groups or companies. In the event that such third parties assert any claims, the Company's work programs may be delayed even if such claims are not meritorious. Such delays may result in significant financial loss and loss of opportunity for the Company.

Uninsurable Risks

Exploration, development and production of mineral properties is subject to certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. It is not always possible to insure fully against such risks and we may decide not to take out insurance against such risks as a result of high premiums or for other reasons. Should such liabilities arise, they could have an adverse impact on our operations and could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company.

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Risk, Uncertainties and Outlook (continued)

Exploration and Development Risk

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits which, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital.

Substantial expenditures are required to establish ore reserves through drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities and grades to justify commercial operations or that funds required for development can be obtained on a timely basis. Estimates of reserves, mineral deposits and production costs can also be affected by such factors as environmental permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. In addition, the grade of ore ultimately mined may differ from that indicated by drilling results. Short term factors relating to reserves, such as the need for orderly development of ore bodies or the processing of new or different grades, may also have an adverse effect on mining operations and on the results of operations. Material changes in ore reserves, grades, stripping ratios or recovery rates may affect the economic viability of any project.

Environmental Laws and Regulations

The Company's operations are subject to environmental regulations in the jurisdictions in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations.

The operations of the Company including exploration and any development activities or commencement of production on its properties, require permits from various federal, provincial and local governmental authorities and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. To the extent that such approvals are required and not obtained, the Company may be delayed or prohibited from proceeding with planned exploration or development of its mineral properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or to be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

**ARCTIC FOX MINERALS CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022**

Risk, Uncertainties and Outlook (continued)

Exploration and mining operations involve a potential risk of releases to soil, surface water and groundwater of metals, chemicals, fuels, liquids having acidic properties and other contaminants. In recent years, regulatory requirements and improved technology have significantly reduced those risks. However, those risks have not been eliminated, and the risk of environmental contamination from present and past exploration or mining activities exists for mining companies. The Company may be liable for environmental contamination and natural resource damages relating to the Property that occurred before the Company owned the Property. No assurance can be given that potential liabilities for such contamination or damages caused by past activities at these properties do not exist.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or require abandonment or delays in development of new mining properties.

Competition

Significant and increasing competition exists for the limited number of mineral acquisition opportunities available. As a result of this competition, some of which is with large established mining companies with substantial capabilities and greater financial and technical resources than the Company, the Company may be unable to acquire attractive mineral properties on terms it considers acceptable. The Company also competes with other companies for the recruitment and retention of qualified employees and other personnel.

Management

The Company's prospects depend in part on the ability of its senior management and directors to operate effectively and the loss of the services of such persons could have a material adverse effect on the Company. To manage its growth, the Company may have to attract and retain additional highly qualified management, financial and technical personnel and continue to implement and improve operational, financial and management information systems. The Company does not have key man insurance in place in respect of any of its directors or officers.

Option Agreement Obligations

The Amending Agreement provides that the Company must make a series of payments in cash over certain time periods and expend certain minimum amounts on the exploration of the Property. If the Company fails to make such payments or expenditures in a timely fashion, the Company may lose its interest in the Property.

Conflicts of Interest

Certain directors and officers of the Company are, and may continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. In particular, the CEO and CFO of the Company will only be devoting 50% and 25% of their time, respectively, to the business and affairs of the Company. Situations may arise in connection with potential acquisitions or investments where the other interests of these directors and officers may conflict with the interests of the Company. Directors and officers of the Company with conflicts of interest will be subject to and will follow the procedures set out in applicable corporate and securities legislation, regulations, rules and policies.

Dividends

The Company has not declared or paid any dividends on its common shares and does not currently have a policy on the payment of dividends. For the foreseeable future, the Company anticipates that it will retain future earnings and other cash resources for the operation and developments of its business. The payment of any future dividends will depend upon earnings and the Company's financial condition, current and anticipated cash needs and such other factors as the directors of the Company consider appropriate.

**ARCTIC FOX MINERALS CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022**

Risk, Uncertainties and Outlook (continued)

Estimates and Assumptions

Preparation of its financial statements requires the Company to use estimates and assumptions. Accounting for estimates requires the Company to use its judgment to determine the amount to be recorded on its financial statements in connection with these estimates. If the estimates and assumptions are inaccurate, the Company could be required to write down its recorded values. On an ongoing basis, the Company re-evaluates its estimates and assumptions. However, the actual amounts could differ from those based on estimates and assumptions.

Costs and Compliance Risks

Legal, accounting and other expenses associated with public company reporting requirements are significant. The Company anticipates that costs may increase with corporate governance related requirements, including, without limitation, requirements under National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*, National Instrument 52-110 – *Audit Committees* and National Instrument 58-101 – *Disclosure of Corporate Governance Practices*.

The Company also expects these rules and regulations may make it more difficult and more expensive for it to obtain director and officer liability insurance, and it may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for the Company to attract and retain qualified individuals to serve on its board of directors or as executive officers.

COVID-19 Outbreak

In December 2019, COVID-19 emerged in Wuhan, China. Since then, it has spread to several other countries and infections have been reported around the world. On March 11, 2020, the World Health Organization declared the outbreak of COVID-19 a global pandemic. In response to the outbreak, governmental authorities in Canada and internationally have introduced various recommendations and measures to try to limit the pandemic, including travel restrictions, border closures, non-essential business closures, quarantines, self-isolations, shelters-in-place and social distancing. The COVID-19 outbreak and the response of governmental authorities to try to limit it are having a significant impact on the private sector and individuals, including unprecedented business, employment and economic disruptions. The continued spread of COVID-19 nationally and globally could have an adverse impact on our business, operations and financial results. In response to the COVID-19 pandemic, the Company has implemented precautionary measures at its corporate office, including limiting visits to essential personnel and ensuring proper protocols around sanitation and social distancing.

The outbreak of COVID-19 may cause disruptions to the Company's business and operational plans. These disruptions may include disruptions resulting from (i) shortages of employees, (ii) unavailability of contractors and subcontractors, (iii) interruption of supplies from third parties upon which the Company relies, (iv) restrictions that governments impose to address the COVID-19 pandemic, and (v) restrictions that the Company and its contractors and subcontractors impose to ensure the safety of employees and others. Further, it is presently not possible to predict the extent or durations of these disruptions. These disruptions may have a material adverse effect on the Company's business, financial condition and results of operations. Such adverse effect could be rapid and unexpected. These disruptions may severely impact the Company's ability to carry out its business plans for 2022 in accordance with the use of proceeds section above.

Contingencies

The Company has no contingencies as at the date of this MD&A.

Off-Balance Sheet Arrangements

The Company has no off-Balance Sheet arrangements as at the date of this MD&A.

**ARCTIC FOX MINERALS CORP.
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022**

Risk, Uncertainties and Outlook (continued)

Related Party Transactions

The officers and directors of the Company are as follows:

Robert Gietl	CEO, President and Secretary
Mike Hudson	CFO and Director
Paul Chung	Director
Jessica Patterson	Director
Milos Masnikosa	Director
Robert Davies	Director
Dixon Lawson	Former CEO, President and Secretary

Included in promissory note at September 30, 2022 is \$2,050 (December 31, 2021 - \$2,050) owing to a shareholder and former director of the Company.

At September 30, 2022, amounts owing to the former CEO and the CFO of the Company was \$23,175 (December 31, 2021 - \$4,725) and \$4,000, respectively, were included in accounts payable and accrued liabilities.

During the period ended September 30, 2022 and 2021, the Company entered into the following transactions with key management personnel, which include the officers and directors, of the Company.

	For the period ended September 30, 2022	For the period ended September 30, 2021
	\$	\$
Management fees	36,000	-
Consulting services	4,500	24,485
Total	40,500	24,485

Proposed Transactions

There are no proposed transactions.

Critical accounting estimates

By definition the Company is a venture issuer and as such utilizes limited critical accounting estimates.

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to establish accounting policies and to make estimates that affect both the amount and timing of the recording of assets, liabilities and expenses. Some of these estimates require judgment about matters that are inherently uncertain.

Estimates and assumptions where there are significant risks of material adjustments to assets and liabilities in future accounting periods include share-based awards and payments and fair value measurements for financial instruments.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to the inputs used in accounting for share-based payments; and the inputs used in determining the recoverable amount of assets that are considered impaired.

**ARCTIC FOX MINERALS CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022**

Changes in Accounting Policies including Initial Adoption

Accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

Financial Instruments and Other Instruments

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments include cash, accounts payable and accrued liabilities, and promissory note. The carrying value of accounts payable and accrued liabilities, and the promissory note approximate their respective fair values due to the short-term to maturity of these financial instruments. Cash is measured based on Level 1 of the fair value hierarchy. There were no transfers between levels in the fair value hierarchy.

The Company's financial instruments are exposed to certain financial risks and the risk exposure is summarized as follows:

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's maximum exposure to credit risk is the carrying amount of cash and taxes recoverable. Cash totaled \$135,785 and taxes recoverable totaled \$57,183 as at September 30, 2022. As all of the Company's cash is held either in a trust bank account with the Company's legal firm or at a high-credit quality Canadian financial institution, management believes that there is minimal credit risk.

Currency Risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company's functional currency is the Canadian dollar. The Company does not have transactions denominated in foreign currencies, therefore it is not exposed to currency risk. The Company's cash is held in Canadian dollars.

Interest Rate Risk

Interest rate risk is the risk related to the fair value or future cash payments of interest-bearing financial instruments due to changes in interest rates. The Company has interest-bearing debt with fixed rates; therefore, management believes that the Company's exposure to interest rate risk is minimal.

Liquidity Risk

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash balances. As at September 30, 2022, the Company had cash of \$135,785 to cover current liabilities of \$138,521.

**ARCTIC FOX MINERALS CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022**

Other Requirements

Outstanding Share Data

As of the date of this MD&A,

- a) 75,086,340 common shares outstanding;
- b) Nil stock options outstanding; and
- c) Nil share purchase warrants outstanding; and
- d) Nil special warrants outstanding.

Disclaimer

The information provided in this document is not intended to be a comprehensive review of all matters concerning the Company. It should be read in conjunction with all other disclosure documents provided by the Company, which can be accessed at www.SEDAR.com. No securities commission or regulatory authority has reviewed the accuracy or adequacy of the information presented herein.

Forward-Looking Statements

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 “anticipate”, “believe”, “estimate”, “expect” and similar expressions, 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, amongst other things, regulatory compliance and the sufficiency of current working capital. 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. Aside from factors identified in the annual MD&A, additional, important factors, if any, are identified here.

The Company does not have a history of earnings. These statements represent management's expectations or beliefs concerning, among other things, future performance and financial results and various components thereof. Readers are cautioned not to place undue reliance on forward-looking information because it is possible that predictions, forecasts, projections and other forms of forward-looking assumptions will not be achieved by the Corporation. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, including but not limited to: changes in business strategies; general economic and business conditions; the effects of competition; changes in laws and regulations, including environmental and regulatory laws; and various events that could disrupt operations. Actual performance and financial results in future periods may differ materially from any projections of future performance or results expressed or implied by forward-looking statements.

The Company undertakes no obligation to update publicly or otherwise revise any forward-looking information, whether as a result of new information, future events or otherwise, or the foregoing list of factors affecting such information.