

Amaroq Minerals Ltd
3400 One First Canadian Place
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Toronto, ON, M5X 1A4,
Canada



Amaroq Minerals

Bo Simmelsgaard
Inatsisileritooq
Jurist
Legal Advisor to the Deputy Minister
By email bosd@nanoq.gl

17th November 2023

Dear Mr Simmelsgaard

Consultation Response Bill on Local Mineral Activities

Amaroq support the Bill's purpose of making local access to the exploitation of minerals easier and the making rules supporting this process more transparent. We also understand the wish that when targeting different minerals mining companies and locals should be able to co-exist.

As a publicly Listed Company on three Exchanges we are held accountable to the very highest standards with regard to Disclosure and Sustainability.

We believe the proposal would present issues for us in relation to attracting increased investment to our projects. When raising capital, both equity and debt, significant due diligence has to be undertaken and it is our experience that this seeks confirmation that we have exclusive rights to explore minerals across our licences. The slides provided by the Government in support of the consultation process mention that in their opinion the change will not have a negative impact in this regard but until this is tested in a real life situation the outcome is unknown which is a risk for us. In addition, Amaroq have to adhere to the Equator Principles to access debt finances. As an unknown local operating in our licence without any permit or licence would not have to follow these principles there could be a situation whereby the company would have to report on non compliant procedures regardless of if they were conducted by Amaroq as licence holder or a local without a licence or permit. Both investors and the Equator Principles would not differentiate between Amaroq or a local miner.

On the issue of Health and Safety we understand that the intention is a licensee holding an exploration licence will not be liable for damages caused by locals' activities in the licence area, whether the injured party is the local himself or a third party. We are concerned that our reputation could be damaged if an incident occurs within our licence area because often people will not be interested in the detail so it becomes immaterial who in actuality is liable. We adhere to the highest standards of health and safety and have an excellent record in this regard which is much valued by our shareholders and other stakeholders. Once our good reputation is lost, even if this is unconnected to any actions on our part it is difficult to repair that perception.

Finally as a publicly listed company on the TSX-V we have certain requirements with regard to disclosure of resources in Canada by way of NI43-101. The actions of a local could materially impact our stated resource where their activities sterilise areas of a resource either via mining or waste storage. This would require Amaroq to retract resource stated to the TSX-V and other exchanges. Additionally, we would legally have to state the resources and operations of any and all operators within our licence regardless of legal entity. This would lead to reporting, governance and legal implications for the company which may be difficult if not impossible to comply with.

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Thank you for considering our comments as part of the consultation process.

Your sincerely



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Eldur Olafsson

Chief Executive Officer

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