



Armor Minerals Inc.

Management's Discussion and Analysis

For the three and nine months ended December 31, 2024 and 2023

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(Expressed in Canadian dollars, unless otherwise noted)

INTRODUCTION

This management's discussion and analysis ("MD&A") of Armor Minerals Inc. (the "Company", "Armor", "we", "us", or "our") covers the three and nine months ended December 31, 2024, with comparative information for the three and nine months ended December 31, 2023. This MD&A is dated February 27, 2025, and takes into account information available up to and including such date. This MD&A should be read in conjunction with the accompanying condensed consolidated interim financial statements and notes ("Financial Statements") for the three and nine months ended December 31, 2024, and the audited consolidated financial statements of the Company for the year ended March 31, 2024, which are available on the Company's website at www.armorminerals.com and under the Company's profile on the SEDAR+ website at www.sedarplus.ca.

The Company has prepared the condensed consolidated interim financial statements in accordance with International Financial Accounting Standard 34 ("IAS 34"), Interim Financial Reporting, and do not include all of the information required for annual financial statements prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These condensed consolidated interim financial statements should be read in conjunction with the Company's most recent annual audited financial statements for the year ended March 31, 2024.

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 and the Company's MD&A for the year ended March 31, 2024. 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 condensed consolidated interim financial statements as at December 31, 2024, 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 December 31, 2024, but is seeking new exploration projects and properties by way of acquisition or staking new areas.

CORPORATE MATTERS

During the three and nine months ended December 31, 2024, the Company has evaluated mineral projects for potential acquisition; however, the Company did not make any acquisitions or engage in active mineral exploration.

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COSTS EXPENSED, NET INCOME AND COMPREHENSIVE INCOME

For the three and nine months that ended December 31, 2024, the Company recorded a net income of \$1,907 (\$0.00 per share), and \$13,355 (\$0.00 per share), respectively, compared to a net income of \$7,313 (\$0.00 per share), and \$1,483 (\$0.00 per share), respectively in the same periods of fiscal 2024. The decrease in net income for the three months ended December 31, 2024, compared to the same period of the previous fiscal year is mainly attributable to a decrease of interest income earned on investments, and the increase in net income for the nine months ended December 31, 2024, compared to the same period of the previous fiscal year is mainly attributable to a lower listing and filing fees, lower general office expenses and lower professional fees, offset by an increase in salaries and benefits.

Salaries and benefits expenses of \$14,480 and \$38,852 for the three and nine months ended December 31, 2024, respectively, increased from \$10,985 and \$35,726 in the same periods of fiscal 2024. These expenses represent 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 for several public companies and accordingly, the cost charged to Armor will fluctuate based on the time spent on the Company's affairs.

General office expenses of \$5,114 and \$16,526 for the three and nine months ended December 31, 2024, respectively, decreased from \$7,659 and \$22,289 in the same periods of fiscal 2024. General office expenses also represent the allocation at the cost of office expenses from the related management company. The decrease in general office expenses allocation in the three and nine months ended December 31, 2024, compared to the same periods in fiscal 2024, is primarily due to the lower expenses incurred for IT services and employee development.

Professional fees of \$4,335 and \$12,106 for the three and nine months ended December 31, 2024, respectively, decreased from \$4,960 and \$15,620 in the same periods of fiscal 2024. The decrease in professional fees for the three months ended December 31, 2024, is primarily due to lower consulting fees, while the decline for the nine-month period was also due to a reversal of an over accrual of the audit fee for the year ended March 31, 2024.

LIQUIDITY AND CAPITAL RESOURCES

At December 31, 2024, the Company had cash and cash equivalents of \$2,735,445, compared to \$2,737,635 at March 31, 2024.

Cash used in operating activities amounted to \$20,040 and \$93,551 for the three and nine months ended December 31, 2024, respectively, compared to \$13,467 and \$105,758 for the same periods of fiscal 2024. The increased use of cash for the three months ended December 31, 2024, and the decreased use of cash for the nine months ended December 31, 2024, compared to the same periods of the previous fiscal year is mainly attributable to the timing of payments affecting changes in non-cash working capital items such as prepaid expenses and accounts payable and accrued liabilities.

Cash inflow from investing activities of \$27,365 and \$91,357 for the three and nine months ended December 31, 2024, respectively, and \$33,025 and \$92,351 for the three and nine months ended December 31, 2023, respectively, relates to interest income received in the period.

At December 31, 2024, the Company had cash and cash equivalents of \$2,735,445, working capital of \$2,729,035, net income for the nine months ended December 31, 2024 of \$13,355 and a deficit of \$31,838,545. Based on anticipated cash flows, the Company is expected to have sufficient financial resources to meet its committed expenditures for the next twelve months.

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SUMMARY OF QUARTERLY FINANCIAL INFORMATION

	Net (income) loss For the year ended March 31,			Net (income) loss per share For the year ended March 31,		
	2025	2024	2023	2025	2024	2023
Q1	\$ (8,137)	\$ (5,706)	\$ 23,571	\$ (0.00)	\$ (0.00)	\$ 0.00
Q2	(3,311)	11,536	116,299	(0.00)	0.00	0.00
Q3	(1,907)	(7,313)	3,890	(0.00)	(0.00)	0.00
Q4	N/A	(6,872)	22,041	N/A	(0.00)	0.00
Total	\$ (13,355)	\$ (8,355)	\$ 165,801	\$ (0.00)	\$ (0.00)	\$ 0.00

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

- Net quarterly income and reduction in losses since Q4 2023 are mainly attributable to an increase in finance income during each period.
- Increased quarterly loss in Q2 2024 is primarily attributable to the filing fees of the financial statements for the 2023 fiscal year.
- Net loss in Q4 2023 is impacted by an increase in professional fees related to mineral property investigations, offset by the increase in finance income previously discussed.
- The significantly higher loss in Q2 2023 is mainly due to professional fees related to mineral project investigation activities.

COMMITMENTS AND CONTINGENCIES

At December 31, 2024, 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	\$ 11,313	\$ –	\$ –	\$ –	\$ 11,313
Office lease obligations	13,600	13,300	10,300	–	37,200
	\$ 24,913	\$ 13,300	\$ 10,300	\$ –	\$ 48,513

SHARE CAPITAL INFORMATION

As at February 27, 2025, 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 three and nine months ended December 31, 2024, the Company paid salaries and benefits of \$5,857 and \$13,529 respectively to key management personnel (three and nine months ended December 31, 2023 – \$3,338 and \$10,014, respectively).

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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 (Titan Mining Corporation, Augusta Gold Corp., Solaris Resources Inc., and Highlander Silver Corp.) related by virtue of certain directors and management in common. The arrangement with Solaris Resources Inc. was terminated on January 1, 2025. These services have been provided through a management company equally owned by the related companies. 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. All of the parties have jointly entered into a rental agreement for office space. 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 if the Company's participation in the arrangement was terminated on December 31, 2024, was approximately \$42,600 (March 31, 2024 – \$14,900), 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 three and nine months ended December 31, 2024, and 2023:

	Three months ended December 31,		Nine months ended December 31,	
	2024	2023	2024	2023
Salaries and benefits	\$ 14,480	\$ 10,985	\$ 38,852	\$ 35,726
General office expenses	5,122	7,675	16,552	20,981
Listing and filing fees	45	90	2,910	5,334
Professional fees	230	871	795	892
	\$ 19,877	\$ 19,621	\$ 59,109	\$ 62,933

At December 31, 2024, included in prepaids is an amount due from a related party of \$2,793 (March 31, 2024 – included in accounts payable and accrued liabilities is an amount due to a related party of \$7,862) with respect to these arrangements.

The amount due from a related party at December 31, 2024 of \$5,026 (March 31, 2024 – \$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.

MATERIAL ACCOUNTING POLICIES AND ESTIMATES

The Company's accounting policies are described in its consolidated financial statements for the year ended March 31, 2024. The preparation of the condensed consolidated interim 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 condensed consolidated interim 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.

Amended IFRS standards effective April 1, 2024

In January 2020, the IASB issued Classification of Liabilities as Current or Non-current (Amendments to IAS 1, Presentation of Financial Statements ("IAS 1")), which amended IAS 1 to clarify the requirements for presenting liabilities in the statement of financial position. The amendments specify that the Company must have the right to defer settlement of a liability for at least 12 months after the reporting period for the liability to be classified as non-current.

In addition, the amendments clarify that: (a) the Company's right to defer settlement must exist at the end of the reporting period; (b) classification is unaffected by management's intentions or expectations about whether the Company will exercise its right to defer settlement; (c) if the Company's right to defer settlement is subject to the Company complying with specified conditions, the right exists at the end of the reporting period only if the Company complies with those conditions at the end of the reporting period, even if the lender does not test compliance until a later date; and (d) the term settlement includes the transfer of the Company's own equity instruments to the counterparty that results in the extinguishment of the liability, except when the settlement of the liability with the Company transferring its own equity instruments is at the option of the counterparty and such option has been classified as an equity instrument, separate from the host liability.

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In October 2022, the IASB issued Non-current Liabilities with Covenants, which amended IAS 1 to clarify that if the Company's right to defer settlement of a liability for at least 12 months is subject to the Company complying with covenants after the reporting period, those covenants would not affect whether the Company's right to defer settlement exists at the end of the reporting period for the purposes of classifying a liability as current or non-current. The amendments also increased the disclosure requirement relating to such covenants to include: (i) the nature of the covenants and the date by which the Company must comply with the covenants; (ii) whether the Company would comply with the covenants based on its circumstances at the reporting date; and (iii) whether and how the Company expects to comply with the covenants by the date on which they are contractually required to be tested.

The Company adopted the Amendments to IAS 1 effective April 1, 2024 but did not result in a change in the presentation of the Company's liabilities.

Certain other new standards, interpretations, and amendments to existing standards have been issued by the IASB or the International Financial Reporting Interpretations Committee. However, these updates either are not applicable to the Company or are not material to the condensed consolidated interim financial statements.

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):

	December 31, 2024		March 31, 2024	
Financial assets				
Financial assets at amortized cost				
Cash and cash equivalents	\$	2,735,445	\$	2,737,635
Amounts receivable		860		2,129
Due from a related party		5,026		5,026
Total financial assets	\$	2,741,331	\$	2,744,790
Financial liabilities				
Financial liabilities at amortized cost				
Accounts payable and accrued liabilities	\$	11,313	\$	24,084
Total financial liabilities	\$	11,313	\$	24,084

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.

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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. The Company is not materially exposed to interest rate risk at this time.

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 the Company's MD&A for the year ended March 31, 2024 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.sedarplus.ca, before investing in the Company's common shares. The risks described in the above-noted documents are not the only ones faced by the Company. 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.

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 – General Counsel
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