Armor Minerals Inc.

Management's Discussion and Analysis

For the years ended March 31, 2023 and 2022

INTRODUCTION

This management's discussion and analysis ("MD&A") of Armor Minerals Inc. (the "Company", "Armor", "we", "us", or "our") covers the year ended March 31, 2023, with comparative information for the year ended March 31, 2022. This MD&A is dated July 20, 2023, and takes into account information available up to and including such date. This MD&A should be read in conjunction with the accompanying audited consolidated financial statements and notes ("financial statements") for the year ended March 31, 2023, which are available on the Company's website at www.armorminerals.com and under the Company's profile on the SEDAR website at www.sedar.com.

The Company has prepared the consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

ALL DOLLAR AMOUNTS REPORTED HEREIN ARE IN CANADIAN DOLLARS UNLESS INDICATED OTHERWISE.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

Certain information contained in this document constitutes forward-looking statements. All statements, other than statements of historical facts, are forward looking statements, including without limitation, statements with respect to the Company's expectations for obtaining new funding and the success of exploration activities. Forward-looking statements are often, but not always, identified by the use of words such as may, will, seek, anticipate, believe, plan, estimate, budget, schedule, forecast, project, expect, intend, or similar expressions. Such statements reflect the Company's current views with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Such factors include, among others, uncertainties related to financings and the other risks associated with being a mineral exploration company, as well as the risks discussed elsewhere in this MD&A. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. Unless otherwise indicated, forward-looking statements contained herein are as of the date hereof and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable law.

DESCRIPTION OF BUSINESS

Armor is incorporated in British Columbia, Canada. The Company's head office is located at Suite 555 – 999 Canada Place, Vancouver, British Columbia, V6C 3E1. The consolidated financial statements as at March 31, 2023, are comprised of Armor and its wholly owned subsidiary, Armor Minerals (US) Inc. ("Armor US") organized under the laws of Virginia. The Company is publicly traded with shares listed on the NEX under the symbol "A.H".

The Company is engaged in the acquisition and exploration of mineral property interests. Currently, Armor does not have any mineral producing properties or any revenues from operations.

The Company does not have any exploration projects as at March 31, 2023, but is seeking new exploration projects and properties by way of acquisition or staking new areas.

CORPORATE MATTERS

During the year ended March 31, 2023, the Company has evaluated mineral projects for potential acquisition; however, the Company did not make any acquisitions or engage in active mineral exploration. Similarly, Armor was not engaged in active mineral exploration in the previous fiscal year.

On December 9, 2022, Armor's common shares were transferred from the TSX Venture Exchange to NEX and Armor's ticker symbol was changed from A to A.H.

NEX has been designed to provide a forum for the trading of publicly listed shell companies while they seek and undertake transactions in furtherance of their reactivation as companies that meet the applicable listing requirements.

(Expressed in Canadian dollars, unless otherwise noted)

SELECTED ANNUAL FINANCIAL INFORMATION

Information for the three years ended March 31, 2023, 2022 and 2021, as extracted from the Company's audited financial statements, is presented as follows:

		March 31, 2023		March 31, 2022		March 31, 2021
Loss	$	165,801	$	109,730	$	96,396
Basic and diluted loss per share	$	0.00	$	0.00	$	0.00
Cash and cash equivalents	$	2,733,768	$	2,874,393	$	2,312,778
Total assets	$	2,743,315	$	2,893,713	$	2,338,508
Total liabilities	$	30,964	$	15,561	$	23,126

Loss for the year ended March 31, 2023, increased from the prior fiscal year due to an increase in corporate activity related to the investigation and evaluation of potential mineral projects.

Cash and cash equivalents and total assets decreased at March 31, 2023, compared to March 31, 2022, primarily due to an increase in cash used in operating activities which was primarily attributable to the increase in corporate activities related to the investigation and evaluation of potential mineral projects.

SUMMARY OF QUARTERLY FINANCIAL INFORMATION

	Loss For the year ended March 31,					
		2023		**2022**		**2021**
Q1	$	23,571	$	18,135	$	29,048
Q2		116,299		34,900		28,116
Q3		3,890		23,016		24,026
Q4		22,041		33,679		15,206
Total	$	165,801	$	109,730	$	96,396

Loss per share For the year ended March 31,					
	2023		**2022**		**2021**
$	0.00	$	0.00	$	0.00
	0.00		0.00		0.00
	0.00		0.00		0.00
	0.00		0.00		0.00
$	0.00	$	0.00	$	0.00

The most significant factors influencing the Company's quarterly results over the last eight quarters are:

- Decreased quarterly loss in Q4 2023 and Q3 2023 is mainly attributable to the increase of finance income from the Company's high interest GIC investment and savings account.
- Increased quarterly loss in Q2 2023 is mainly due to the increase of professional fees related to mineral projects investigation activities.
- Increased quarterly loss in Q4 2022 is mainly due to the increase of salaries and benefits due to bonus paid in Q4 2022.
- Increased quarterly loss in Q2 2022 is mainly due to the increase of salaries and benefits allocated from the related management company to support the exercise of share purchase warrants of the Company.

COSTS EXPENSED, LOSS AND COMPREHENSIVE LOSS

Quarter ended March 31, 2023, compared to the quarter ended March 31, 2022

The Company reported a loss of $22,041 for the three months ended March 31, 2023, compared to a loss of $33,679 for the three months ended March 31, 2022. The decrease of the loss is mainly attributable to an increase of interest income earned on investments.

Year ended March 31, 2023, compared to the year ended March 31, 2022

For the year ended March 31, 2023, the Company recorded a loss of $165,801 ($0.00 per share), compared to $109,730 ($0.00 per share) in fiscal 2022. The increase in loss for the year ended March 31, 2023, compared to the fiscal year 2022 is mainly due to an increase in professional fees incurred for the due diligence, investigation, and analysis on strategic initiatives in potential mineral projects.

Salaries and benefits expense of $53,151 in fiscal 2023 decreased from $60,112 in fiscal 2022. Salaries and benefits expense represents the allocation at cost of salary charges from a related management company (see "Related Party Transactions", subsequently in this MD&A). Personnel employed by the management company work on several public companies and accordingly, the cost charged to Armor will vary with the amount of time incurred on the Company's affairs.

(Expressed in Canadian dollars, unless otherwise noted)

General office expenses of $26,367 in fiscal 2023 increased from $18,367 in fiscal 2022. General office expenses also represent the allocation at cost of office expenses from the related management company. The increase in general office expenses allocation is primarily due to the increase in corporate activities.

LIQUIDITY AND CAPITAL RESOURCES

At March 31, 2023, the Company had cash and cash equivalents of $2,733,768 compared to $2,874,393 at March 31, 2022.

Operating activities used cash of $205,654 for the year ended March 31, 2023, compared to use of cash of $118,356 for the year ended March 31, 2022. The fluctuations in the use of cash for the year ended March 31, 2023, compared to the previous fiscal year are mainly attributable to the increase in professional fees incurred for the due diligence, investigation, and analysis on strategic initiatives in potential mineral projects and the impact of the timing of receipts and payments from non-cash working capital items, such as interest income, amounts receivable, prepaid expenses and accounts payable and accrued liabilities.

Cash inflow from financing activities of $672,500 for the year ended March 31, 2022, relates to proceeds from exercise of share purchase warrants of the Company.

Cash inflow from investing activities of $65,018 for the year ended March 31, 2023, relates to interest income received (2022 – $7,472).

At March 31, 2023, the Company had cash and cash equivalents of $2,733,768, working capital of $2,707,325, loss for the year ended March 31, 2023, of $165,801 and a deficit of $31,860,255. Based on anticipated cash flows, the Company is expected to have sufficient resources to meet its committed expenditures for the next twelve months.

COMMITMENTS AND CONTINGENCIES

At March 31, 2023, the Company had contractual cash flow commitments as follows (see "Related Party Transactions" for the Company's contingent obligation for future rental payments subsequent to year-end):

	< 1 Year	1-3 Years	3-5 Years	> 5 Years	Total
Accounts payable and accrued liabilities	$ 28,884	$ –	$ –	$ –	$ 28,884
Office lease obligations	13,300	13,400	–	–	26,700
Due to a related party	2,080	–	–	–	2,080
	$ 44,264	$ 13,400	$ –	$ –	$ 57,664

SHARE CAPITAL INFORMATION

As at July 20, 2023, the Company had an unlimited number of common shares authorized for issuance of which 76,624,621 are currently issued and outstanding.

PROPOSED TRANSACTIONS

There are no undisclosed proposed transactions that will materially affect the performance of the Company.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any material off-balance sheet arrangements, other than the Company's obligation for future rental payments described in "Related Party Transactions".

RELATED PARTY TRANSACTIONS

Compensation of key management personnel

Key management includes the Company's directors and certain senior management. For the year ended March 31, 2023, the Company paid salaries and benefits of $19,721 to key management personnel (March 31, 2022 – $24,358).

(Expressed in Canadian dollars, unless otherwise noted)

Related party transactions

On March 1, 2015, the Company entered into an arrangement to share office space, equipment, personnel, consultants and various administrative services with other companies related by virtue of certain directors and management in common. These services have been provided through a management company equally owned by each company party to the arrangement. Costs incurred by the management company are allocated and funded by the shareholders of the management company based on time incurred and use of services. If the Company's participation in the arrangement is terminated, the Company will be obligated to pay its share of the rent payments for the remaining term of the office space rental agreement. The Company's obligation for future rental payments on March 31, 2023, was approximately $32,000, determined based on the Company's average share of rent paid in the immediately preceding 12 months.

The Company was charged for the following with respect to these arrangements in the years ended March 31, 2023 and 2022:

		2023		2022
Salaries and benefits	$	53,151	$	60,112
General office expenses		25,114		18,356
Listing and filing fees		5,290		5,290
Professional fees		1,448		17
	$	85,003	$	83,775

At March 31, 2023, included in accounts payable and accrued liabilities is an amount due to a related party of $2,080 (March 31, 2022 – prepaids include an amount of $4,771 due from a related party) with respect to these arrangements.

The amount due from a related party at March 31, 2023, of $5,026 (March 31, 2022 – $5,026) relates to the Company's share of jointly owned assets (primarily security deposits, leasehold improvements, and furniture and equipment) held by the management company.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The Company's accounting policies are described in its consolidated financial statements for the year ended March 31, 2023. The preparation of the consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods affected.

Refer to note 2 of the consolidated financial statements for the year ended March 31, 2023, for the significant judgments and estimates that have the most significant effect on the amounts recognized in the Company's consolidated financial statements.

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or IFRS Interpretations Committee. Some updates that are not applicable or are not consequential to the Company may have been excluded.

FINANCIAL INSTRUMENTS AND CAPITAL MANAGEMENT

The Company's financial instruments are classified into the following categories of financial assets and liabilities (shown at carrying value):

		March 31, 2023		March 31, 2022
Financial assets				
Financial assets at amortized cost				
Cash and cash equivalents	$	2,733,768	$	2,874,393
Amounts receivable		3,208		2,248
Due from a related party		5,026		5,026
Total financial assets	$	2,742,002	$	2,881,667
Financial liabilities				
Financial liabilities at amortized cost				
Accounts payable and accrued liabilities	$	30,964	$	15,561
Total financial liabilities	$	30,964	$	15,561

The fair values of the Company's financial instruments in the table above approximate their carrying values.

RISKS AND UNCERTAINTIES

Financial statement risk exposure

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments are summarized below.

Currency risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company operates in Canada and a small portion of its expenses are incurred in United States dollars ("US dollars"). The Company is not exposed to significant foreign currency risk on fluctuations related to cash and accounts payable liabilities that are denominated in US dollars. The Company does not use derivatives or other techniques to manage foreign currency risk.

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. Credit risk arises for the Company from cash held with banks and financial institutions, as well as credit exposure on outstanding amounts receivable. The Company manages its exposure to credit risk by holding its cash through Canadian chartered banks. The maximum exposure to credit risk is equal to the carrying value of the financial assets.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk

Liquidity risk arises through 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.

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 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.

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, acquire or dispose of assets or obtain debt financing. In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. In order to maximize ongoing development efforts, the Company does not pay out dividends.

The Company's investment policy is to invest its cash in highly liquid short-term interest-bearing investments with maturities at point of purchase of 90 days or less or are cashable after 30 days at the option of the Company, selected with regards to the expected timing of expenditures from continuing operations.

Risk factors

The Company currently has no revenues from operations. Should the Company decide to explore or acquire mineral property interests it may require additional funding, which the Company will likely seek from the equity markets. There can be no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. An investment in the Company's common shares is highly speculative and subject to a number of risks and uncertainties. Only those persons who can bear the risk of the entire loss of their investment should participate. An investor should carefully consider the risks described in this MD&A and the other information filed by the Company with the Canadian securities regulators, which are available under the Company's profile on SEDAR at www.sedar.com, before investing in the Company's common shares. The risks described in the above-noted documents are not the only ones faced. Additional risks that the Company currently believes are immaterial may become important factors that affect the Company's business. If any of these risks occur, or if others occur, the Company's business, operating results and financial condition could be seriously harmed and investors may lose part or all of their investment.

Early stage

The Company has no history of profitable operations and its present business is at an early stage. As such, the Company is subject to many risks including under-capitalization, cash shortages, and limitations with respect to personnel, financial and other resources and the lack of revenue. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of its early stage of operations.

The Company has no source of operating cash flow and no assurance that additional funding will be available when required. Although the Company has been successful in the past in obtaining financing principally through the sale of securities, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of planned exploration activities and could cause the Company to suspend its operations.

Mineral exploration and development

Mineral 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 also from finding mineral deposits that, though present, are of insufficient size and/or grade to return a profit from production.

Upon discovery of a mineralized occurrence, several stages of exploration and assessment are required before its economic viability can be determined. Development of the subject mineral properties would follow only if favorable results are determined at each stage of assessment. Few precious and base metal deposits are ultimately developed into producing mines.

There is no assurance that the Company's mineral exploration activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors.

Russia-Ukraine Conflict

In late February 2022, Russia launched a large-scale military attack on Ukraine, which amplified global geopolitical tensions. In response to the military action by Russia, various countries, including Canada, issued broad-ranging economic sanctions against Russia. Such sanctions and any future sanctions against Russia may adversely impact, among other things, the Russian economy, which directly and indirectly affect various sectors of the economy, disrupt the global supply chain, and increase inflationary pressures. Accordingly, the actions discussed above and the potential for a wider conflict could increase financial market volatility and cause severe negative effects on regional and global economic markets, and therefore have a significant negative effect on the ability of the Company to obtain equity financing to fund additional exploration activities.

Risk of global outbreaks and contagious diseases

The risk of global outbreaks, including COVID-19, have the potential to significantly and adversely impact Armor’ operations and business. While the World Health Organization no longer recognizes COVID-19 as a global pandemic, there can be no certainty that COVID-19, or other infectious illness, and the restrictive measures implemented to slow the spread of the virus will not materially impact Armor’ operations or personnel in the coming year. It is not possible for Armor to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company’s business, results of operations or ability to raise funds at this time.

Dependence on key management

The Company is very dependent upon the personal efforts and commitment of its existing directors and officers, particularly Richard W. Warke, Director, President & CEO and Robert Pirooz, Q.C., Director. To the extent one or both of these directors becomes unavailable for any reason, a disruption to the business and operations of the Company could result, and the Company may not be able to replace them readily, if at all.

Metal prices

The mining industry, in general, is intensely competitive and there is no assurance that a profitable market will exist for the sale of metals produced even if commercial quantities of precious and/or base metals are discovered. Factors beyond the control of the Company may affect the marketability of metals discovered. Pricing is affected by numerous factors beyond the Company's control, such as international economic and political trends, global or regional consumption and demand patterns, increased production and smelter availability. There is no assurance that the price of metals recovered from any mineral deposit will be such that they can be mined at a profit.

Global financial conditions

Recent global financial conditions have been characterized by increased volatility and limited access to public financing, particularly for junior mineral exploration companies, which have been negatively impacted. These conditions may affect the Company's ability to obtain equity or debt financing in the future on terms favorable to the Company, or at all. If these increased levels of volatility continue, the Company's operations and the trading price of the common shares could be adversely affected. Investors could suffer significant losses if the Company’s shares are depressed or illiquid when an investor seeks to sell their shares.

Competition and agreements with other parties

The mining industry is intensely competitive in all its phases, and the Company competes with other companies that have greater financial resources and technical capacity. Competition could adversely affect the Company's ability to acquire suitable properties or prospects in the future. The Company may, in the future, be unable to meet its share of costs incurred under such agreements to which it is a party and it may have its interest in the properties subject to such agreements reduced as a result.

Mineralization figures

The mineralization figures presented in the Company’s filings with securities regulatory authorities, press releases and other public statements that may be made from time to time are based upon estimates. These estimates are imprecise and depend upon geological interpretation and statistical inferences drawn from drilling and sampling analysis, which may prove to be unreliable. There can be no assurance that these estimates will be accurate or this mineralization could be mined or processed profitably.

There can be no assurance that minerals recovered in small scale tests will be duplicated in large scale tests under on-site conditions or in production scale.

Conflicts of interest

Some of the directors of the Company are also directors of other companies that are similarly engaged in the business of acquiring, exploring and developing natural resource properties. Situations may arise in connection with potential corporate opportunities where the other interests of these directors may conflict with the interests of Armor. Directors of Armor with conflicts of interest will be subject to the procedures set out in applicable corporate and securities legislation, regulation, rules and policies.

The Company does not and likely will not insure against all risks

The Company's insurance will not cover all the potential risks associated with a mining company's operations. It is not always possible to obtain insurance against these risks and the Company may decide not to insure against certain risks because of high premiums or other reasons. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. The Company might also become subject to environmental liability or other hazards which may not be insured against. Should such liabilities arise, they could reduce or eliminate future profitability and result in increasing costs and a decline in the value of the securities of Armor. The lack of, or insufficiency of insurance coverage could adversely affect Armor's future cash flow and overall profitability.

Internal controls

Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation.

Armor Minerals Inc.

Corporate Information

Head Office	Suite 555 – 999 Canada Place Vancouver, BC V6C 3E1 Telephone: (604) 687–1717 Facsimile: (604) 687–1715
Records & Registered Office	1200 Waterfront Centre 200 Burrard Street P.O. Box 48600 Vancouver, BC V7X 1T2
Directors	Purni Parikh Robert Pirooz, Q.C. Richard W. Warke
Officers	Richard W. Warke – Chief Executive Officer and President Sunny Lowe – Chief Financial Officer Tom Ladner – Vice President, Legal and Corporate Secretary Jacqueline Wagenaar – Vice President, Investor Relations
Registrar & Transfer Agent	Computershare Investors Services Inc. #401 – 510 Burrard Street Vancouver, BC V6C 3B9
Auditors	Davidson & Company LLP 609 Granville St Vancouver, BC V7Y 1G6
Solicitors	Borden Ladner Gervais LLP 1200 Waterfront Centre 200 Burrard Street P.O. Box 48600 Vancouver, BC V7X 1T2
Shares Listed	NEX Trading symbol: A.H
Investor Relations	info@armorminerals.com