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MANAGEMENT DISCUSSION AND ANALYSIS

January 31, 2023

Form 51-102 F1
Management Discussion and Analysis (“MD&A”)
North Arrow Minerals Inc.
Containing Information up to and including March 23, 2023

Description of Business

North Arrow Minerals Inc. (“North Arrow”, “NAR” or the “Company”) is a Canadian mineral exploration company focused on evaluating prospective lithium, diamond and gold exploration properties in Canada. The Company’s key lithium properties include the DeStaffany (Northwest Territories) and Bathurst (Nunavut) projects. The Company’s key diamond properties include the Naujaat (Nunavut), Pikoo (Saskatchewan) and Loki (Northwest Territories) projects. The common shares of the Company trade on the TSX Venture Exchange (“TSXV”) under the symbol NAR.

The following discussion and analysis of the Company’s financial condition and results of operations for the nine months ended January 31, 2023 should be read in conjunction with the financial statements of the Company for the nine months ended January 31, 2023 and the year ended April 30, 2022, together with the notes thereto. The MD&A supplements but does not form part of the financial statements of the Company. The Company’s financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”).

Unless otherwise noted, all currency amounts are stated in Canadian dollars.

Forward Looking Statements

This document may contain "forward-looking statements" within the meaning of Canadian securities legislation and the United States Private Securities Litigation Reform Act of 1995. These forward-looking statements are made as of the date of this document and the Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by law.

Forward-looking statements relate to future events or future performance and reflect management's expectations or beliefs regarding future events and include, but are not limited to, statements with respect to sources of and anticipated financing requirements, the estimation of mineral reserves and resources, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, success of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage.

These forward-looking statements include, among others, statements with respect to the Company’s objectives for the ensuing year, our medium and long-term goals, and strategies to achieve those objectives and goals, as well as statements with respect to our beliefs, plans, objectives, expectations, anticipations, estimates and intentions. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," and words and expressions of similar import are intended to identify forward-looking statements. In particular, statements regarding the Company’s future operations, future exploration and development activities or other development plans and estimated future financing requirements contain forward-looking statements.

All forward-looking statements and information are based on the Company’s current beliefs as well as assumptions made by and information currently available to the Company concerning anticipated financial performance, business prospects, strategies, regulatory developments, development plans, exploration, development and mining activities and commitments. Although management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution readers not to place undue reliance on these statements as a number of important factors could cause the actual results to differ materially from the beliefs, plans, objectives, expectations, anticipations, estimates and intentions expressed in such forward-looking statements.

These factors include, but are not limited to, developments in world financial and commodity markets, risks relating to fluctuations in the Canadian dollar and other currencies relative to the US dollar, changes in exploration plans due to exploration results and changing budget priorities of the Company or its joint venture partners, changes in project parameters as plans

continue to be refined; possible variations in ore reserves, grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing, the effects of competition in the markets in which the Company operates, the impact of changes in the laws and regulations regulating mining exploration and development, judicial or regulatory judgments and legal proceedings, operational and infrastructure risks, and the Company's anticipation of and success in managing the foregoing risks. The Company cautions that the foregoing list of factors that may affect future results is not exhaustive. When relying on our forward-looking statements to make decisions with respect to the Company, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. The Company does not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by the Company or on our behalf, except as required by law.

Covid-19

During March 2020, the World Health Organization declared Covid-19 a global pandemic and levels of government throughout Canada declared states of emergency. Since that time, the Company has followed evolving federal, territorial and provincial health guidelines. The Company's planned activities have been impacted by the pandemic, however, during the year ended April 30, 2022 field exploration activities were permitted to resume in the jurisdictions in which the Company conducts exploration, and the Company expects continued normalization of its business through calendar 2023.

Tenure to the Company's exploration properties is secure. Core exploration properties have sufficient assessment credits to maintain them in good standing for at least 3 years, much longer (>5 years) in the case of tenures hosting known diamondiferous kimberlites.

Highlights for the nine months ended January 31, 2023 and subsequent events up to March 23, 2023

DeStaffany project, NWT

- On January 30, 2023 the Company announced the acquisition of the DeStaffany lithium property, within the Yellowknife Pegmatite Province, NWT. The property hosts the Moose 1 and Moose 2 lithium-tantalum-niobium bearing pegmatites. Both pegmatites host spodumene mineralization as represented by a 2009 channel sample that returned 1.5% Li₂O over 7.5 m from the Moose 1 pegmatite. The acquisition is part of an initiative to leverage the Company's knowledge and experience with lithium and other critical metals in northern Canada.
- The Company plans to map, sample and drill the DeStaffany project during the summer of 2023.

Bathurst project, NU

- Subsequent to the period ending January 31, 2023, the Company announced the acquisition of an option to purchase the Bathurst Inlet lithium property, Nunavut. The property covers a series of mapped and interpreted pegmatite intrusives located within nine kilometres of tidewater at Bathurst Inlet. The southernmost mineral claim lies within 12 km of Sabina Gold and Silver's port facility, being used to service Sabina's Back River gold mine.
- The Company plans to explore the Bathurst pegmatites for spodumene lithium mineralization during the summer of 2023.

Naujaat project, NU

- During the period ended January 31, 2023 the Company announced results from the 2021 bulk sample of the Q1-4 kimberlite. These results included recovery of 268 diamonds (117.98 carats) and 99 diamonds (55.80 carats) greater than +9 DTC from the A28 and A88 units of Q1-4, respectively.
- On February 21, 2023, the Company announced that test cutting and polishing had produced 0.31 and 0.21 carat rectangular, radiant cut diamonds, representing the two largest, polished fancy colour diamonds from Naujaat to date. The polished yield of both diamonds is approximately 38%, which is a significant improvement over past polishing of diamonds from the 2014 bulk sample.
- With the completion of the test polishing, the Option Earn-in program outlined in the June 2020 agreement with Burgundy Diamond Mines ("Burgundy") is complete and Burgundy has earned a 40% interest in the project.

Pikoo project, SK

- On November 21, 2022, the Company announced that its crews had completed an exploration till sampling and ground geophysical survey program at its 100% owned Pikoo Diamond Project. Work included collection of 110 till samples and two ground magnetic and very low frequency electromagnetic surveys.

Loki project, NU

- Subsequent to the period ended January 31, 2023, the Company announced an agreement with Umgeni Holdings International Limited (“Umgeni”) under which Umgeni will increase its royalty interests in the Loki Project from 2.0% to 2.5% in exchange for the payment of \$374,000. North Arrow has the option to purchase 0.5% of the royalties by paying Umgeni \$5,000,000 any time up to 24 months after the start of commercial production from a mine on the property. In addition, North Arrow will issue to Umgeni 1,000,000 shares upon the announcement of a new kimberlite discovery on the property and will issue a further 5,000,000 shares upon the announcement of a mineral resource in respect of a kimberlite within the property. Umgeni is a private company of which Christopher Jennings, a director of North Arrow, is a beneficiary of the sole shareholder.

Corporate

- On December 28, 2022, the Company announced the closing of a \$835,000 private placement financing consisting of a 16,700,000 non-flow-through unit placement.
- Effective January 25, 2023, the Company was continued into British Columbia from the jurisdiction of Canada, under the Business Corporation Act.

A summary of the exploration activities for the Company follows, as well as a description of other corporate activities. These summaries include some discussion of management’s future exploration plans. The reader is cautioned that actual results, performance or achievements may be materially different from those implied or expressed in these statements. The Company’s exploration programs are subject to change from time to time, based on the analysis of results and changing corporate priorities, exploration targets and funding consideration.

An overview of the exploration activities for the Company follows. For additional details the reader is referred to the Company’s continuous disclosure documents available on SEDAR (www.sedar.com).

EXPLORATION AND EVALUATION ASSETS

	April 30, 2022	Expended During the Period	Write-offs During the Period	January 31, 2023
Diamond Properties				
Pikoo, Canada				
Exploration costs	1,272,804	44,477	-	1,317,281
Drilling	2,085,859	-	-	2,085,859
Acquisition and tenure costs	220,979	1,251	-	222,230
Geological, data collection and assays	1,644,898	233,878	-	1,878,776
Office and salaries	719,332	90,421	-	809,753
Recoveries and contributions	(637,813)	-	-	(637,813)
	5,306,059	370,027	-	5,676,086
Loki, Canada				
Exploration costs	547,398	-	-	547,398
Drilling	687,226	-	-	687,226
Acquisition and tenure costs	80,004	316	-	80,320
Geological, data collection and assays	499,822	2,528	-	502,350
Office and salaries	363,381	20,800	-	384,181
Recoveries	(768,452)	-	-	(768,452)
	1,409,379	23,644	-	1,433,023
Naujaat, Canada				
Exploration costs	1,455,905	41,651	-	1,497,556
Drilling	1,464,020	-	-	1,464,020
Acquisition and tenure costs	436,166	22,960	-	459,126
Geological, data collection and assays	8,619,613	544,531	-	9,164,144
Office and salaries	1,855,848	121,316	-	1,977,164
Recoveries and contributions	(5,166,066)	(761,637)	-	(5,927,703)
	8,665,486	(31,179)	-	8,634,307
Mel, Canada				
Exploration costs	1,340,600	-	-	1,340,600
Drilling	465,004	-	-	465,004
Acquisition and tenure costs	306,260	24	-	306,284
Geological, data collection and assays	1,003,344	-	-	1,003,344
Office and salaries	414,463	4,774	-	419,237
Recoveries	(120,500)	-	-	(120,500)
	3,409,171	4,798	-	3,413,969
CSI, Canada				
Exploration costs	3,808	-	-	3,808
Acquisition and tenure costs	13,204	74	-	13,278
Geological, data collection and assays	61,818	-	-	61,818
Office and salaries	19,665	4,496	-	24,161
	98,495	4,570	-	103,065
TOTAL	\$ 18,888,590	\$ 371,860	\$ -	\$ 19,260,450

Unless otherwise stated below, the Company's Canadian exploration activities are conducted under the supervision of Kenneth Armstrong, P.Ge. (NWT, NU, ON), President and CEO of the Company.

Lithium Projects

DeStaffany Lithium Project, Northwest Territories

On January 30 2023 the Company announced the acquisition of the DeStaffany lithium property, within the Yellowknife Pegmatite Province, NWT. The property covers 1,843 ha located on the north central shore of Great Slave Lake, approximately 18 km northeast of the Nechalacho mine and 115 km east of Yellowknife. The property hosts the Moose 1 and Moose 2 lithium-tantalum-niobium bearing pegmatites. The pegmatites were initially evaluated in the 1940's for tantalum and niobium but have never been subject to a focused evaluation of their lithium potential.

The Moose 1 pegmatite has never been drilled but has been traced over a 370 m strike, averaging 4.5 m to 6.0 m in width, with a maximum width of approximately 11 m, and hosts spodumene mineralization that returned 1.5% Li₂O over 7.5 m from historic channel sampling in 2009. Additional historic surface samples have returned from background values to 4.1% Li₂O.

The Moose 2 pegmatite has been mapped over a 450 m strike length, is up to 30 m wide. The pegmatite was bulk sampled and test mined for its tantalum and niobium potential in the 1940's and 1950's, producing tantalum, niobium and lithium concentrates, but has never been evaluated or drilled for its lithium potential. Spodumene mineralization is common throughout the pegmatite, with elevated lithium analyses of up to 2.73% Li₂O returned from samples along at least a 250 m strike length of the body.

The Moose pegmatites are located within 1 km of Great Slave Lake, providing good year-round access to the property from both Yellowknife and Hay River on the south side of lake. Next steps for the property will include preparation for mapping, sampling and prospecting fieldwork ahead of initial drill testing of these mineralized spodumene pegmatites.

Acquisition of the DeStaffany property is subject to an agreement with Panarc Resources Ltd. ("Panarc"), under which the Company acquired a 100% interest in the DeStaffany mineral claims by reimbursing staking costs of \$18,000 (paid) and issuing to Panarc 500,000 shares of the Company (issued). In addition, Panarc retains a 2% net smelter returns royalty on future mineral and metal production from the property. One half of the royalty can be purchased at any time for \$2 million. The Company and Panarc have also agreed to a strategic alliance to work together in identifying and acquiring additional lithium projects in Canada's three territories.

Bathurst Inlet Lithium Project, Nunavut

Subsequent to the period ended January 31, 2023, the Company announced the acquisition of the Bathurst Inlet lithium property, Nunavut. The property covers a series of mapped and interpreted pegmatite intrusives located on or within nine kilometres of tidewater at Bathurst Inlet. The southernmost mineral claim lies within 12 km of Sabina Gold and Silver's port facility, being used to service Sabina's Back River gold mine. North Arrow's Oro Hope Bay Gold Property and Agnico Eagle's Doris Gold Mine are located approximately 80 km to the northeast of the property.

The Bathurst Inlet lithium targets consist of pegmatites that have been identified using remote sensing techniques and a review of past bedrock mapping in the area. While pegmatites had been noted in the Bathurst Inlet area by government mappers, local bedrock mapping was at a scale where noting the locations, extent and mineralogy of these pegmatites was not practical, nor considered a priority; however, the Bathurst pegmatites are considered prospective hard rock lithium targets due to their spatial and potential temporal relationship to the Torp Lake spodumene pegmatite on the west side of Bathurst Inlet. Next steps include continued remote sensing work ahead of a 2023 field evaluation of prioritized outcrop areas to prospect for spodumene mineralization associated with the Bathurst pegmatite field.

Acquisition of the Bathurst property is subject to an agreement with Panarc under which the Company will acquire a 100% interest in the property by reimbursing staking costs of \$16,515 (paid), issuing 100,000 shares of North Arrow within 15 days of receiving TSX Venture Exchange approval and issuing a further 500,000 shares of North Arrow prior to September 30, 2023. Panarc will retain a 2% net smelter returns royalty on future mineral and metal production from the property. One half of the royalty can be purchased at any time for \$2 million.

In addition, the Company will issue a further 2,000,000 shares to Panarc within 15 days of North Arrow's first public disclosure of a new mineral resource (any category) on the property. Issuance of all common shares is subject to the approval of the TSX Venture Exchange.

Diamond Projects

Naujaat Diamond Project, Nunavut

The Naujaat diamond project is located near the community of Naujaat, Nunavut. A total of eight kimberlite pipes (Q1-4, A34, A42, A59, A76, A94, A97 and A152) have been identified within the project as well as a number of laterally extensive kimberlite dyke systems. The Q1-4 kimberlite, located just 7 km from the Company's laydown near the community of Naujaat, is the largest and most diamondiferous of the kimberlites discovered to date and hosts an important population of Type IaA - Ib fancy coloured, yellow to orange yellow, diamonds.

On May 15, 2013 the Company confirmed an Inferred Mineral Resource for the 12.5 hectare Q1-4 kimberlite to be 26.1 million carats from 48.8 million tonnes total content of kimberlite with an average +1 DTC total diamond content of 53.6 carats per hundred tonnes (cpht) extending from surface to a depth of 205m. Additional resource upside in the form of a target for further exploration was estimated at between 7.9 to 9.3 million carats of diamonds from 14.1 to 16.6 million tonnes total content of kimberlite with an average +1 DTC total diamond content of 56.1 cpht, extending from 205m depth to 305m depth. Mineral resources that are not mineral reserves do not have demonstrated economic viability. The potential quantity and grade of a target for further exploration referred to above is conceptual in nature, there has been insufficient exploration to define a mineral resource, and it is uncertain whether further exploration will result in the target being delineated as a mineral resource. For information on the data verification, exploration information and the resource and target for further exploration estimation procedures please see the technical report dated May 13, 2013 which is available under the Company's profile at www.sedar.com and on the Company's website (www.northarrowminerals.com). The authors of the report were Barbara Kupsch, P.Geol. and David Farrow, P.Geo.

Evaluation work completed by the Company for the period from 2014 to 2020 included bulk sampling (2014 and 2017) and delineation drilling (2017). A complete summary of the bulk sampling and drilling results can be found in the Company's Management Discussion and Analysis for the years ended April 30, 2018, 2019 and 2021.

On June 1, 2020, the Company granted Burgundy an option to earn a 40% interest in the project by funding the collection of a \$5,600,000, 1,500 to 2,000t bulk sample from the Q1-4 kimberlite in 2021. The purpose of the bulk sample is to recover sufficient diamonds to confirm the coarse size distribution and quality characteristics of the coloured diamond population in the Q1-4 deposit. During the summer of 2021 the Company, as Operator under the agreement with Burgundy, collected 2,500 bulk sample bags of kimberlite which were subsequently shipped to the Saskatchewan Research Council (SRC) processing and diamond recovery laboratory in Saskatoon. DMS processing and diamond recoveries were carried out over the period from fall 2021 to summer 2022.

On April 26, 2022, the Company announced initial diamond recoveries for the first 70% of the sample collected from the A28 geological unit of Q1-4. A total of 268 diamonds (117.98 carats) greater than +9 DTC were recovered from 1,316 tonnes of kimberlite. This includes 33 diamonds larger than the 3 grainer size class (~0.66 carat) and 21 diamonds larger than 1 carat. The three largest diamonds are 3.31 carats (Fancy intense orange irregular cube aggregate), 3.07 carats (Grey (boart) cubic aggregate), and 2.76 carats (off-white irregular octahedral aggregate). A summary of the +9 DTC diamond recoveries is provided in the table below along with comparable results from the 2014 bulk sample collected from the A28 unit of Q1-4 (sample A282014).

Sample	Weight (Dry tonnes)	# Diamonds (+9 DTC)	Carats (+9 DTC)	Sample Grade (+9 DTC; cpht ²)	Proportion Fancy Colours ¹	
					By Stones	By Carats
Pit B Wx	219.5	46	17.91	8.2	21.7%	13.1%
Pit D Wx	335.7	82	35.94	10.7	19.5%	28.7%
Pit D Rk	521.2	98	48.43	9.3	12.2%	14.2%
Pit B Rk	239.6	42	15.69	6.6	23.8%	33.0%
Total³	1,316.0	268	117.98	9.0	17.9%	20.9%
A282014 ⁴	1,353.3	336	126.26	9.3	11.0%	11.9%

¹ Classification of fancy colour diamonds by Saskatchewan Research Council (SRC) using colour-grading scale established by the Gemological Institute of America; For comparison purposes colour classification of the 2014 sample is shown based on a non-standardized empirical

characterization of intense and dark yellow diamonds ; ² Carats per hundred tonnes with bottom cut off of +9 DTC; ³ Totals determined by arithmetic may differ due to rounding; ⁴ Initially reported at a +1 DTC (~0.01 carat) bottom cut off in North Arrow news release dated [May 5, 2015](#). Restated here using a +9 DTC bottom size cut off to more effectively compare to 2021 results.

On July 28, 2022, the Company announced diamond recoveries for the final 30% of the sample, collected from the A88 geological unit of Q1-4 (referred to as sample A882021). A total of 99 diamonds (55.80 carats) greater than +9 DTC were recovered from 498 tonnes of kimberlite. This includes 21 diamonds larger than the 3 grainer size class (~0.66 carat) and 13 diamonds larger than 1 carat. The three largest diamonds are 7.00 carats (Irregular (polycrystalline), grey, opaque (boart)), 2.17 carats (fancy light orange, irregular (fragment), translucent, moderate inclusions), and 2.02 carats (Off white (H colour) aggregate, transparent, minor inclusions)). A summary of the +9 DTC diamond recoveries is provided in the table below along with comparable results from the 183 tonne sample collected from A88 in 2017.

Year	Sample	Weight (Dry tonnes)	# Diamonds (+9 DTC)	Carats (+9 DTC)	Sample Grade (+9 DTC; cpht ²)	Proportion Fancy Colours ¹	
						By Stones	By Carats
2021	A882021	497.6	99	55.80	11.2	10.1%	12.8%
2017	Pit C2 & C3 ³	182.8	43	20.52	11.2	11.6%	5.6%
¹ Classification of fancy colour diamonds reported by Saskatchewan Research Council (SRC) using colour-grading scale established by the Gemological Institute of America; ² Carats per hundred tonnes with bottom cut off of +9 DTC; ³ Initially reported at a +1 DTC (~0.01 carat) bottom cut off in North Arrow news release dated February 28, 2018 and restated here using a +9 DTC bottom size cut off to more effectively compare to 2021 results.							

The purpose of the 2021 sample was to acquire further information on the coarser sizes of the Q1-4 diamond population, with particular emphasis on potential high value fancy colour diamonds. As such, colour characterization studies of the diamonds were completed by SRC using the industry standard grading scale established by the Gemological Institute of America (GIA). For the diamonds recovered from A28, 48 of the 268 diamonds (17.9%) classify as fancy coloured (20.9% by carat weight) with over 90% having orange as the primary colour and 58% categorized as having either intense or vivid colour saturations, the two highest colour saturations. For the diamonds recovered from A88, 10 of the 99 diamonds (10.1%) classify as fancy coloured (12.8% by carat weight) with 90% having orange as the primary colour and 30% categorized as having either intense or vivid colour saturations, the two highest colour saturations. The number of diamonds in each fancy colour grade is provided below.

Fancy Colour	A282021 Stone Count	A882021 Stone Count
Vivid Orange	13	1
Intense Orange	15	1
Orange	8	2
Light Orange	8	3
Light Yellow	1	1
Intense orange with brown tinge	0	1
Orange with brown tinge	2	0
Light Orange with brownish tinge	1	1

The GIA colour grading scale is the industry standard for polished diamonds and, although colour grading of rough diamonds is very similar to that of polished diamonds, there is no universally accepted colour grading scheme for rough diamonds. Colour grading of the Naujaat rough diamonds provides useful information for modelling the fancy colour diamond population.

However, for individual rough diamonds, the graded colour does not necessarily represent the final colour of a diamond polished from the rough stone, nor does it include characterization of a diamond's clarity (e.g. presence of inclusions or cloudiness in the diamond). Previous cutting and polishing of select Naujaat rough fancy colour diamonds has produced fancy vivid orangey yellow diamonds, certified by the GIA and demonstrating that the Q1-4 deposit can produce polished fancy colour diamonds for use in the luxury jewelry market.

During and subsequent to the period ended January 31, 2023, the Q1-4 diamond parcels were shipped first to Antwerp and then to Burgundy's cutting and polishing facility in Perth, Australia for a qualitative evaluation. This evaluation included test polishing of a small selection of diamonds from the 2021 bulk sample. On February 21, 2023, the Company announced that test cutting and polishing had produced 0.31 and 0.21 carat rectangular, radiant cut diamonds, representing the two largest, polished fancy colour diamonds from Naujaat to date. The polished yield of both diamonds is approximately 38%, which is a significant improvement over past polishing of diamonds from the 2014 bulk sample. Next steps will include having the two diamonds formally certified as fancy colour diamonds at the GIA.

Subsequent to the period ended January 31, 2023, with completion of the test polishing, the Option Earn-in program outlined in the June 2020 agreement was completed and Burgundy has earned a 40% interest in the Naujaat Diamond Project.

As part of the June 2020 agreement, the Company and Burgundy also signed a non-binding letter of intent ("LOI") to negotiate a second option agreement under which Burgundy may elect, after completing the 2021 preliminary bulk sample, to earn an additional 20% interest in the Q1-4 diamond deposit by funding the collection of a 10,000 tonne bulk sample. Subsequent to the period ended January 31, 2023, Burgundy indicated to the Company that it will elect not to proceed with the second option.

The Company has also been working in support of an application by the Hamlet of Naujaat to construct a community access trail extending 14.8 km northeast of the community. The proposed access trail will pass approximately 1.5 km southeast of Q1-4 and would lie entirely within the community's municipal boundaries and the Hamlet has taken the lead on its design and construction as the proposed trail has a number of beneficial social and economic development outcomes for the community. The Hamlet has received sufficient funding from the Government of Nunavut and the Federal Government to proceed through final design and permitting stages.

The Naujaat project is subject to a 0.5% gross overriding royalty ("GOR") and net smelter royalty ("NSR") on diamond, precious metal and base metal production from the project. The holder of this royalty will also receive a payment of \$2.5 million at the time the first royalty payment relating to the project is due.

The Naujaat project is also subject to a 2.5% NSR on metals and a 2.5% gross production royalty ("GPR") on the sale of industrial minerals, including diamonds. Subject to a November 2016 amending agreement with the royalty holder, the NSR and GPR, which were 3% each at the time of the amending agreement, may each be reduced to 1% subject to future contingent cash payments to the royalty holder totalling \$5.15M and future staged exploration expenditures totalling \$20M. During the year ended April 30, 2022, the Company notified the royalty holder that, subject to the terms of the November 2016 amending agreement, sufficient exploration expenditures had been incurred to reduce the NSR and GPR royalties each by 0.5% to 2.5%.

Pikoo Diamond Project, Saskatchewan

The Company's 100% owned Pikoo diamond project is located approximately 140 km east of La Ronge, Saskatchewan. An all-season road to the community of Deschambault Lake comes to within 6 km of the project's southern boundary. The Company has discovered 10 discrete kimberlite occurrences on the property. Microdiamond testing of five of the kimberlites has confirmed that all are diamondiferous. A full summary of the initial diamond results from these kimberlites can be found in the Company's MD&As for the years ended April 30, 2014 and 2016 as well as the MD&A for the three months ended July 31, 2016.

Kimberlites have been discovered at or near the up-ice termination of well-defined KIM trains. The trains have been geographically described as the South Pikoo target area (1 KIM train; four kimberlite discoveries); North Pikoo area (1 KIM train; 4 kimberlite discoveries) and the East Pikoo area (2 KIM trains, 2 kimberlite discoveries). A fourth target area, called Bear Lake, has been identified on the basis of a cluster of anomalous KIM results from till samples collected in the southern part of the project area. Detailed evaluations of the petrography of the discovered kimberlites in conjunction with diamond results, mineral abundances and core logging information have been conducted and indicate that additional, as yet undiscovered kimberlites are located in both the North Pikoo and South Pikoo areas.

On November 21, 2022, the Company announced completion of a short till sampling program to help verify potential drill targets. The program included collection of 110 till samples testing existing and new target areas. Ground magnetic and very low frequency electromagnetic surveys were also completed over two survey grids. Results from the program will be used in planning the next exploration drilling program on the property.

The Pikoo project is subject to a 1% GOR and NSR on diamond, precious metal and base metal production and a contingent cash payment of \$1.25 million owing to the royalty holder at the time the first royalty payment is due.

Loki Diamond Project – Northwest Territories

The Loki diamond project consists of 23 mineral claims covering approximately 12,898 ha, acquired by staking between 2013 and 2018 in the Lac de Gras region of the Northwest Territories. The Company holds a 100% interest in these claims which are subject to 2% royalties on diamonds and base and precious metals. The royalty is held by Umgeni. On March 6, 2023, the Company and Umgeni agreed to increase Umgeni's royalty interests in the Loki Project from 2.0% to 2.5% in exchange for the payment of \$374,000. North Arrow will have the option to purchase 0.5% of the royalties by paying Umgeni \$5,000,000 any time up to 24 months after the start of commercial production from a mine on the property. In addition, North Arrow will issue to Umgeni 1,000,000 shares upon the announcement of a new kimberlite discovery on the property and will issue a further 5,000,000 shares upon the announcement of a mineral resource in respect of a kimberlite within the property.

During the year ended April 30, 2022, the Company completed an exploration reverse-circulation drill program to test targets in the north Loki area. Six holes were completed during the program, testing several gravity anomalies that were explained by significant, locally >5m thick, ice lenses within glacial overburden ranging from 25m to over 30m in thickness. The prominent indicator mineral train that terminates in the north Loki area remains unexplained, however overburden samples collected during the drill program at depths of 5 to 25m, have returned very high KIM counts, including three samples returning in excess of 100 KIMs (>300 KIMs maximum). Recovered indicator minerals include pyrope and eclogitic garnet, ilmenite, chrome-diopside, chromite and olivine. These KIM counts, normalized to a standard sample size, are an order of magnitude higher than the most anomalous results returned by surface till sampling on the property indicating potential for a nearby buried kimberlite bedrock source.

Lac de Gras Diamond Project – Northwest Territories

The Lac de Gras Diamond project forms a very large, approximately 147,200 ha contiguous block of mineral claims and mining leases located within the Lac de Gras region of the Northwest Territories. The project area directly adjoins the mineral leases that host the Diavik diamond mine, located 10 km to the north, and the mineral claims of the Company's Loki project to the west. The Ekati diamond mine is located within 40 km to the northwest.

The project has been evaluated under a joint venture arrangement between the Company and Arctic Canadian Diamond Company ("ACDC"). ACDC acquired their interest in the joint venture during the year ended April 30, 2021, as part of ACDC's purchase of the Ekati Diamond Mine and other exploration assets from Dominion Diamond Mines on February 3, 2021. Dominion had been the joint venture operator and exploration programs have, and continue to be, managed by Aurora Geosciences of Yellowknife, NT. No field work was conducted during the period ended January 31, 2023.

The Company has elected not to contribute its proportionate share of costs to all approved joint venture programs since inception of the joint venture in 2016. The Company estimates its current interest in the joint venture is approximately 21.6%.

Pursuant to a previous acquisition agreement between the Company and Springbok Holdings Inc. ("Springbok") (please see the Company's Annual Management Discussion and Analyses for the year ended April 30, 2016, for further details on the acquisition agreement), in the event the Company incurs \$2 million in joint venture expenditures on the Lac de Gras Joint Venture Property, the Company will issue to Springbok that number of common shares of the Company having a value of \$1 million.

During the year ended April 30, 2022, the Company wrote down \$800,921 of exploration and evaluation expenditures on the Lac de Gras project in recognition of the lack of significant planned exploration expenditures on the property.

Mel Diamond Project – Nunavut

The Company maintains a 100% interest in the Mel diamond project. The project consists of approximately 56,075 hectares on the Melville Peninsula, Nunavut, approximately 140 km south of the community of Sanirajaq (formerly Hall Beach) and 210 km northeast of the community of Naujaat. The property is located within 18 km of tidewater and hosts two known kimberlite

occurrences and several well-defined kimberlite indicator mineral (KIM) trains. The two kimberlites, ML8 and ML345, were discovered in 2017 and 2018, respectively, near the up-ice termination of KIM train in the northern part of the property. The ML8 kimberlite is significantly diamondiferous, with 77 diamonds recovered from 294.7 kg of kimberlite, including 4 diamonds larger than 0.85mm. More complete details and results of the 2018 program can be found in the Company's Management Discussion and Analysis for the year ended April 30, 2019. Next steps for the project include, subject to funding, additional prospecting, till sampling, and geophysics to better define drill targets at the head(s) of identified KIM trains.

The Mel project is subject to a 1% GOR held by Anglo Celtic Exploration Ltd. (the "ACEL GOR"), a private company controlled by D. Grenville Thomas, a director of the Company. The Company retains the right to buy back half of the ACEL GOR (0.5%) for \$1 million at any time.

Effective January 13, 2021, the Company entered into an agreement with StrategX Elements Corp ("StrategX") to sell to StrategX the non-diamond mineral rights in the Mel Property for consideration of a 1% GOR on the non-diamond production, and 100% of the rights to any diamond discoveries in a 435,000ha area of interest surrounding the property ("StrategX AOI"). During the period ended January 31, 2023, the Company and StrategX amended the agreement with an effective date of August 9, 2021. As part of the amended agreement, StrategX assumed 100% of the responsibility for the Mel exploration camp, including demobilization costs. StrategX retains a 2% GOR on any diamond production in the StrategX AOI, reduced to 1% wherever the ACEL GOR applies. North Arrow retains the right to purchase 50% of StrategX's GOR for \$2,000,000. StrategX retains the right to purchase 50% of the North Arrow GOR for \$1,000,000.

CSI Diamond Project – Nunavut

The Company maintains a 100% interest in the CSI diamond project, Nunavut. The project was acquired by staking during the winter of 2021 and is located immediately to the west of diamondiferous Muskox and Jericho kimberlites. The 4,540ha property covers an area that could host a bedrock kimberlite source for regionally anomalous kimberlite indicator mineral samples reported by earlier workers. During the year ended April 30, 2022, the Company completed a small till sampling program intended to test new interpretations of the surficial geology in the project area. A total of 30 samples were collected and results received include a number of samples with anomalous numbers of kimberlite indicator minerals. Interpretation and characterization of the recovered KIMs is currently underway as well as planning for follow up field work.

Gold and Other Projects

Hope Bay ORO Gold Project – Nunavut

The Company's 100% owned ORO gold property is located in the Hope Bay Volcanic Belt (HBVB) in Nunavut and is strategically located on tide water covering the northern end of the HBVB, approximately 3.25km to the north of Agnico Eagle's Doris gold mine. Gold mineralization at the Doris gold mine occurs along a well-defined stratigraphic volcanic contact, which extends northward onto the ORO property. The ORO property hosts numerous gold showings and potentially gold bearing structures including the Elu shear zone and Wombat zone.

FINANCIAL CONDITION, LIQUIDITY, CAPITAL RESOURCES, OPERATIONS AND FINANCIAL RESULTS

Overall performance

	January 31, 2023		April 30, 2022		April 30, 2021	
Current assets	\$	232,706	\$	1,120,762	\$	1,167,236
Non-current assets		19,358,450		19,015,455		19,430,287
Current liabilities		(977,192)		(1,744,889)		(1,606,789)
Long-term Liabilities		(31,623)		(56,972)		(883)
Shareholders' equity	\$	18,582,341	\$	18,334,356	\$	18,989,851

Financing/Use of Proceeds

Effective February 17, 2021, the Company entered into a loan agreement with Anglo Celtic Exploration Ltd. ("Anglo Celtic") to provide North Arrow an unsecured loan of \$400,000 (the "Loan"). Anglo Celtic is a private company controlled by D. Grenville Thomas, a director of the Company. Proceeds of the Loan will be used to advance the Company's exploration projects

and for general working capital. The Loan was to be repaid in full by February 16, 2022 and carries an interest rate of 10% per annum with accrued interest to be paid at the time of the repayment. As further consideration for agreeing to advance the Loan, North Arrow issued to Anglo Celtic 1,000,000 common shares pursuant to the rules and regulations of the TSX Venture Exchange.

In February 2022, the Company received an amendment of the Loan agreement with Anglo Celtic extending the date at which the Loan is to be paid in full to February 15, 2023. As further consideration for extending the Loan, North Arrow issued to Anglo Celtic 1,000,000 share purchase warrants. Each warrant allowed Anglo Celtic to purchase one common share of the Company at a price of \$0.12 for a period for 12 months from the date of issue of the warrants. Subsequent to January 31, 2023, the warrants expired unexercised.

Effective December 19, 2022, the Company made a limited security agreement in favour of Anglo Celtic, under which the Company secured the payment and performance of its obligations to Anglo Celtic in accordance with the Loan by granting Anglo Celtic a security interest in the Company's interests in the mineral claims comprising each of the Pikoo Property, Loki Property and CSI Property.

Effective February 16, 2023, the Company and Anglo Celtic agreed to extend the Loan for an additional period of one year under the same terms and conditions.

Effective May 31, 2021, the Company completed a 9,222,000 unit flow through financing for gross proceeds of \$1,014,420. Each unit consisted of a flow through share and one half of a transferable non-flow-through warrant. Each whole warrant will entitle the holder to purchase one additional non-flow through share at a price of \$0.18 for a period of two years.

On December 28, 2022, the Company completed a 16,700,000 unit private placement at a price of \$0.05 per unit for gross proceeds of \$835,000. Each unit consisted of one share and one share purchase warrant. Each warrant will entitle the holder to purchase one additional share at a price of \$0.10 for a period of two years. At December 28, 2022, the Company's market price was \$0.03 per share; accordingly, \$334,000 of the proceeds were assigned to the value of the warrants under the residual method. Finders' fees and costs of \$13,181 were paid in connection with this private placement. Included in finder's fees were 90,000 warrants valued at \$1,100. The fair value of warrants issued as finders fees was estimated on the date of grant using the Black-Scholes option pricing model.

Results of Operations

During the three and nine months ended January 31, 2023 (the "current quarter and the current period"), the Company recorded losses of \$210,373 or \$0.00 per share and \$586,006 or \$0.00 per share respectively. This is compared with losses of \$291,454 or \$0.00 per share and \$658,618 or \$0.01 per share respectively for the three and nine months ended January 31, 2022 (the "comparative quarter and comparative period").

Expenses for the current quarter were \$213,624 (comparative quarter - \$289,464) a decrease of \$75,840 from the comparative quarter. The decrease in expenses during the current quarter was largely related to decreased advertising, promotion and travel of \$46,210 (comparative quarter - \$68,260), decreased salaries and benefits of \$82,323 (comparative quarter - \$104,346) and decreased share-based compensation \$1,057 (comparative quarter - \$14,677). The decrease in advertising, promotion and travel is related to cost reductions and the reduction in salaries was a result of the Company being able to charge staff work to capital projects.

During the current quarter the Company recorded a loss on marketable securities of \$209 (comparative quarter - \$3,750) and other income of \$3,580 (comparative quarter - \$922). The loss on marketable securities reflects the write-down of the securities to fair market value and the other income arises on the accounting treatment used for the issuance of flow through shares that were issued at a premium to the market price of the Company.

Expenses for the current period were \$599,228 (comparative period - \$670,712) a decrease of \$71,484 from the comparative period. The decrease in expenses during the current period was largely related to decreased amortization of bonus shares and warrants of \$16,814 (comparative period - \$59,461) and decreased share-based compensation of \$11,072 (comparative period - \$75,659). These reductions were offset by increased salaries and benefits of \$235,612 (comparative period - \$225,313) and increased property investigation costs of \$46,254 (comparative period - \$33,889). The decrease in amortization of bonus shares and warrants is a result of the related loan approaching maturity and the reduction in share-based compensation is largely due to fewer options vesting in the current period compared to the comparative period.

During the current period the Company recorded a loss on marketable securities of \$6,459 (comparative period - \$16,250) and other income of \$15,218 (comparative period - \$27,204). The loss on marketable securities reflects the write-down of the securities to fair market value and the other income arises on the accounting treatment used for the issuance of flow through shares that were issued at a premium to the market price of the Company.

Summary of quarterly results

The following table sets out selected unaudited quarterly financial information of North Arrow and is derived from the Company's unaudited quarterly financial statements prepared by management. The Company's interim financial statements are prepared in accordance with IFRS and are expressed in Canadian dollars.

Quarter Ending	Interest Income	Income or (Loss) from Continued Operation and Net Income (Loss)	Basic Earnings (Loss) per share from Continued Operation and Net Income (Loss)	Earnings (Loss) per share
January 31, 2023	\$ 142	\$ (210,373)	\$ (0.00)	\$ (0.00)
October 31, 2022	\$ 396	\$ (218,081)	\$ (0.00)	\$ (0.00)
July 31, 2022	\$ -	\$ (157,552)	\$ (0.00)	\$ (0.00)
April 30, 2022	\$ -	\$ (1,041,009)	\$ (0.01)	\$ (0.01)
January 31, 2022	\$ -	\$ (291,454)	\$ (0.00)	\$ (0.00)
October 31, 2021	\$ 129	\$ (169,995)	\$ (0.00)	\$ (0.00)
July 31, 2021	\$ -	\$ (197,169)	\$ (0.00)	\$ (0.00)
April 30, 2021	\$ -	\$ (186,147)	\$ (0.00)	\$ (0.00)

Variations in Quarterly Results

The Company's quarterly results can be affected by many factors such as seasonal fluctuations, variations in capital markets, the write-off of capitalized amounts, stock-based compensation costs, tax recoveries, flow through financings and legal matters.

The \$210,373 loss for the third quarter of fiscal 2023 reflects ongoing administration costs, amortization of \$5,604 related to the bonus shares and warrants issued as consideration to a loan, share based compensation costs of \$1,057, a loss of \$209 on marketable securities and other income \$3,580 on the crediting of the deferred premium to operations.

The \$218,081 loss for the second quarter of fiscal 2023 reflects ongoing administration costs, amortization of \$5,605 related to the bonus shares and warrants issued as consideration to a loan, share based compensation costs of \$3,973, a loss of \$3,750 on marketable securities and other income \$10,254 on the crediting of the deferred premium to operations.

The \$157,552 loss for the first quarter of fiscal 2023 reflects ongoing administration costs, amortization of \$5,605 related to the bonus shares and warrants issued as consideration to a loan, share based compensation costs of \$6,042, a loss of \$2,500 on marketable securities and other income \$1,384 on the crediting of the deferred premium to operations.

The \$1,041,009 loss for the fourth quarter of fiscal 2022 reflects a \$800,921 write down of exploration and evaluation assets, ongoing administration costs, amortization of \$12,509 related to the bonus shares and warrants issued as consideration to a loan, share based compensation costs of \$10,120, increased advertising, promotion and travel of \$26,362, a loss of \$1,250 on marketable securities and other income \$3,688 on the crediting of the deferred premium to operations.

The \$291,454 loss for the third quarter of fiscal 2022 reflects the Company's ongoing administration costs, amortization of \$17,543 related to the bonus shares issued as consideration to a loan, share based compensation costs of \$14,677, increased advertising, promotion and travel of \$68,260 and a loss of \$3,750 on marketable securities.

The \$169,995 loss for the second quarter of fiscal 2022 reflects the Company's ongoing administration costs, amortization of \$20,959 related to the bonus shares issued as consideration to a loan, share based compensation costs of \$22,424 and a loss of \$5,000 on marketable securities.

The \$197,169 loss for the first quarter of fiscal 2022 reflects the Company's ongoing administration costs, amortization of

\$20,959 related to the bonus shares issued as consideration to a loan, share based compensation costs of \$38,558 and a loss of \$7,500 on marketable securities.

The \$186,147 loss for the fourth quarter of fiscal 2021 reflects the Company's ongoing administration costs, amortization of \$16,767 related to the bonus shares issued as consideration to a loan, share based compensation costs of \$8,027 and gains of \$5,000 on marketable securities.

Financial Position January 31, 2023 compared to April 30, 2022

At January 31, 2023, the Company had cash of \$204,706 (April 30, 2022 - \$1,032,414), exploration and evaluation assets of \$19,260,450 (April 30, 2022 - \$18,888,590), current liabilities of \$977,192 (April 30, 2022 - \$1,744,889), and shareholders' equity of \$18,582,341 (April 30, 2022 - \$18,334,356). During the current period the Company completed an \$835,000 private placement that enabled it to continue work on projects and reduce its current liabilities. The decrease in the Company's cash position from April 30, 2022 is largely a result of the Company funding administrative operations and work on exploration projects.

During the current period the Company's activities focused on work related to acquisition of lithium projects and the exploration and evaluation of its diamond projects.

Liquidity

At January 31, 2023 the Company had a working capital deficiency of \$744,486 compared to a working capital deficiency of \$624,127 at April 30, 2022. The increase in the working capital deficiency is largely a result of funding ongoing exploration activities and administration. Included in accounts payable and accrued liabilities is a provision of \$120,500 for future demobilization costs related to the Mel project in Nunavut.

During the current period the Company's cash position decreased \$827,708 (comparative period – increased \$949,654). The decrease in cash was a result of cash expenditures of \$410,859 (comparative period - \$537,027) and \$1,207,854 (comparative period – receipt of \$537,952) on operating and investing activities reduced by \$791,005 (comparative period – \$948,729) from financing activities.

Operating activities

During the current period the Company's operating activities used \$410,859 (comparative period - \$537,027) of cash. The cash used in operating activities during the current period reflects the Company's funding of a loss of \$586,006 (comparative period – \$658,618) adjusted for non-cash gains and expenditures and cash of \$84,480 (comparative period – decrease of \$74,490) provided from changes in receivables, prepaid expenses and accounts payable.

The non-cash gain and expenditure adjustments to the operating loss consist of share-based compensation \$11,072 (comparative period - \$75,659), depreciation \$33,056 (comparative period - \$38,595), finance costs \$38,484 (comparative period - \$33,320), amortization of bonus shares and warrants \$16,814 (comparative period - \$59,461), loss of \$6,459 (comparative period – \$16,250) on marketable securities and other income arising on the flow through financing's deferred premium of \$15,218 (comparative period - \$27,204).

Investing activities

During the current period the Company's investing activities used \$1,207,854 (comparative period – provided \$537,952) of cash. The cash used in investing activities was for equipment purchases of \$4,191 (comparative period - \$nil), the reduction in the advances from Burgundy Diamond Mines Limited of \$727,017 (comparative period – net receipts of \$457,060) and exploration and evaluation cash expenditures of \$476,646 (comparative period – source of \$80,892).

Financing activities

During the current period the Company's financing activities provided \$791,005 (comparative period - \$948,729) of cash. During the current period the Company received net proceeds from a private placement of \$822,919 (comparative quarter – \$982,041) and used \$31,914 (comparative period - \$33,312) for payments related to its lease agreements.

Capital Resources

The Company's financial condition and future prospects are significantly affected by overall economic conditions. The Company has no source of operating revenue and relies on equity financings, joint ventures and warrant and stock option exercises to further exploration on its properties.

The Company's long-term financial success is dependent on management's ability to discover and develop economically viable mineral deposits. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration activity and the Company's ability to raise additional funds on favourable terms. Management recognizes there will be risks involved that may be beyond their control. The Company intends to continue to use various strategies to minimize its dependence on equity capital, including the securing of joint venture partners where appropriate.

The Company's ability to generate cash is very much affected by the current market conditions, its share price and third-party interest in its assets. In the current equity market, funds for companies at an early/grass-roots stage of exploration are limited and dilution to existing shareholders from an equity financing increases as the share price decreases. The Company has limited credit facilities that could be used for ongoing operations because it has no operating cash flow.

In order to finance the Company's exploration programs and to cover administrative and overhead expenses, the Company raises money through equity sales, from the exercise of convertible securities, through debt and, in the past, from the sale of investments. Although the Company has had past success in obtaining financing, there can be no such assurance that it will be able to obtain adequate financing in the future or that the terms of any financing will be favourable. Many factors influence the Company's ability to raise funds, including the state of the resource market and commodities prices and, the climate for mineral exploration.

The Company's management actively manages its landholdings in an effort to keep those landholdings with the greatest exploration potential in good standing for as long as possible. The Company's management regularly reviews its cash position against future plans and makes decisions regarding these plans accordingly.

The Company is seeking to minimize variable expenses to the extent possible and may seek joint venture partners to continue to further exploration of its mineral properties.

Risks and Uncertainties

Industry

An investment in natural resource companies involves a significant degree of risk. The degree of risk increases substantially where the Company's properties are in the exploration as opposed to the development stage. Investment in the securities of the Company should be considered as highly speculative due to the nature of the Company's business. The following additional risk factors should be given special consideration.

Exploration, Development and Mining Risks

Exploring and developing mineral resource projects bears a high potential for all manner of risks. Additionally, few exploration projects successfully achieve development due to factors that cannot be predicted or foreseen. Moreover, even one such factor may result in the economic viability of a project being detrimentally impacted such that it is neither feasible nor practical to proceed. Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of diamonds and base/precious metals, any of which could result in work stoppages, damage to property, and possible environmental damage. If any of the Company's exploration programs are successful, there is a degree of uncertainty attributable to the calculation of resources and reserves and the corresponding grades that could be mined or dedicated to future production. Until reserves are actually mined and processed, calculations of quantity and grade must be considered as estimates only. In addition, the quantity of resources and reserves may vary depending on diamond or metal prices. Any material change in resources and reserves, including grade or recovery ratio, may affect the economic viability of the Company's properties. In addition, there can be no assurance that diamond and metal recoveries in small-scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production. The Company closely monitors its activities and those factors, which could impact them, and employs experienced consulting, engineering, and legal advisors to assist in its risk management reviews.

The Company's properties are currently being assessed for exploration and as a result, the Company has no source of operating

cash flow. Failure to obtain additional financing could result in a delay or indefinite postponement of further exploration. Development of the Company's mineral properties will only follow upon obtaining satisfactory exploration results. Mineral exploration and development involve a high degree of risk and few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and development activities will result in any discoveries of mineralization that can be converted into resources or reserves. The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish resources and reserves through drilling, to develop metallurgical processes to extract the metal or diamonds 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 to justify commercial operations or that the funds required for development can be obtained on a timely basis.

Foreign Operation Risks

Historically, the majority of the Company's expenses have been denominated in Canadian Dollars so its exposure to foreign exchange risk has been limited. Exploration activities outside of Canada can expose the Company to foreign exchange risk. Presently, the Company does not have foreign operations or use foreign-exchange contracts to mitigate this risk, but that may change in future, depending upon the size of the Company's exploration programs denominated in currencies other than the Canadian Dollar.

Insurance

The Company's involvement in the exploration for mineral properties may result in the Company becoming subject to liability for pollution, property damage, personal injury or other hazards. Although the Company may have insurance to address many risks, such insurance has limitations on liability that may not be sufficient to cover the full extent of such liabilities. In addition, such risks may not, in all circumstances be insurable or, in certain circumstances, the Company may elect not to obtain insurance to deal with specific risks due to the high premiums associated with such insurance or other reasons. The payment of such uninsured liabilities would reduce the funds available to the Company. The occurrence of a significant event that the Company is not fully insured against, or the insolvency of the insurer of such event, could have a material adverse effect on the Company's financial position, results of operations or prospects.

Environmental Risks

All phases of the mineral exploration and development business present environmental risks and hazards and are subject to environmental legislation. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances used and or produced in association with mineral exploration and mining operations. The legislation also requires that facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs. The discharge of pollutants into the air, soil or water may give rise to liabilities to foreign governments and third parties and may require the Company to incur costs to remedy such discharge. No assurance can be given that the application of environmental laws to the business and operations of the Company will not result in a curtailment of production or a material increase in the costs of production, development or exploration activities or otherwise adversely affect the Company's financial condition, results of operations or prospects.

Prices, Markets and Marketing of Diamonds and Base/Precious Metals

The Company's revenues, if any, are expected to be in large part derived from the mining and sale of diamonds and base/precious metals or interests related thereto. The price of those commodities has fluctuated widely, particularly in recent years, and is affected by numerous factors beyond the Company's control including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, speculative activities, increased production due to new mine developments and improved mining and production methods. The effect of these factors on the price of diamonds and base/precious metals, and therefore the economic viability of any of the Company's exploration projects, cannot accurately be predicted.

The marketability of any minerals acquired or discovered may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as the proximity and capacity of milling facilities, mineral

markets and processing equipment and governmental regulations including regulations relating to royalties, allowable production and importing and exporting of minerals.

Substantial Capital Requirements and Liquidity

The Company anticipates that it will make substantial capital expenditures for the acquisition, exploration, development and production of its mineral properties in the future. The Company currently has no revenue and may have limited ability to expend the capital necessary to undertake or complete future drilling programs. There can be no assurance that debt or equity financing, or cash generated by operations will be available or sufficient to meet these requirements or for other corporate purposes or, if debt equity financing is available, that it will be on terms acceptable to the Company. Moreover, future activities may require the Company to alter its capitalization significantly. The inability of the Company to access sufficient capital for its operations could have a material adverse effect on the Company's financial condition, results of operations or prospects.

Issuance of Debt

From time to time the Company may enter into transactions or activities that may be financed with debt which could impair the Company's ability to obtain additional financing in the future. The inability of the Company to access sufficient capital for the repayment of any debt could have a material effect on the Company's financial condition, results of operations or prospects.

Outstanding Share Data

The Company's authorized capital is unlimited common shares without par value.

As at March 23, 2023, the Company had the following shares, options and warrants outstanding:

		Number
Shares issued and outstanding		138,958,744
Options:		
Expire May 10, 2023	\$0.27	2,070,000
Expire July 12, 2023	\$0.20	2,670,000
Expire November 8, 2024	\$0.10	2,970,000
Expire December 17, 2025	\$0.10	400,000
Expire June 3, 2026	\$0.12	1,025,000
Warrants		
July 31, 2024	\$0.10	17,044,286
May 31, 2023	\$0.18	4,611,000
December 28, 2024	\$0.10	16,790,000
Fully diluted		186,539,030

Stock options and warrants

At the Company's Annual General and Special Meeting held on December 15, 2022, the shareholders of the Company ratified an amended stock option plan (the "Plan"). The Plan gives the directors the authority to grant options to directors, officers, employees and consultants. The maximum number of shares to be issued under the Plan is 10% of the issued and outstanding common shares at the time of the grant. The exercise price of each option granted shall not be less than the market price at the date of grant less a discount up to 25% in accordance with the policies of the TSXV.

Options granted can have a term up to 5 years with vesting provisions determined by the directors in accordance with TSXV policies for Tier 2 Issuers, with a typical vesting period of 25% upon grant and 25% every six months thereafter.

Transactions with Related Parties

The Company incurred the following transactions in the normal course of operations in connection with companies which have an officer and/or director in common during the nine months ended January 31, 2023.

- Paid or accrued consulting fees of \$6,750 (2022 - \$6,750) to the Corporate Secretary of the Company. This amount is included in salaries disclosed below.
- Charged related parties \$15,310 (2022 - \$4,860) for fees, rent, office, and administrative costs.
- Included in accounts payable is \$147,500 (2022 - \$74,120) due to directors and officers.
- Interest of \$35,028 (2022 - \$31,540) has been accrued on a loan from a company controlled by a director.

The remuneration of directors and key management personnel during the nine months ended January 31, 2023 was as follows:

	January 31, 2023	January 31, 2022
Salaries ¹	\$ 158,348	\$ 147,273
Salaries in exploration costs ¹	62,152	69,227
Share-based compensation ²	7,633	52,953
Total	\$ 228,133	\$ 269,453

1 – When key management is working specifically on mineral properties their time is capitalized against the mineral property.

2 – Share-based compensation is the fair value of options that have been granted to directors and key management personnel.

During the year ended April 30, 2016, the Company entered into an employment agreement with a senior employee and officer for his services requiring a minimum annual payment of \$225,000. In addition, the employment agreement contains clauses which could provide for a payment or payments in excess of \$450,000 on termination of employment or conclusion of a change in control or similar transaction.

CHANGES IN ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS

NATURE AND CONTINUANCE OF OPERATIONS

North Arrow Minerals Inc. (the “Company”) was incorporated federally under the laws of the Canada Business Corporations Act. On January 25, 2023, the Company was continued into British Columbia, from the jurisdiction of Canada, under the Business Corporations Act.

The Company trades on the TSX Venture Exchange (TSXV – NAR) and its registered office address is Ste. #960-789 West Pender Street, Vancouver, BC, Canada V6C 1H2.

The Company’s principal business activity is the acquisition and exploration of exploration and evaluation assets. To date, the Company has not generated significant revenues from operations and is considered to be in the exploration stage.

The Company’s financial statements have been prepared on a going concern basis which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. At January 31, 2023, the Company had an accumulated deficit of \$25,871,999 (April 30, 2022 - \$25,285,993), incurred ongoing losses and has no source of recurring revenue. These material uncertainties may cast significant doubt upon the Company’s ability to continue as a going concern. The Company’s financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported amounts of expenses and the classification of statement of financial position items if the going concern assumption was inappropriate. These adjustments could be material.

The Company’s continuation as a going concern is dependent on the successful results from its mineral property exploration activities, its ability to reduce or defer discretionary expenditures and its continued ability to raise equity capital or borrowings sufficient to meet current and future obligations.

Statement of Compliance

The Company's financial statements have been prepared 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") and specifically with IAS 34, Interim Financial Reporting. The accounting policies applied in preparation of these financial statements are consistent with those applied and disclosed in the Company's financial statements for the year ended April 30, 2022. These financial statements are presented in Canadian dollars unless otherwise noted.

Historical cost

The Company's financial statements have been prepared on a historical cost basis except for certain financial instruments measured at fair value.

Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during this period.

Although management uses historical experiences and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

The most significant accounts that require estimates as the basis for determining the stated amounts include the recoverability of exploration and evaluation assets and the valuations for share-based payments, marketable securities, deferred premiums, deferred tax amounts, loan payable, right-of-use assets and lease liabilities.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

- i) Economic recoverability and probability of future benefits of exploration and evaluation costs.
Management has determined that exploration, evaluation and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geologic and other technical information, history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, the quality and capacity of existing infrastructure facilities, evaluation of permitting and environmental issues and local support for the project.
- ii) Valuation of share-based payments and warrants recorded as marketable securities
The Company uses the Black-Scholes Option Pricing Model for valuation of share-based payments and warrants recorded as marketable securities. Option pricing models require the input of subjective assumptions including expected price volatility, interest rates and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and Company's earnings and equity reserves.
- iii) Income taxes
In assessing the probability of realizing income tax assets, management makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.
- iv) Valuation of deferred premiums and flow-through shares
On issuance the Company bifurcates the flow-through share into a flow-through share premium liability based on the estimated premium the investor pays for the flow through share and share capital. When qualifying expenses are incurred the Company derecognizes the liability and the premium is recognized as other income.

v) Valuation of marketable securities

Marketable securities are valued at fair market value based on quoted prices in active markets. Changes in market prices can materially affect the fair value estimate and the Company's earnings.

vi) Valuation of right-of-use assets and related lease liabilities

Lease liabilities are initially measured at the present value of the lease payments discounted using the Company's estimated incremental borrowing rate or the interest rate implicit in the lease. Lease payments are allocated between the lease liability and the finance cost. The finance cost is charged to profit or loss using the effective interest method. The right-of-use assets are initially measured at cost or the corresponding lease liability plus direct costs. They are subsequently measured at cost less depreciation and any impairment losses. Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

vii) Valuation of loan payable

The loan payable is measured at cost plus any unpaid interest. Bonus shares and warrants issued as consideration for making the loan are initially recorded as a reduction in the loan and amortized to operations over the term of the loan.

New Accounting pronouncements

The IASB has issued several new standards and amendments for accounting periods on or after April 30, 2022. The Company has reviewed these and determined that these new standards and amendments are not consequential and did not have a material effect on the financial statements.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

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 consist of cash, marketable securities, receivables, accounts payable and accrued liabilities, bank line of credit, loan payable, advance from Burgundy and lease liabilities. Cash is carried at fair value using a Level 1 fair value measurement. The carrying value of receivables, accounts payable and accrued liabilities, loan payable, advance from Burgundy and bank line of credit approximate their fair values due to their immediate or short-term maturity. Marketable securities consisting of common shares are recorded at fair value based on the quoted market prices in active markets at the reporting date, which is consistent with Level 1 of the fair value hierarchy. Marketable securities consisting of warrants are recorded at fair value based on a Black Scholes pricing model consistent with Level 3 of the fair value hierarchy.

The Company is exposed to a variety of financial risks by virtue of its activities, including credit risk, interest rate risk, liquidity risks, foreign currency risk, and equity market risk. The Company's objective with respect to risk management is to minimize potential adverse effects on the Company's financial performance. The Board of Directors provides direction and guidance to management with respect to risk management. Management is responsible for establishing controls and procedures to ensure that financial risks are mitigated to acceptable levels.

Credit risk

Credit risk is the risk of financial loss to the Company if a counter-party to a financial instrument fails to meet its contractual obligations. The Company manages credit risk by investing its excess cash in short-term investments with investment grade ratings, issued by a Canadian chartered bank. The Company's receivables consist primarily of sales tax receivables due from the federal government and receivables from companies with which the Company has exploration agreements or options. The maximum exposure to credit risk at the reporting date is the carrying value of the Company's receivables and cash.

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. Financial assets and liabilities with variable interest rates expose the Company to interest rate risk with respect to its cash flow. It is management's opinion that the Company is not exposed to significant interest rate risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise the funds required through future equity financings, debt, asset sales or exploration option agreements, or a combination thereof. The Company has no regular cash flow from its operating activities. The Company manages its liquidity risk by forecasting cash flow requirements for its planned exploration and corporate activities and anticipating investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of annual budgets and significant expenditures and commitments. Failure to realize additional funding could cast significant doubt on the Company's ability to continue as a going concern. As at January 31, 2023, the Company had cash of \$204,706 (April 30, 2022 - \$1,032,414) available to settle current liabilities of \$977,192 (April 30, 2022 - \$1,744,889).

Foreign currency risk

The Company's activities are within Canada and accordingly the Company is not subject to significant foreign currency risk.

Equity market risk

The Company is exposed to equity price risk arising from its marketable securities, which are classified as fair value through profit (loss). The Company plans to sell its marketable securities as market conditions permit, or as is required to finance the Company's operations from time-to-time.

Capital Management

The capital of the Company consists of the items included in shareholders' equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company. The Company's objective for capital management is to plan for the capital required to support the Company's ongoing acquisition and exploration of its mineral properties and to provide sufficient funds for its corporate activities.

The Company's exploration and evaluation assets are in the exploration stage. As an exploration stage company, the Company is currently unable to self-finance its operations. The Company has historically relied on equity financings to finance its operations. In order to carry out the Company's planned exploration programs and to pay for administrative costs, the Company will have to raise additional funds as required. To effectively manage the Company's capital requirements, the Company's management has in place a planning and budgeting process.

Additional Disclosure for Venture Issuers Without Significant Revenue

Additional disclosure concerning the Company's general and administrative expenses and exploration and evaluation assets and expenses is provided in the Company's statement of financial position, statement of changes in equity, statement of loss and comprehensive loss and the exploration and evaluation assets note contained in its financial statements for the nine months ended January 31, 2023 and 2022. These statements are available on SEDAR at www.sedar.com.

Additional Information

Additional information relating to the Company is on SEDAR at www.sedar.com and is available on the Company's website at www.northarrowminerals.com.

Approval

The Board of Directors of the Company has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.