

FORM 5

QUARTERLY LISTING STATEMENT

Name of Listed Issuer: Arctic Fox Minerals Corp. (the "Issuer").

Trading Symbol: FOXY

This Quarterly Listing Statement must be posted on or before the day on which the Issuer's unaudited interim financial statements are to be filed under the *Securities Act*, or, if no interim statements are required to be filed for the quarter, within 60 days of the end of the Issuer's first, second and First fiscal quarters. This statement is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the Exchange Policies. If material information became known and was reported during the preceding quarter to which this statement relates, management is encouraged to also make reference in this statement to the material information, the news release date and the posting date on the Exchange website.

General Instructions

- (a) Prepare this Quarterly Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Listed Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

There are three schedules which must be attached to this report as follows:

SCHEDULE A: FINANCIAL STATEMENTS

Financial statements are required as follows:

For the first, second and third financial quarters interim financial statements prepared in accordance with the requirements under Ontario securities law must be attached.

If the Issuer is exempt from filing certain interim financial statements, give the date of the exempting order.

Second quarter ended June 30, 2022. Unaudited condensed interim consolidated financial statements of the Issuer for the six-month period ended June 30, 2022, as filed

with securities regulatory authorities, are attached to this Form 5 – Quarterly Listing Statement as Appendix A.

SCHEDULE B: SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in Schedule A.

1. Related party transactions

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

- (a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.
- (b) A description of the transaction(s), including those for which no amount has been recorded.
- (c) The recorded amount of the transactions classified by financial statement category.
- (d) The amounts due to or from Related Persons and the terms and conditions relating thereto.
- (e) Contractual obligations with Related Persons, separate from other contractual obligations.
- (f) Contingencies involving Related Persons, separate from other contingencies.

With respect to related party transactions for information supplementary to that contained in the notes to the unaudited condensed interim consolidated financial statements, which are attached hereto, please refer to Management's Discussion & Analysis for the six-month period ended June 30, 2022, as filed with securities regulatory authorities and attached to this Form 5 – Quarterly Listing Statement as Appendix B.

2. Summary of securities issued and options granted during the period.

Provide the following information for the period beginning on the date of the last Listing Statement (Form 2A):

(a) summary of securities issued during the period,

The following securities were issued during the period of April 1, 2022 to June 30, 2022:

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid
No securities were issued during the period of April 1, 2022 to June 30, 2022								

(b) summary of options granted during the period of April 1, 2022 to June 30, 2022:

Date	Number	Name of Optionee if Related Person and relationship	Generic description of other Optionees	Exercise Price	Expiry Date	Market Price on date of Grant
No stock options were issued during the period of April 1, 2022 to June 30, 2022						

3. Summary of securities as at the end of the reporting period.

Provide the following information in tabular format as at the end of the reporting period:

(a) description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,

As at June 30, 2022, the authorized capital of the Issuer consisted of an unlimited number of common shares without par value, and without any special rights or restrictions, of which 70,356,340 common shares were issued and outstanding; and an unlimited number of preferred shares, issuable in series with special rights or restrictions attached, none of which were issued.

The holders of common shares are entitled to receive notice of and to attend all meetings of the shareholders of the Issuer and are entitled to one vote in respect of each common share held at such meetings. Subject to the rights, if any at the time, of shareholders holding shares with special rights as to dividends (none of which are authorized or outstanding at the date of this Quarterly Listing Statement), holders of common shares of the Issuer are entitled to dividends as and when declared by the directors. Subject to the rights of holders of any shares ranking in priority to or on a parity with the common shares, the holders of common shares are entitled to participate ratably in any distribution of property or assets upon the liquidation, winding-up or other dissolution of the Issuer.

The preferred shares may be issued from time to time in one or more series and the directors of the Issuer may, by resolution, fix the number of shares in, and determine the designation of the shares of, each series and create, define and attach special rights and restrictions to the shares of each series. Upon the liquidation, dissolution or winding-up of the affairs of the Issuer, holders of preferred shares shall be entitled to receive, before any distribution shall be made to holders of common shares or other shares of the Issuer then ranking junior to the preferred shares, repayment of capital and, if applicable, premiums and dividends.

(b) number and recorded value for shares issued and outstanding,

Date	Number of common shares	Recorded value of common shares
As at June 30, 2022	70,356,340	\$2,125,599

(c) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and

The Company adopted a 10% rolling stock option plan (the "Option Plan"). Options granted under the Option Plan may have a maximum term of 10 years. The exercise price of options granted under the Option Plan shall be determined by the Company's directors, provided that such price shall not be lower than the closing share price on the day before the grant date less the applicable discount permitted under CSE policies. Stock options granted under the Option Plan may be subject to vesting terms that are set at the discretion of the directors at the time of grant.

As at June 30, 2022, the following Options were outstanding:

Date of Grant	Number of Options	Exercise Price	Expiry Date	Recorded Value
Nil				

As at June 30, 2022, the following Warrants were outstanding:

Date of Issue	Number of Warrants	Exercise Price	Expiry Date	Recorded Value
Nil				

Convertible Securities:

As at June 30, 2022, there were no other convertible securities outstanding.

- (d) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

As at June 30, 2022, the following Common shares of the Issuer were subject to a prescribed escrow agreement pursuant to National Policy 46-201:

Designation of class held in escrow	Number of securities held in escrow	Percentage of class
Common shares ⁽¹⁾	2,250,000	3.2%

(1) The escrow agent is the Issuer's transfer Agent, National Securities Administrators Ltd. The Common shares will be released from escrow pursuant to the following schedule:

Schedule	Number of Common shares to be released
Listing Date – June 27, 2022	250,000 (released)
6 months from Listing – December 27, 2022	375,000
12 months from Listing – June 27, 2023	375,000
18 months from Listing – December 27, 2023	375,000
24 months from Listing – June 27, 2024	375,000
30 months from Listing – December 27, 2024	375,000
36 months from Listing – June 27, 2025	375,000

Total released	250,000
Total currently held in escrow	2,250,000

4. List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.

Name of Director/Officer	Position with Issuer
Dixon Lawson	President, CEO, Corporate Secretary
Michael Hudson	Director and CFO
Milos Masnikosa	Director and Audit Committee member
Robert Davies	Director
Paul Chung	Director and Audit Committee member
Jessica Patterson	Director and Audit Committee member

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

Provide Interim MD&A if required by applicable securities legislation.

Management's Discussion & Analysis for the six-month period ended June 30, 2022, as filed with securities regulatory authorities, is attached to this Form 5 - Quarterly Listing Statement as Appendix A.

Certificate of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated August 26, 2022.

Michael Hudson
Name of Director or Senior Officer

“Michael Hudson”
Signature

Chief Financial Officer
Official Capacity

Issuer Details	For Quarter Ended	Date of Report YY/MM/D
Name of Issuer	June 30, 2022	2022/08/26
Arctic Fox Minerals Corp.		
Issuer Address		
Suite 409 – 22 Leader Lane		
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.
Toronto, ON M5E 0B2	(604) 687-3141	(604) 754-8255
Contact Name	Contact Position	Contact Telephone No.
Dixon Lawson	CEO	(604) 754-8255
Contact Email Address	Web Site Address	
Dixon@arcticfoxminerals.com	www.arcticfoxminerals.com	

APPENDIX A

Arctic Fox Minerals Corp.

Financial Statements for the six-month period ended June 30, 2022.

ARCTIC FOX MINERALS CORP.

Condensed Interim Financial Statements

For the six months ended June 30, 2022 and 2021

(Expressed in Canadian Dollars)

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

ARCTIC FOX MINERALS CORP.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(EXPRESSED IN CANADIAN DOLLARS)

	Note	As at June 30, 2022 \$	As at December 31, 2021 \$
ASSETS			
Current assets			
Cash		306,431	359,983
Taxes recoverable		46,508	34,699
Prepaid expenses	4,10	52,705	53,904
Total current assets		405,644	448,586
Exploration and evaluation assets	3	869,423	853,851
TOTAL ASSETS		1,275,067	1,302,437
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	7	168,063	74,085
Promissory note	5	2,050	2,050
TOTAL LIABILITIES		170,113	76,135
SHAREHOLDERS' EQUITY			
Share capital	6	2,125,599	2,125,599
Deficit		(1,020,645)	(899,297)
TOTAL SHAREHOLDERS' EQUITY		1,104,954	1,226,302
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,275,067	1,302,437

Nature and continuance of operations (Note 1)
 Commitments (Note 3, 10)

Approved on behalf of the Board of Directors on August *, 2022:

“Milos Masnikosa”

Director

“Paul Chung”

Director

ARCTIC FOX MINERALS CORP.
CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(EXPRESSED IN CANADIAN DOLLARS)

	Note	For the three months ended,		For the six months ended	
		June 30, 2022 \$	June 30, 2021 \$	June 30, 2022 \$	June 30, 2021 \$
Expenses					
Interest expense		-	-	-	677
Consulting services	6,7	16,000	20,985	16,500	25,912
Filing fees		13,071	2,915	25,247	2,915
Exploration expense		-	-	-	81,498
Management fee		27,000	-	27,000	-
Investor communication		3,634	28,902	3,634	28,902
Professional fees		37,895	19,980	43,844	25,980
Office		4,649	309	5,123	309
Share-based compensation	6	-	-	-	86,903
Net loss and comprehensive loss for the period		(102,249)	(73,091)	(121,348)	(253,096)
Loss and comprehensive loss per share – basic and diluted		(0.00)	(0.00)	(0.00)	(0.01)
Weighted average number of common shares outstanding		70,356,340	56,866,917	70,356,340	45,252,342

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

ARCTIC FOX MINERALS CORP.
CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(EXPRESSED IN CANADIAN DOLLARS)

	Note	Share capital		Share subscriptions \$	Deficit \$	Total \$
		Number of shares #	Amount \$			
Balance at December 31, 2020		38,000,000	521,200	20,000	(382,871)	158,329
Shares issued for cash	6	21,984,500	990,910	(20,000)	-	970,910
Shares issued for consulting services	6	246,340	4,927	-	-	4,927
Shares issued for Up Town acquisition	6	3,000,000	300,000	-	-	300,000
Loss and comprehensive loss for the period		-	-	-	(253,096)	(253,096)
Balance at June 30, 2021		63,227,840	1,817,037	-	(554,469)	1,262,568
Balance at December 31, 2021		70,356,340	2,125,599	-	(899,297)	1,226,302
Loss and comprehensive loss for the period		-	-	-	(121,348)	(121,348)
Balance at June 30, 2022		70,356,340	2,125,599	-	(1,020,645)	1,104,954

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

ARCTIC FOX MINERALS CORP.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(EXPRESSED IN CANADIAN DOLLARS)

For the six months ended,	June 30, 2022	June 30, 2021
	\$	\$
Operating activities		
Net loss for the period	(121,348)	(253,096)
Items not affecting cash:		
Shares issued for consulting services	-	4,927
Share-based compensation	-	86,093
Accrued interest	-	677
Changes in non-cash working capital item:		
Taxes recoverable	(11,809)	-
Prepaid expenses	1,199	(40,422)
Accounts payable and accrued liabilities	93,978	9,437
Net cash used in operating activities	(37,980)	(191,574)
Investing activities		
Investment in exploration and evaluation assets	(15,572)	-
Net cash used in investing activities	(15,572)	-
Financing activities		
Repayment of related party loan	-	(20,000)
Proceeds from private placement	-	921,969
Net cash provided by financing activities	-	901,969
Change in cash	(53,552)	710,395
Cash, beginning of period	359,983	166,200
Cash, end of period	306,431	876,595

Supplemental cash flow information:

Non-Cash Investing and Financing Activities:		
Taxes paid	-	-
Interest paid	-	-
Warrants issued for services	-	86,903

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

ARCTIC FOX MINERALS CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2022 AND 2021
(EXPRESSED IN CANADIAN DOLLARS)

1. Nature and continuance of operations

Arctic Fox Minerals Corp. (formerly Melius Capital Corp.) (“Arctic” or the “Company”) was incorporated under the laws of the province of Ontario, Canada, and its principal activity is the acquisition and exploration of exploration and evaluation assets in Canada. The Company is in the process of acquiring a 100% interest in the Up Town Mineral Property located in the Northwest Territories (Note 3). On June 21, 2022, the Company listed on the Canadian Securities Exchange (“CSE”) under the ticker FOXY.

The head office and registered office of the Company are located at 409 – 22 Leader Lane, Toronto, Ontario, Canada, M5E 0B2.

These condensed interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. The Company has substantial financial commitments in respect of the Up Town Mineral Property described in Note 3. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. As at June 30, 2022, the Company is in the process of completing share issuances to finance operations. The Company’s continuation as a going concern is dependent upon its ability to seek and acquire exploration properties, and its ability to attain profitable operations and generate funds therefrom and/or raise equity capital or borrowings sufficient to meet current and future obligations. Management intends to finance operating costs and fund its exploration activities over the next twelve months with proceeds from private placement(s) of common shares and/or loans from directors and companies controlled by directors.

In March 2020, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put (or put back), in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, the longer the pandemic continues we anticipate this might increase the difficulty in capital raising, which may negatively impact the Company’s business and financial condition.

These events and conditions give rise to a material uncertainty which may cast significant doubt about the Company’s ability to continue as a going concern. These condensed interim financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business. Such adjustments could be material.

2. Statement of compliance and significant accounting policies

These condensed interim financial statements were authorized for issue on August 25, 2022 by the Board of Directors of the Company.

Statement of compliance with International Financial Reporting Standards

These unaudited condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” (“IAS 34”) using accounting policies consistent with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the IFRS Interpretations Committee.

ARCTIC FOX MINERALS CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2022 AND 2021
(EXPRESSED IN CANADIAN DOLLARS)

2. Statement of compliance and significant accounting policies (continued)

Statement of compliance with International Financial Reporting Standards (continued)

These unaudited condensed interim financial statements do not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that these condensed interim financial statements be read in conjunction with the audited financial statements of the Company for the year ended December 31, 2021.

Basis of presentation

These condensed interim financial statements are based on historical cost, except for financial instruments measured at fair value. The condensed interim financial statements are presented in Canadian dollars, unless otherwise noted, which is the Company's functional currency. In addition, the condensed interim financial statements have been prepared on the accrual basis except for cash flow information.

Summary of significant accounting policies

In preparing these condensed interim financial statements, the significant accounting policies and the significant judgments made by management in applying the Company's significant accounting policies and key sources of estimation uncertainty were the same as those that applied to the Company's audited financial statements for the year ended December 31, 2021.

The preparation of the condensed interim financial statements requires that the Company's management make judgments and estimates of effects of uncertain future events on the carrying amounts of the Company's assets and liabilities at the end of the reporting period. Actual future outcomes could differ from present estimates and judgments, potentially having material future effects on the Company's condensed interim financial statements. Estimates are reviewed on an ongoing basis and are based on historical experience and other facts and circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

Recent Accounting Pronouncements

As at the date of authorization of these condensed interim financial statements, the IASB and the IFRS Interpretations Committee had issued certain pronouncements that are mandatory for the Company's accounting periods commencing on or after January 1, 2022. Management has reviewed these upcoming accounting pronouncements and determined that they are not applicable or will not have a significant impact to the Company.

3. 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. (the "Assignor") and Silver Range Resources Ltd. ("SRR"). The Company does not currently have ownership interest in the Up Town Gold Property. The Company is an option holder. The transfer of ownership will take place once all conditions of the Assignment Agreement are completed.

The Assignor, 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 the Assignor an option (the "First Option") to acquire a 75% interest in certain mineral claims located in the Northwest Territories (the "Up Town Mineral Property Assets").

ARCTIC FOX MINERALS CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2022 AND 2021
(EXPRESSED IN CANADIAN DOLLARS)

3. Up Town Mineral Property Assets (continued)

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

Under the Option Agreement, upon the exercise of the First Option, the Up Town Mineral Property Assets 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 (paid) cash payment.
- ii) issue to the Assignor, within 25 business days of the Closing Date, such number of common shares of the Company (the “Arctic Shares”) as is equal to \$300,000 divided by the price per share at which Arctic Shares are offered by the Closing Date (issued);
- iii) complete an aggregate \$1,250,000 in 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); and
- 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.

Amended terms

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

1. The Company issued to the Assignor, within five days of the execution of the Amending Agreement, three million Arctic Shares (issued);
2. The Company will complete an aggregate \$1,250,000 in Expenditures as follows:
 - (1) \$500,000 by December 31, 2021; and
 - (2) an additional \$750,000 by December 31, 2022.
3. The Company paid 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 (paid).

The Company will launch a new second private placement of Arctic Shares within two days of the execution of the Amending Agreement.

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.

ARCTIC FOX MINERALS CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2022 AND 2021
(EXPRESSED IN CANADIAN DOLLARS)

3. Up Town Mineral Property Assets (continued)

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.

Summary of exploration and evaluation assets for the period ended June 30, 2022 and December 31, 2021:

	\$
Carrying value as of December 31, 2020	-
Acquisition costs	470,000
Geological/Geophysical	256,028
Field work and supplies	30,313
Property taxes and licenses	97,510
Carrying value as of December 31, 2021	853,851
Geological/Geophysical	15,572
Carrying value as of June 30, 2022	869,423

4. Prepaid expenses

	June 30, 2022	December 31, 2021
As at,	\$	\$
Exploration expenditures	35,884	48,961
Insurance	15,440	-
General & administrative	1,381	4,943
Total	52,705	53,904

5. Promissory note

	As at June 30, 2022	As at December 31, 2021
	\$	\$
Balance, beginning of year	2,050	21,373
Interest	-	677
Repayment	-	(20,000)
Balance, end of the period	2,050	2,050

During the year ended December 31, 2021, the Company repaid a promissory note with a former related party (the "Promissory Note"). The Promissory Note bore interest at 5% per month compounded monthly on the principal and was due on demand. The principal amount of the Promissory Note of \$20,000 was repaid during the year ended December 31, 2021. As at June 30, 2022, \$2,050 (December 31, 2021 - \$2,050) in accrued interest owing remains outstanding.

ARCTIC FOX MINERALS CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2022 AND 2021
(EXPRESSED IN CANADIAN DOLLARS)

6. Share capital

Authorized share capital

The authorized share capital of the Company is an unlimited number of common shares without par value and an unlimited number of preferred shares without par value. All issued shares, consist only of common shares and are fully paid.

a. Issued share capital

As at June 30, 2022, the Company had 70,356,340 (December 31, 2021 – 70,356,340) shares outstanding.

During the period ended June 30, 2022

For the period ended June 30, 2022, the Company did not issue any common shares.

During the year ended December 31, 2021

On February 25, 2021 the Company completed the third of three tranches of a common share issuance by issuing 15,090,500 shares at \$0.02 per share for proceeds of \$301,810. The Company reclassified \$20,000 from share subscriptions.

On February 25, 2021 the Company issued 246,340 common shares to a consultant and recorded \$4,927 for services rendered.

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 Amending Agreement (Note 3).

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 with a fair value of \$0.10 per share to settle \$93,000 of accounts payable and accrued liabilities.

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. Upon exercise, the Company transferred \$33,282 of warrant reserve to share capital.

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. Upon exercise, the Company transferred \$53,621 of warrant reserve to share capital.

On December 30, 2021, the Company issued 323,500 common shares upon the conversion of 323,500 Special Warrants. Upon exercise, the Company transferred \$11,159 of warrant reserve to share capital.

ARCTIC FOX MINERALS CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
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6. Share capital (continued)

b. Warrants

On January 11, 2021, the Company issued 5,875,000 performance warrants at fair value of \$86,903. Each performance warrant entitles the holder thereof to acquire one additional Common Share of the Company at a price of \$0.02 for a period of five years from the date of issuance if the Company's Common shares are not listed for trading on the CSE, or such other stock exchange or other organized markets where common shares are listed or posted for trading. If the performance warrants are listed on the CSE or such other stock exchange or other organized markets for which the Common Shares are listed or posted for trading, each performance warrant entitles the holder thereof to acquire one additional Common Share of the Company at a price that is a 20% discount to the market price on the date of exercise for a period of five years from the date of issuance. The fair value of the warrants granted was determined using the Black-Scholes Option Pricing Model with the following assumptions: stock price at grant date of \$0.02, risk-free rate of 0.46%, term of 5 years, expected volatility of 224% and no expected dividends. The fair value of \$86,903 was initially recorded to warrant reserve.

As at June 30, 2022, all 5,875,000 performance warrants were exercised. The Company received cash proceeds of \$117,500 and reclassified the fair value of the performance warrants of \$86,903 from warrant reserve to share capital.

	As at June 30, 2022	As at December 31, 2021
	\$	\$
Balance, beginning of year	-	-
Performance warrants issued	-	5,875,000
Special warrants issued	-	323,500
Exercised	-	(6,198,500)
Balance, end of the period	-	-

c. Stock options

The Company has adopted a stock option plan (the "Plan") which provides eligible directors, officers, employees and consultants with the opportunity to acquire an ownership interest in the Company and is the basis for the Company's long-term incentive scheme. The key features of the Plan are as follows:

- The aggregate number of common shares that may be issued pursuant to the exercise of options awarded under the Plan and all other security-based compensation arrangements of the Company shall not exceed 10% of the outstanding issued and outstanding shares at any given time.
- The options have a maximum term of ten years from the date of issue.
- Options vest as the board of directors of the Company may determine upon the award of the options.
- The exercise price of the shares subject to each option shall be determined by the Board, subject to applicable exchange approval, at the time any option is granted.

The Plan may be terminated at any time by resolution of the board of directors, but any such termination will not affect or prejudice rights of participants holding options at that time. If the Plan is terminated, outstanding options will continue to be governed by the provisions of the Plan. As at June 30, 2022 and December 31, 2021, the Company had not issued any stock options.

ARCTIC FOX MINERALS CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2022 AND 2021
(EXPRESSED IN CANADIAN DOLLARS)

7. Related party transactions

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers.

Included in promissory note at June 30, 2022 is \$2,050 (December 31, 2021 - \$2,050) owing to a shareholder and former director of the Company (Note 5).

At June 30, 2022, amounts owing to the CEO and CFO of the Company was \$28,350 (December 31, 2021 - \$4,725) and \$1,000, respectively, were included in accounts payable and accrued liabilities.

During the period ended June 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 June 30, 2022 \$	For the period ended June 30, 2021 \$
Management fees	27,000	-
Consulting services	1,500	13,985
Total	28,500	13,985

8. Financial instrument fair value and risk factors

Fair value

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 values 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 following is an analysis of the Company's financial assets measured at fair value as at June 30, 2022 and December 31, 2021:

	As at June 30, 2022		
	Level 1	Level 2	Level 3
Cash	\$ 306,431	\$ -	\$ -
	As at December 31, 2021		
	Level 1	Level 2	Level 3
Cash	\$ 359,983	\$ -	\$ -

ARCTIC FOX MINERALS CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2022 AND 2021
(EXPRESSED IN CANADIAN DOLLARS)

8. Financial instrument fair value and risk factors (continued)

Risk factors

The Company is exposed in varying degrees to a variety of financial instrument related risks.

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 \$306,431 and taxes recoverable totaled \$46,508 as at June 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 June 30, 2022, the Company had cash of \$306,431 to cover current liabilities of \$170,113.

9. Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration and development of its exploration and evaluation assets, acquire additional exploration and evaluation interests and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company includes the components of shareholders' equity, which totaled \$1,104,954 at June 30, 2022 (December 31, 2021 - \$1,226,302).

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash.

The Company currently is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management from inception.

ARCTIC FOX MINERALS CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2022 AND 2021
(EXPRESSED IN CANADIAN DOLLARS)

10. Commitment

The Company has engaged a contractor to conduct a program consisting of geophysics and diamond drilling, to retest historical drill results and to test any identified geophysical anomalies on the Up Town Property. The contractor is providing the program management for the work to be performed. The program required a total of \$590,000 of advances from the Company to the contractor based on certain timings in the work plan. These advances are held in a trust account and payments are approved by the Company based on invoices received from the contractor. At June 30, 2022, the Company had advanced \$590,000 and \$554,116 of costs have been incurred by the contractor. The remaining \$35,884 is included in prepaid expenses.

On July 28, 2021, the Company entered into a consulting agreement, whereby the Company has committed to grant the consultant 200,000 stock options once the Company has been listed on the CSE. As at June 30, 2022, these stock options have not been issued.

APPENDIX B

Arctic Fox Minerals Corp.

Management Discussion and Analysis for the six-month period ended June 30, 2022.

ARCTIC FOX MINERALS CORP.

Management's Discussion and Analysis

For the six months ended June 30, 2022

(Expressed in Canadian Dollars)

ARCTIC FOX MINERALS CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE SIX MONTHS ENDED JUNE 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 August 25, 2022 and should be read in conjunction with the condensed interim consolidated financial statements for the six months ended June 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.

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

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.

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

Significant Events and Overall Performance (continued)

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.

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.

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

Significant Events and Overall Performance (continued)

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

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

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, \$554,116 of expenditures were incurred up to June 30, 2022. There is a balance of \$35,884; 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 six months ended June 30, 2022

During the six months ended June 30, 2022 ("2022") the Company reported a net loss and comprehensive loss of \$121,348 compared to \$253,096 for the six months ended June 30, 2021 ("2021"), a decrease in loss of \$131,748. 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 \$16,500 in 2022 (2021 - \$25,912). This decrease was a result of the Company incurring additional fees for services rendered during 2021. The Company remains mindful of its cash preservation strategy.
- (b) Filing expenses in of \$25,247 in 2022 (2021 - \$Nil). 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 in 2021.
- (c) Management fees of \$27,000 (2021 - \$Nil). The Company pays or accrues fees from the CEO and CFO on a monthly basis.
- (d) Exploration expense in 2021 was \$81,498, as the Company acquired its option in the Uptown Mineral Property and incurred various expenditures completing exploratory work.
- (e) Professional fees of \$43,844 in 2022 (2021 - \$25,980). 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.
- (f) Investor communication decreased to \$3,634 from \$28,902, as the Company continues to monitor and manage its cash position.
- (g) 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.

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

For the three months ended June 30, 2022

During the three months ended June 30, 2022 (“2022”) the Company reported a net loss and comprehensive loss of \$102,249 compared to \$73,091 for the three months ended June 30, 2021 (“2021”), a decrease in loss of \$29,158. The loss is primarily comprised of the following:

- (h) Consulting expense of \$16,000 in 2022 (2021 - \$20,985). This decrease was a result of the Company incurring additional fees for services rendered during 2021.
- (i) Filing expenses in of \$13,071 in 2022 (2021 - \$2,915). This increase was the result of the costs associated with the process of listing fees on the CSE. The Company had not undertaken any of these activities in 2021.
- (j) Management fees of \$27,000 (2021 - \$Nil). The Company pays or accrues fees from the CEO and CFO on a monthly basis.
- (k) Professional fees of \$37,895 in 2022 (2021 - \$19,980). Professional fees are generally in relation to accounting and legal fees and have stayed consistent over 2022 and 2021.
- (l) Investor communication decreased to \$3,634 from \$28,902, as the Company continues to monitor and manage its cash position.

Cash Flow Analysis

Operating Activities

During the six months ended June 30, 2022, cash used in operating activities was \$37,980 (2021 - \$191,574). Please refer to results of operations for details.

Investing Activities

During the six months ended June 30, 2022, cash used in investing activities was \$15,572 compared to \$Nil during the period ended June 30, 2021. The increase during the 2022 period is attributed to the expenditure of cash for exploration and evaluation assets.

Financing activities

During the six months ended June 30, 2022, cash provided by financing activities was \$Nil compared to \$901,969 during the period ended June 30, 2021. The decrease is primarily attributed to the \$Nil financing activities in 2022 as compared to the receipt of \$921,969 from the issuance of common shares offset by the repayment of \$20,000 for a related party promissory note in 2021.

Summary of Quarterly Results

	Three months ended June 30, 2022	Three Months Ended March 31, 2022	Three Months Ended December 31, 2021	Three Months Ended September 30, 2021
Total assets	\$ 1,275,067	\$ 1,287,293	\$ 1,302,437	\$ 1,436,000
Working capital	235,531	340,898	372,451	1,296,853
Loss for the period	(102,249)	(19,099)	(70,461)	(274,277)
Loss per share	(0.00)	(0.00)	(0.00)	(0.00)

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

Summary of Quarterly Results (Continued)

	Three Months Ended June 30, 2021	Three Month Ended March 31, 2021	Three Months Ended December 31, 2020	Three Months Ended September 30, 2020
Total assets	\$ 1,360,958	\$ 764,012	\$ 216,200	\$ 1,200
Working capital	1,349,471	755,961	158,329	1,200
Loss for the period	(28,181)	(98,508)	(157,871)	(75,000)
Loss per share	(0.00)	(0.00)	(0.00)	(0.01)

During the quarters ended June 30, 2020 and September 30, 2020, the Company was inactive and only incurred expenses. Total assets during this period comprised of \$1,200 cash raised from share issuances during 2018. During the year 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 losses 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.

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 June 30, 2022, the Company had current liabilities of \$170,113 comprised mainly of accounts payable and accrued liabilities. At June 30, 2022, the Company had working capital of \$235,531 comprised mainly of cash on hand of \$306,431, \$46,508 of taxes recoverable and prepaid expenses of \$52,705.

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.

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

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 June 30, 2022, the Company accumulated losses of \$1,020,645. 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.

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

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.

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

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 SIX MONTHS ENDED JUNE 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 SIX MONTHS ENDED JUNE 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 SIX MONTHS ENDED JUNE 30, 2022**

Risk, Uncertainties and Outlook (continued)

Related Party Transactions

The officers and directors of the Company are as follows:

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

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

At June 30, 2022, amounts owing to the CEO and CFO of the Company was \$28,350 (December 31, 2021 - \$4,725) and \$1,000, respectively, were included in accounts payable and accrued liabilities.

During the period ended June 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 June 30, 2022	For the period ended June 30, 2021
	\$	\$
Management fees	27,000	-
Consulting services	1,500	13,985
Total	28,500	13,985

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 SIX MONTHS ENDED JUNE 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 \$306,431 and taxes recoverable totaled \$46,508 as at June 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 June 30, 2022, the Company had cash of \$306,431 to cover current liabilities of \$170,113.

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

Other Requirements

Outstanding Share Data

As of the date of this MD&A,

- a) 70,356,340 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.