Armor Minerals Inc.

Management's Discussion and Analysis

For the three months ended June 30, 2021 and 2020

INTRODUCTION

This management's discussion and analysis ("MD&A") of Armor Minerals Inc. (the "*Company*", "*Armor*", "*we*", "*us*", or "*our*") covers the three months ended June 30, 2021, with comparative information for the three months ended June 30, 2020. This MD&A takes into account information available up to and including August 26, 2021. This MD&A should be read in conjunction with the accompanying condensed consolidated interim financial statements and notes ("financial statements") for the three months ended June 30, 2021, and MD&A for the year ended March 31, 2021, 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 condensed consolidated interim financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34, *Interim Financial Reporting*.

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 those factors 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 condensed consolidated interim financial statements as at June 30, 2021 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 TSX Venture Exchange under the symbol "A".

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 June 30, 2021 but is seeking new exploration projects and properties by way of acquisition or staking new areas.

COSTS EXPENSED, LOSS AND COMPREHENSIVE LOSS

Quarter ended June 30, 2021 compared to the quarter ended June 30, 2020

During the three months ended June 30, 2021, the Company recorded a loss of $18,135 ($0.00 per share), compared to a loss loss of $29,048 ($0.00 per share) in the same period of fiscal 2021. The decrease in loss for three months ended June 30, 2021 compared to the previous fiscal year is mainly attributable to a decrease in corporate activities and the impact of the amortization of deferred liability.

Salaries and benefits expense of $11,499 for the three months ended June 30, 2021 compares to $17,767 in the same period of the previous fiscal year. Salaries and benefits expense 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 on several public companies and accordingly, the cost charged to Armor will vary with the amount of time incurred on the Company's affairs.

General office expenses of $2,301 for the three months ended June 30, 2021 compares to $7,394 in the same period of the previous fiscal year. General office expense also represents the allocation at cost of office expenses from the related management company. The decrease in general office expense allocation is commensurate with the decrease in corporate activities and the impact of the amortization of deferred liability.

(Expressed in Canadian dollars, unless otherwise noted)

LIQUIDITY AND CAPITAL RESOURCES

At June 30, 2021, the Company had cash and cash equivalents of $2,327,876 compared to $2,312,778 at March 31, 2021. The increase reflects the proceeds from exercise of share purchase warrants of the Company of $20,000, as well as the impact of the timing of receipts and payments from non-cash working capital items, primarily prepaid expenses, offset by the operational costs incurred during the three months ended June 30, 2021.

Operating activities used cash in the amount of $4,898 in the three months ended June 30, 2020 compared to $27,097 in the same period of the previous fiscal year. The decreased use of cash is primarily attributable to the timing of receipts and payments from non-cash working capital items, and a decrease in loss for the three months ended June 30, 2021 compared to the three months ended June 30, 2020.

Cash inflow from financing activities of $20,000 for the three months ended June 30, 2021 and $1,280,905 for the three months ended June 30, 2020 relates to exercise of share purchase warrants of the Company.

At June 30, 2021, the Company had cash and cash equivalents of $2,327,876 working capital of $2,312,221, loss for the three months ended June 30, 2021 of $18,135, and a deficit of $31,602,859. Based on anticipated cash flows, the Company is expected to have sufficient resources to meet its committed expenditures for the next twelve months. On March 11, 2020, the novel coronavirus outbreak ("COVID-19") was declared a pandemic by the World Health Organization. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the Company's business are not known at this time. The Company's ability to obtain equity financing could be impacted, as well as the Company's ability to explore and conduct business.

SUMMARY OF QUARTERLY FINANCIAL INFORMATION

	Loss For the year ended March 31,			Loss per share For the year ended March 31,		
	2022	**2021**	**2020**	**2022**	**2021**	**2020**
Q1	$ 18,135	$ 29,048	$ 36,444	$ 0.00	$ 0.00	$ 0.00
Q2	N/A	28,116	113,741	N/A	0.00	0.00
Q3	N/A	24,026	64,309	N/A	0.00	0.00
Q4	N/A	15,206	28,004	N/A	0.00	0.01
Total	$ 18,135	$ 96,396	$ 242,498	$ 0.00	$ 0.00	$ 0.01

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

- Lower quarterly losses from Q4 2020 onwards reflects a decrease in corporate activities due to less evaluation of mineral projects for potential acquisition and an absence of active mineral exploration.
- Salaries and benefits of $50,389 in the second quarter and $38,478 in the third quarter of fiscal 2020 and professional fees of $25,825 in the second quarter of fiscal 2020 related to an increase in the Company's activities in evaluating mineral projects for potential acquisition.

COMMITMENTS

At June 30, 2021, the Company had contractual cash flow commitments as follows (see "Related Party Transactions" for the Company's 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	$ 15,002	$ –	$ –	$ –	$ 15,002
Due to related party	3,610	–	–	–	3,610
Deferred liability	6,728	–	–	–	6,728
Office lease obligations	11,400	22,200	4,600	–	38,200
	$ 36,740	$ 22,200	$ 4,600	$ –	$ 63,540

(Expressed in Canadian dollars, unless otherwise noted)

SHARE CAPITAL INFORMATION

As at August 26, 2021, 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 that 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 months ended June 30, 2021, the Company paid salaries and benefits of $4,359 to key management personnel (June 30, 2020 – $4,599).

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 June 30, 2021 was approximately $55,000, 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 three months ended June 30, 2021 and 2020:

	Three months ended June 30, 2021	2020
Salaries and benefits	$ 11,499	$ 17,767
General office expenses	2,301	10,436
Listing and filing fees	–	3
Investor relations	–	194
	$ 13,800	$ 28,400

At June 30, 2021 due to related party represents $3,610 (March 31, 2021 – prepaids includes $12,013) with respect to this arrangement. The amount due from a related party at June 30, 2021 of $5,026 (March 31, 2021 – $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, 2021. 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.

(Expressed in Canadian dollars, unless otherwise noted)

In particular, information about significant areas of estimation uncertainty considered by management in preparing the consolidated financial statements is described below.

- Options and warrants – The fair value of options and warrants is determined on the grant date. In order to compute the fair value, the Company uses the Black-Scholes option pricing model which requires management to make certain estimates, judgements, and assumptions in relation to the expected life, expected volatility, expected dividend yield and the risk-free interest rate, as well as the number of options or warrants expected to be exercised.

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

FINANCIAL INSTRUMENTS

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

		June 30, 2021		March 31, 2021
Financial assets				
Loans and receivables at amortized cost				
Cash and cash equivalents	$	2,327,876	$	2,312,778
Amounts receivable		990		736
Due from a related party		5,026		5,026
Total financial assets	$	2,333,892	$	2,318,540
Financial liabilities				
Financial liabilities at amortized cost				
Accounts payable and accrued liabilities	$	15,002	$	12,360
Due to a related party		3,610		–
Deferred liability		6,728		10,766
Total financial liabilities	$	25,340	$	23,126

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.

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.

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 90 days or less from the original date of acquisition, 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, 2021 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.

Armor Minerals Inc.
Corporate Information

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Directors	Purni Parikh Robert Pirooz, Q.C. Richard W. Warke
Officers	Richard W. Warke – Chief Executive Officer and President Linda Chang – Chief Financial Officer Tom Ladner – Vice President, Legal Susy Horna – Corporate Secretary Jacqueline Wagenaar – Vice President, Investor Relations
Registrar & Transfer Agent	Computershare Investors Services Inc. #401 – 510 Burrard Street Vancouver, BC V6C 3B9
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Solicitors	Borden, Ladner, Gervais LLP 1200 Waterfront Centre 200 Burrard Street P.O. Box 48600 Vancouver, BC V7X 1T2
Shares Listed	TSX Venture Exchange (TSX–V) Trading symbol: A
Investor Relations	info@armorminerals.com