



**ATAC RESOURCES LTD.  
MANAGEMENT DISCUSSION AND ANALYSIS  
for the Three Months and the Twelve Months ended December 31, 2020  
(including any Significant Subsequent Events to March 19, 2021)**

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The following discussion and analysis of the results of operations and financial condition of ATAC Resources Ltd. (“ATAC”) for the three months and the twelve months ended December 31, 2020 should be read in conjunction with ATAC’s audited consolidated financial statements and related notes for the twelve months ended December 31, 2020. All ATAC financial statements are prepared in accordance with the International Financial Reporting Standards (“IFRS”).

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible for ensuring that information disclosed externally, including the financial statements and this Management Discussion and Analysis (“MD&A”), is complete and reliable.

The ATAC financial statements, MD&A and all other continuous disclosure documents are filed with Canadian securities regulators and are available for review under the ATAC Resources Ltd. profile at [www.sedar.com](http://www.sedar.com).

**FORWARD-LOOKING STATEMENTS**

Except for statements of historical fact, certain information contained herein constitutes forward-looking statements. Forward-looking statements are usually identified by ATAC’s use of certain terminology, including “will”, “may”, “expects”, “should”, “anticipates” or “intends” or by discussions of strategy or intentions. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause ATAC’s actual results or achievements to be materially different from any future results or achievements expressed or implied by such forward-looking statements.

Forward-looking statements are statements that are not historical facts and include but are not limited to: estimates and their underlying assumptions; statements regarding plans; objectives and expectations with respect to the effectiveness of ATAC’s business model; future operations; products and services; the impact of regulatory initiatives on ATAC’s operations; the size of and opportunities related to the market for ATAC’s products; general industry and macroeconomic growth rates; expectations related to possible joint or strategic ventures; and statements regarding future performance.

Forward-looking statements used in this MD&A are subject to various risks and uncertainties, most of which are difficult to predict and generally beyond the control of ATAC. If risks or uncertainties materialize, or if underlying assumptions prove incorrect, the actual results may vary materially from those expected, estimated or projected. ATAC undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Given these uncertainties, the reader of the information included herein is cautioned not to place undue reliance on such forward-looking statements.

## **DESCRIPTION OF BUSINESS**

ATAC is in the business of exploring for metals and minerals with a particular emphasis on gold. It does not own interests in any producing mines. At present, management is concentrating most of its efforts on its wholly-owned Rackla Gold property in central Yukon, Canada and the East Goldfield project, located in Nevada, United States of America. See “Exploration and Property Transactions” for additional information.

## **OVERALL PERFORMANCE**

On March 11, 2020, the World Health Organization recognized the novel coronavirus (“COVID-19”) as a global pandemic. ATAC continues to evaluate the impact of the outbreak of COVID-19, which could create significant uncertainty for ATAC and its operations. Both British Columbia and Yukon Territory, the Canadian jurisdictions in which ATAC primarily operates have imposed the requirements of self-isolation and social distancing in an attempt to control the spread of the virus. Current measures include limitations on the movement of people and the closure of many non-essential businesses. ATAC management and contractors are currently working remotely wherever possible and self-monitoring for signs of infection.

ATAC also has a mineral exploration project in Nevada, United States of America. The United States and Canada have extended restrictions on non-essential travel across the shared international border until March 21, 2021 in response to the COVID-19 pandemic. Non-essential travel includes travel that is considered tourism or recreational in nature. Essential travel which is currently permitted includes work and study, critical infrastructure support, economic services and supply chains, health, immediate medical care, and safety and security. Trade and business travel has continued to operate across the international border.

All work to be carried out in 2021 by ATAC on its Nevada project will continue to be subject to all COVID-19 related travel restrictions and health advisories in place at the time such work is undertaken. Local contractors were used for the majority of field work in 2020.

As of March 19, 2021, ATAC had no debt and had working capital in excess of its anticipated expenditures for all of 2021. Such expenditures include costs related to administrative overhead and future exploration programs. See “Risks and Uncertainties” for additional information. Based on the restricted nature of ATAC’s business activities, it does not qualify it for the various government wage and loan subsidies related to temporary COVID-19 relief measures in Canada.

The focus of ATAC's human and financial resources are the Rackla Gold property located in Yukon Territory, Canada and the East Goldfield project, located in Nevada, U.S.A., See "Exploration and Property Transactions" for additional information.

### **SELECTED ANNUAL INFORMATION**

	<b>December 31, 2020</b>	<b>December 31, 2019</b>	<b>December 31, 2018</b>
Revenues	Nil	Nil	Nil
Net (Loss)	(\$102,670,247)	(\$1,098,047)	(\$3,738,812)
Net (Loss) per Share - Basic and Diluted	(\$0.64)	(\$0.01)	(\$0.03)
Total Assets	\$7,520,860	\$125,781,329	\$123,776,498
Total Long-term Financial Liabilities	Nil	Nil	Nil
Cash Dividends Declared per Share	Nil	Nil	Nil

ATAC's net loss for the year ended December 31, 2020 compared to the net loss for the year ended December 31, 2019 increased by approximately \$101,572,000. This increase was predominantly caused by an impairment of the Rackla Gold Property in the amount of approximately \$118,784,000 (compared to approximately \$20,000 in impairment costs during the year ended December 31, 2019). ATAC also recognized an increase in professional fees in the amount of approximately \$79,000 from the comparative year.

The overall increase in net loss was partially offset by an increase in deferred income tax recovery of approximately \$16,625,000, an increase in gain on marketable securities in the amount of approximately \$393,000 (from a loss of approximately \$235,000 in 2019 to a gain of approximately \$158,000 in 2020), as well as a reduction in share-based payments of approximately \$190,000 and a reduction in salaries and benefits of approximately \$94,000.

Based on the presence of certain impairment indicators under IFRS accounting standards, ATAC recorded an impairment of \$118,783,685 on the Rackla Gold property as of December 31, 2020. The impairment is related to the carried value of the Rackla Gold property as shown in the ATAC financial statements and is largely related to exploration expenditures incurred during the years 2006 through 2020. The impairment is a reduction in the carried value of ATAC's exploration expenditures on the property and does not reflect any changes in the exploration potential or corporate interest in continuing to explore the Rackla Gold property in the future.

The primary indicator leading to the required impairment was ATAC's market capitalization being significantly lower than its net assets for a prolonged period of time (i.e., more than three years), in addition to Yukon Government's denial (November 27, 2020) of ATAC's permit application to construct a tote road to its Tiger gold deposit. ATAC has continued its dialogue with the Yukon Government since the permit was denied and is hopeful a resolution acceptable

to all parties can be reached. ATAC remains fully permitted to conduct air supported advanced exploration across its Rackla Gold property, as it has in all exploration programs conducted to date. ATAC believes the Rackla Gold property still holds significant value and exploration opportunity, as demonstrated by the positive Tiger Deposit PEA, significant gold resources at the Osiris Deposit, and numerous other early-stage gold and base metal targets.

**SUMMARY FINANCIAL INFORMATION (for the eight quarters ended December 31, 2020)**

The following table shows the results for the last quarter compared to those from the previous seven quarters.

<b>Period Ending</b>	<b>Revenues</b>	<b>Net Income (Loss)</b>	<b>Net Income (Loss) per Share</b>
December 31, 2020	Nil	(\$101,923,561)	(\$0.63)
September 30, 2020	Nil	(\$358,536)	(\$0.00)
June 30, 2020	Nil	(\$32,391)	(\$0.00)
March 31, 2020	Nil	(\$355,759)	(\$0.00)
December 31, 2019	Nil	(\$310,683)	(\$0.00)
September 30, 2019	Nil	(\$291,024)	(\$0.00)
June 30, 2019	Nil	(\$258,266)	(\$0.00)
March 31, 2019	Nil	(\$238,074)	(\$0.00)

The net loss for the quarter ended December 31, 2020 compared to the net loss for the quarter ended December 31, 2019 increased by approximately \$101,614,000. This increase was predominantly caused by an impairment of the Rackla Gold Property in the amount of approximately \$118,784,000 (compared to \$nil in impairment costs during the quarter ended December 31, 2019). Further, ATAC recognized an increase in professional fees in the amount of approximately \$62,000 from the comparative quarter.

The overall increase in net loss was partially offset by an increase in deferred income tax recovery of approximately \$17,047,000, an increase in gain on marketable securities in the amount of approximately \$188,000 (from a loss of approximately \$138,000 in 2019 to a gain of approximately \$50,000 in 2020), as well as a reduction in share-based payments of approximately \$47,000.

## **RESULTS OF OPERATIONS**

ATAC is an exploration stage company and has no operating revenues from mines. Most of its expenditures are exploration related and are capitalized (not accounted as operating expenses). The variations in losses from quarter to quarter over the previous eight financial quarters are largely attributable to variations in share-based payments, gains or losses on sale or option of mineral properties and gains or losses on marketable securities.

## **LIQUIDITY AND CAPITAL RESOURCES**

### (a) Working Capital

As of December 31, 2020, working capital totalled \$6,217,260 compared to \$9,747,429 at December 31, 2019.

#### June 2020 Private Placement

On June 30, 2020, ATAC closed a 4,347,827 unit offering for gross proceeds of \$1,000,000. The units were sold at a price of \$0.23 and each unit consisted of one flow-through share and one-half (1/2) of a non-flow-through share purchase warrant. Each whole warrant entitles the holder to purchase one ATAC common share at a price of \$0.27 at any time on or before June 30, 2022.

Cash finders' fees in the amount of \$60,000 and 260,870 finders' warrants were issued as part of the placement. The finders' warrants entitle the holder to purchase one ATAC common share at a price of \$0.23 at any time on or before June 30, 2022.

The proceeds from the placement were used to fund exploration on the Rackla Gold property.

### (b) March 2019 Private Placement

On March 22, 2019, ATAC closed a 10,507,143 unit offering for gross proceeds of \$3,677,500. The units were sold at a price of \$0.35 and each unit consisted of one flow-through share and one-half (1/2) of a non-flow-through share purchase warrant. Each whole warrant entitles the holder to purchase one ATAC common share at a price of \$0.425 at any time on or before March 22, 2021.

Cash finders' fees in the amount of \$133,875 and 382,500 finders' warrants were issued as part of the placement. The finders' warrants were issued with the same applicable terms as attached to the warrants forming part of the units.

The proceeds from the placement were used to fund exploration on the Rackla Gold property.

### (c) Equity Portfolio

As of March 19, 2021, ATAC owned marketable securities of other publicly traded junior resource companies with a total market value of \$434,700. These securities were acquired by

ATAC pursuant to various property option or sales agreements. See “Risks and Uncertainties” and “Forward Looking Statements” for additional information.

## **OFF-BALANCE SHEET ARRANGEMENTS**

ATAC does not utilize off-balance sheet arrangements.

## **TRANSACTIONS WITH RELATED PARTIES**

### **1. Management**

During the three months ended December 31, 2020, legal fees and disbursements totalling \$17,155 were incurred with a personal law corporation controlled by Glenn R. Yeadon (“Yeadon”), a director and Secretary of ATAC, compared to \$4,342 incurred with Yeadon during the three months ended December 31, 2019. During the twelve months ended December 31, 2020, legal fees and disbursements totalling \$59,027 were incurred with Yeadon, compared to \$49,004 incurred for the twelve months ended December 31, 2019.

During the three months ended December 31, 2020, \$21,500 in accounting fees were incurred with Donaldson Brohman Martin, Chartered Professional Accountants, compared to \$17,500 incurred during the three months ended December 31, 2019. During the twelve months ended December 31, 2020, accounting fees totalling \$60,300 were incurred with Donaldson Brohman Martin, compared to \$50,700 incurred for the twelve months ended December 31, 2019.

During the three months ended December 31, 2020, consulting fees totalling \$10,500 were paid to Douglas O. Goss Professional Corporation (“Goss P.C.”), a private company controlled by Douglas O. Goss, a director and the Chairman of ATAC, compared to \$10,500 paid to Goss P.C. during the three months ended December 31, 2019. During the twelve months ended December 31, 2020, consulting fees totalling \$31,500 were paid to Goss P.C., compared to \$42,000 paid for the twelve months ended December 31, 2019.

During the three months ended December 31, 2020, consulting fees totalling \$10,500 were paid to Ian Talbot (“Talbot”), ATAC’s Chief Operating Officer compared to \$10,500 paid to Talbot in the three months ended December 31, 2019. During the twelve months ended December 31, 2020, consulting fees totalling \$40,394 were paid to Talbot compared to \$42,000 incurred for the twelve months ended December 31, 2019.

During the three months ended December 31, 2020, advisory fees totalling \$3,000 were paid to Bruce Kenway (“Kenway”), a director of ATAC, compared to \$3,000 paid to Kenway during the three months ended December 31, 2019. During the twelve months ended December 31, 2020, advisory fees totalling \$9,300 were paid to Kenway, compared to \$12,000 paid for the twelve months ended December 31, 2019.

During the three months ended December 31, 2020, no consulting fees were paid to Carvest Holdings Ltd. (“Carvest”), a private company controlled by Robert Carne, a director of ATAC, compared to \$2,030 paid to Carvest during the three months ended December 31, 2019. During the twelve months ended December 31, 2020, consulting fees totalling \$3,915 were paid to Carvest, compared to \$29,640 paid to Carvest for the twelve months ended December 31, 2019.

During the three months ended December 31, 2020, salary in the amount of \$56,250 was paid to Graham Downs (“Downs”), the President and Chief Executive Officer of ATAC, compared to salary in the amount of \$56,250 paid to Downs during the three months ended December 31, 2019. During the twelve months ended December 31, 2020, salary in the amount of \$229,248 was paid to Downs, compared to \$229,101 paid for the twelve months ended December 31, 2019.

During the three months ended December 31, 2020, salary in the amount of \$29,681 was paid to Andrew Carne, Vice President, Corporate and Project Development of ATAC. Mr. Carne’s employment with ATAC commenced on May 1, 2020. Comparative figures for previous periods are not available.

During the three months ended December 31, 2020, salary in the amount of \$29,939 was paid to Adam Coulter, Vice President, Exploration of ATAC. Mr. Coulter’s employment with ATAC commenced on May 1, 2020. Comparative figures for previous periods are not available.

## **2. Archer, Cathro & Associates (1981) Limited**

During the three months ended December 31, 2020, \$96,161 in property location, acquisition, exploration, office rent and administration costs were billed by Archer, Cathro & Associates (1981) Limited (“Archer Cathro”), compared to \$170,490 billed by Archer Cathro for the three months ended December 31, 2019. During the twelve months ended December 31, 2020, \$1,023,021 in property location, acquisition, exploration, management, office rent and administration costs were billed by Archer Cathro, compared to \$1,419,982 billed for the twelve months ended December 31, 2019.

Archer Cathro is a geological consulting firm with offices in Vancouver and Squamish, British Columbia and Whitehorse, Yukon. No Archer Cathro directors or partners are directors or employees of ATAC and none have at any time received any salary, bonuses or benefits directly from ATAC other than by way of incentive stock options as consultants.

Archer Cathro does not: (i) own any ATAC shares or warrants; or (ii) hold any interests or royalties relating to any of the ATAC mineral properties. Archer Cathro does provide ATAC with administrative services related to: (i) the filing of annual assessment reports; and (ii) the management of land use approvals (exploration permits).

ATAC has no contractual obligation to use Archer Cathro’s exploration or administrative services and Archer Cathro’s continued engagement depends entirely upon the approval of the ATAC board of directors. Exploration and administrative activities conducted by Archer Cathro are designed and monitored by the senior management of ATAC and are approved by the ATAC board of directors. Formulation of exploration programs begins with a review of previous exploration results and assessment needs by management. Working with representatives from Archer Cathro, draft exploration programs and budgets are then prepared and submitted to the ATAC board of directors for consideration and approval.

The exploration and administrative fees paid by ATAC to Archer Cathro are based on a schedule of fees prepared by Archer Cathro and agreed to in advance by ATAC. These fees are

periodically reviewed by Archer Cathro, ATAC management and independent members of ATAC board of directors to ensure that the fees are commercially competitive based on industry standard rates.

Included in the fees paid to Archer Cathro for the three months and the twelve months ended December 31, 2020 is rent for furnished space in Archer Cathro's Vancouver office. Office rental fees are charged on a month-to-month basis with no ongoing contractual obligation on the part of ATAC to continue to occupy its current office space. The monthly office rental paid by ATAC amounts to less than 20% of Archer Cathro's monthly lease costs for its Vancouver office. The rental payment also allows ATAC to use space in Archer Cathro's Squamish office and its Whitehorse office, warehouse and storage compound, at no additional cost to ATAC.

The ongoing relationship between Archer Cathro and ATAC includes access by ATAC to Archer Cathro's proprietary exploration data base. This data base has been assembled by Archer Cathro over five decades of operation. ATAC does not pay Archer Cathro for access to the data base and it is made available to ATAC on a voluntary, goodwill basis by Archer Cathro. Archer Cathro is paid for the time its geologists spend researching the data, but it and its geologists do not receive any cash bonuses, shares or royalty interests as compensation for access to the data base or for the identification of attractive exploration targets that result from the data base research. Most of ATAC's current mineral properties were staked or acquired on the basis of research done by Archer Cathro geologists.

## **RISKS AND UNCERTAINTIES**

In conducting its business, ATAC faces a number of risks and uncertainties related to the mineral exploration industry. Some of these risk factors include risks associated with land title, exploration and development, government and environmental regulations, permits and licenses, competition, fluctuating metal prices, the requirement and ability to raise additional capital through future financings and price volatility of publicly traded securities.

### (a) Title Risks

Although ATAC has exercised due diligence with respect to determining title to the properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. Third parties may have valid claims underlying portions of ATAC's interests. Its claims, permits or tenures may be subject to prior unregistered agreements or transfers or to First Nations land disputes. Title to the claims, permits or tenures comprising ATAC's properties may also be affected by undetected defects. If a title defect exists, it is possible that ATAC may lose all or part of its interest in the property to which such defect relates.

### (b) Exploration and Development

Resource exploration and development is a highly speculative business, characterized by a number of significant risks including, but not limited to, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production.

(c) Environmental Regulations, Permits and Licenses

ATAC's operations may be subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas that would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner that means standards are stricter, and enforcement, fines and penalties for noncompliance are more stringent.

ATAC's operations are carried out in accordance with various permits including, but not limited to, surface use, surface disturbance and water use. Permits are issued by the territorial or state governmental or municipal agency having jurisdiction over the matter for which a permit is sought. The issuance of an applicable permit is not guaranteed and ATAC's operations may be delayed, suspended or prohibited from commencing if the necessary permits cannot be obtained in a timely manner or at all.

(d) Competition

The mineral exploration industry is intensely competitive in all its phases, and ATAC competes with other companies that have greater financial and technical resources. Competition could adversely affect ATAC's ability to acquire suitable properties or prospects in the future.

(e) Fluctuating Metal Prices

Factors beyond the control of ATAC have a direct effect on global metal prices, which have fluctuated widely, particularly in recent years. Consequently, the economic viability of any of ATAC's exploration projects and ATAC's ability to finance the development of its projects cannot be accurately predicted and may be adversely affected by fluctuations in metal prices.

(f) Future Financings

ATAC's continued operation will be dependent in part upon its ability to generate operating revenues and to procure additional financing. To date, ATAC has done so through equity financing.

Fluctuations of global equity markets can have a direct effect on the ability of exploration companies, including ATAC, to finance project acquisition and development through the equity markets. There can be no assurance that funds from ATAC's current income sources can be generated or that other forms of financing can be obtained at a future date. Failure to obtain additional financing on a timely basis may cause ATAC to postpone exploration or development plans, forfeit rights in some or all of the properties or joint ventures, or reduce or terminate some or all of the operations.

(g) Price Volatility of Publicly Traded Securities

The impacts of the COVID-19 pandemic resulted in significant market volatility and uncertainty throughout the year. With the uncertainty, investors sought safe-haven assets such as gold which increased in price, particularly during the second half of 2020. Prior to the pandemic, mineral exploration activities were at low levels and global investors were reluctant to make large investments in the securities of junior exploration companies. The improved outlook towards gold in 2020 enabled mineral exploration companies to again access capital; however, there can be no assurance that market prices for securities of mineral exploration companies will continue to improve significantly in the short, intermediate or long term.

**CRITICAL ACCOUNTING ESTIMATES AND FINANCIAL INSTRUMENTS**

ATAC prepares its financial statements in conformity with IFRS. ATAC lists its significant accounting policies and its financial instruments in Notes 2 and 15 respectively, to its annual audited consolidated financial statements for the twelve months ended December 31, 2020. Of the accounting policies, ATAC considers the following policy to be the most critical to the reader's full understanding and evaluation of ATAC's reported financial results.

**Deferred Exploration Costs**

ATAC is in the exploration stage with respect to its investment in natural resource properties and accordingly follows the practice of capitalizing all costs related to each exploration project, until such time as the project is put into commercial production, sold or abandoned. Management reviews capitalized costs on its mineral properties for signs of impairment both quarterly and annually and will recognize impairment in value based upon current exploration results and upon management's assessment of the future probability of profitable revenues from production on the property or proceeds from the sale or option of the property.

**MANAGEMENT AND BOARD OF DIRECTORS**

There were no changes to the ATAC board of directors or management during the three months ended December 31, 2020, or subsequent to that period.

**INVESTOR RELATIONS**

All investor relations functions are performed by ATAC management and employees.

**EXPLORATION AND PROPERTY TRANSACTIONS**

During 2020, ATAC expanded its exploration activities to include a gold project in Nevada. See "East Goldfield Property" for additional information. Although its core exploration and development focus remains the Rackla Gold project in Yukon, the addition of a Nevada project enables ATAC to carry out exploration work in the United States during periods of winter inactivity in Yukon.

ATAC also continues to hold interests in a number of Yukon mineral properties outside of the Rackla Gold property no longer considered core business assets.

## **A. Yukon Properties**

As of March 19, 2021, there are no travel restrictions related to entering the Yukon Territory. However, all persons entering the Yukon are required to self-isolate for 14 days upon entering the territory. As of March 19, 2021, ATAC does not have any ongoing field activities or personnel operating in the Yukon.

### **1. Rackla Gold Property**

ATAC's Rackla Gold property is located in the Mayo Mining District of central Yukon. The approximate centre of the project area is 100 km northeast of Keno City. The Rackla Gold property area is comprised of 8,739 mineral claims, extending approximately 185 km long by 15 km wide and covering an area of approximately 1,700 km<sup>2</sup>. ATAC acquired the claims through staking for the purpose of covering the projected extensions of the favourable geology in the area.

The Rackla Gold property lies within a zone of regional-scale thrust faults, which imbricate basal sediments and platform carbonate rocks. The thrust panel that contains the Rackla Gold property approximately straddles the boundary between the Selwyn Basin and the Mackenzie Platform and contains units belonging to both tectonic elements. ATAC has carried out comprehensive geochemical sampling and prospecting programs over most of the property to evaluate areas of future exploration focus.

From east to west, the Rackla Gold property has been divided into three separate project areas:

- (i) the Osiris project, which hosts the Conrad, Osiris, Sunrise and Ibis Carlin-type gold Deposits;
- (ii) the Orion project, which hosts numerous Carlin-type gold exploration targets; and
- (iii) the Rau project, which hosts the Tiger Gold Deposit, intrusive-related precious and base metals exploration targets and orogenic gold precious metal targets.

Each of the three projects is discussed below.

#### **(a) Osiris Project**

The Osiris project is located at the eastern end of the Rackla Gold property. Gold mineralization in the Osiris project area was first discovered in July of 2010 at the Osiris gold showing. Since 2010, four gold deposits have been defined within the Osiris property area: (i) Conrad; (ii) Osiris; (iii) Sunrise; and (iv) Ibis.

A brief summary of each of the four zones is presented below:

(i) Conrad Zone

The Conrad Zone is the largest zone within the Osiris project area and has a footprint of approximately 900 x 500 m. Between 2010 and 2018, a total of 54,609 m in 134 diamond drill holes have been completed. The Conrad Zone remains open in all directions.

Carlin-type mineralization at the Conrad Zone is contained within three structural and stratigraphic settings. In the Conrad Upper Zone, gold mineralization occurs along the stratigraphic contact between limestone and an overlying pyritic siltstone cap unit with the thickest mineralization occurring along the crest of an anticlinal fold. The Upper Zone has been continuously traced by shallow drilling over a strike length of 800 m. Mineralization in the Upper Zone remains open along strike.

Mineralization at the Conrad Middle and Lower Zones is characterized by strong alteration and mineralization proximal to a laterally extensive, near vertical siltstone-limestone contact. Only 300 m of the presently known 800 m long favourable siltstone-limestone contact has been tested in the Middle Zone. Only one hole tested at depth defines the Lower Zone. Mineralization in the Middle and Lower Zones remains open along strike and at depth.

(ii) Osiris Zone

The Osiris Zone is located 1 kilometer west of the Conrad Zone and has a known stratabound extent of approximately 800 m. Between 2010 and 2018, a total of 17,960 m in 67 diamond drill holes have been completed. The Osiris Zone remains open to the north and at depth.

Gold mineralization at the Osiris Zone is hosted by Neoproterozoic carbonate rocks that are folded into a southerly plunging anticline. Mineralization occurs along stratigraphy in the form of narrow stylolites, stockworks and disseminations of fine grained pyrite associated with realgar and orpiment accompanied by decarbonitization, silicification and peripheral calcite flooding.

(iii) Sunrise Zone

The Sunrise Zone is 300 m in strike length and is the eastern limb of the Osiris anticline and is continuous with the Osiris Zone. Between 2010 and 2018, a total of 8,408 m in 34 diamond holes have been completed. The Sunrise Zone remains open at depth.

Gold mineralization at Sunrise occurs as a structurally-controlled fracture network paralleling the Sunrise Fault. The Sunrise Zone is hosted with the same Neoproterozoic carbonate rocks as the Osiris Zone.

(iv) Ibis Zone

The Ibis Zone is located approximately 400 m southwest of the Osiris and Sunrise Zones. Between 2010 and 2016, a total of 6,574 m in 26 diamond drill holes have been completed. The Ibis Zone remains open in all directions.

Gold mineralization here is stratabound and is localized in the same southerly plunging anticlinal structural setting that hosts the Osiris Zone. The style of mineralization in the two zones is very

similar with the best gold grades occurring at or near the contact between silty limestone and overlying dolostone. The axial crest of the anticline contains the widest and best mineralized intervals. No work has been carried out at the Osiris Project area since 2018.

See ATAC’s website ([www.atacresources.com](http://www.atacresources.com)) for Osiris Project drill results and figures.

### 2018 Mineral Resource Estimate

On June 18, 2018, ATAC issued a summary of an independent National Instrument 43-101 Technical Report entitled “Technical Report and Estimate of Mineral Resources for the Osiris Project, Yukon, Canada” (the “Osiris Report”). The Osiris Report was prepared by S. Ristorcelli, C.P.G., of Mine Development Associates (“MDA”), P. Ronning, P.Eng., of New Caledonian Geological Consulting, C. Martin, C.Eng., of Blue Coast Metallurgy Ltd., and O. Christensen, C.P.G., of Hardrock Mineral Exploration Inc., all of whom are independent Qualified Persons as defined in National Instrument 43-101. The Osiris Report was filed on SEDAR on July 11, 2018 and can be viewed at [www.sedar.com](http://www.sedar.com) under the ATAC profile or on ATAC’s website at [www.atacresources.com](http://www.atacresources.com).

A summary of results from the Mineral Resource as contained in the Osiris Report is presented below:

#### **Osiris Project Resource Highlights:**

- Inferred Mineral Resource of 1,685,000 ounces gold at an average grade of 4.23 g/t (in 12.4 Mt), including a pit-constrained Mineral Resource containing 1,055,000 ounces of gold at 4.08 g/t (in 8.0 Mt);
- Globally competitive discovery cost of CDN \$32/oz of gold\*; and
- All zones outcrop at surface and remain open in multiple directions.

\* *Discovery costs were calculated using a cumulative exploration cost for the Osiris Project of \$53,168,791. Costs included drilling, helicopter, assays, labour, fixed wing, camp costs, fuel, general camp consumables and winter office work. Globally competitive discovery costs referenced from MinEx Consulting - Technical presentation to the Melbourne Branch of the AusIMM 7th June 2016.*

#### **Osiris Project – Total Inferred Mineral Resource Estimate Summary<sup>1,2</sup>**

	<b>Gold Cut- Off</b>	<b>Tonnes</b>	<b>Grade (Au g/t)</b>	<b>Gold (oz)</b>
Pit-Constrained	1.30 g/t	8,045,000	4.08	1,055,000
Underground- Constrained	2.60 g/t	4,335,000	4.52	630,000
<b>TOTAL</b>		<b>12,380,000</b>	<b>4.23</b>	<b>1,685,000</b>

<sup>1</sup> CIM definition standards were used for the Mineral Resource. The Qualified Person is Steven Ristorcelli, C.P.G. of MDA.

<sup>2</sup> Numbers may not add due to rounding. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

Each of the Conrad, Sunrise, Osiris and Ibis Zones are included in the resource estimate and occur as replacement bodies with both structural and stratigraphic control. All zones are open in multiple directions. Please see the table below for resources by zone.

### Osiris Project - Total Inferred Mineral Resources by Zone<sup>1,2</sup>

	Tonnes	Grade (Au g/t)	Gold (oz)
<b>Pit-Constrained</b> (1.30 g/t gold cut-off)			
Conrad	6,487,000	4.00	835,000
Osiris	474,000	4.61	70,000
Sunrise	309,000	4.23	42,000
Ibis	775,000	4.35	108,000
<b>Total Pit-Constrained</b>	<b>8,045,000</b>	<b>4.08</b>	<b>1,055,000</b>
<b>Underground – Constrained</b> (2.60 g/t gold cut-off)			
Conrad	3,174,000	4.46	455,000
Osiris	427,000	3.79	52,000
Sunrise	531,000	5.53	95,000
Ibis	203,000	4.27	28,000
<b>Total Underground- Constrained</b>	<b>4,335,000</b>	<b>4.52</b>	<b>630,000</b>
<b>TOTAL</b>	<b>12,380,000</b>	<b>4.23</b>	<b>1,685,000</b>

<sup>1</sup> CIM definition standards were used for the Mineral Resource. The Qualified Person is Steven Ristorcelli, C.P.G. of MDA.

<sup>2</sup> Numbers may not add due to rounding. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

#### Resource Methodology

The Mineral Resource estimate contained in the Osiris Report is based on diamond drilling completed at the Osiris Project between 2010 and 2017. Data analysis, domain modeling, grade interpolation and classification were undertaken by Steven Ristorcelli, C.P.G. of MDA. The estimate was prepared using 238 diamond drill holes totalling 78,614 m.

Explicitly modelled gold domains were interpreted using wire frames of the geological model as a guide. In each of the Conrad, Sunrise, Osiris, and Ibis Zones, both high and low grade gold domains were modeled. The grade ranges for the domains were defined separately for each zone based on population breaks for gold on cumulative probability plots and each domain represents distinct and unique geological and mineralogical characteristics. Outliers within each domain were capped prior to three metre down-hole compositing.

Gold grades were estimated into the block model using inverse distance to the third power. Separate estimations using polygonal, nearest neighbor, and ordinary kriging were also completed for validation purposes.

For reporting purposes, technical and economic factors likely to influence the “reasonable prospects for eventual economic extraction” were evaluated by running a series of pit and mine-stope optimizations at variable gold prices, mining costs, processing costs, and anticipated metallurgical recoveries.

MDA reports resources at cut-offs that are reasonable for deposits like those at Osiris, given anticipated mining methods and processing costs. A gold price of US\$1400 per ounce was used to determine the cut-off grades. Tables showing the pit-constrained and underground Mineral Resources at varying cut-off grades are presented below.

**Osiris Project – Total Inferred Pit-Constrained Mineral Resources at Varying Cut-Off Grades<sup>1,2</sup>**

Gold Cut-Off (g/t)	Tonnes	Grade (Au g/t)	Gold (oz)
1.00	9,091,000	3.74	1,094,000
1.20	8,370,000	3.97	1,069,000
1.30	8,045,000	4.08	1,055,000
1.40	7,740,000	4.19	1,043,000
1.60	7,115,000	4.42	1,012,000
2.00	6,030,000	4.90	949,000
2.50	4,885,000	5.53	868,000

**Osiris Project – Total Inferred Underground-Constrained Mineral Resources at Varying Cut-Off Grades<sup>1,2</sup>**

Gold Cut-Off (g/t)	Tonnes	Grade (Au g/t)	Gold (oz)
2.00	6,337,000	3.81	776,000
2.30	5,223,000	4.16	699,000
2.50	4,612,000	4.40	652,000
2.60	4,335,000	4.52	630,000
2.70	4,076,000	4.63	607,000
3.00	3,392,000	4.99	545,000

<sup>1</sup> CIM definition standards were used for the Mineral Resource. The Qualified Person is Steven Ristorcelli, C.P.G. of MDA.

<sup>2</sup> Numbers may not add due to rounding. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

The Mineral Resource utilizes all diamond drill hole data up to the end of 2017 and all diamond drill results released in 2018 were not included in the estimation. All diamond drill results released in 2018 are considered ‘step out’ in nature and were targeted outside of the Mineral Resource. An updated Mineral Resource including the 2018 diamond drilling has not been completed.

**(b) Orion Project**

The Orion project covers an area of 780 km<sup>2</sup> and occupies the central third of the Rackla Gold property. The project hosts the 18 km<sup>2</sup> Anubis cluster and contains thirteen Carlin-type gold prospects. Geochemical anomalies occur in clusters in the Orion project area along a regional scale northwest-trending fault system.

Diamond drilling has identified gold mineralization associated with the Anubis fault over a 2.5 km strike length and 540 m down dip. Between 2012 and 2018, a total of 15,018 m in 49 diamond drill holes have been completed at the Orion Project. The Anubis Fault remains open along strike and at depth.

A total of thirteen priority exploration targets have been identified within the Orion project area, from east to west, the GT, Corona, Anubis, Hydra, Orion, Ana, Dale, Draco, Columbia, Dorado, Lyra, Zodiac and Pyramid.

(i) Anubis Fault

ATAC's surface exploration work had previously identified high-grade gold mineralization on the Anubis Fault at the discovery showing, including outcrop grab samples grading 139 g/t gold and 125 g/t gold. Drilling along 400 m of the fault in 2012 and 2016 intersected 19.85 g/t gold over 8.51 m (AN-12-001), and 2.75 g/t gold over 61.29 m (AN-16-010), respectively. Mapping and geological modelling suggest the Anubis Fault extends for at least 5.3 km in length.

In 2018, four widely-spaced drill holes tested the Anubis Fault and identified high-grade gold mineralization along a 2.5 km strike length. Targeting at depth indicates that gold mineralization extends down the fault for at least 535 m. The majority of the structure has yet to be systematically explored. Results from the four drill holes in 2018 are set out in the following table:

**2018 Anubis Fault Drill Results**

<b>Drill Hole</b>	<b>From (m)</b>	<b>To (m)</b>	<b>Interval* (m)</b>	<b>Gold (g/t)</b>
<b>BDO-18-008</b>	509.84	514.50	4.66	6.95
incl.	511.45	513.08	1.63	15.95
<b>BDO-18-017</b>	361.80	369.41	7.61	10.48
incl.	361.80	363.32	1.52	28.00
and incl.	367.89	369.41	1.52	13.55
<b>BDO-18-018</b>	166.73	177.46	10.73	7.20
incl.	169.77	171.50	1.73	13.15
<b>BDO-18-019</b>	135.94	138.72	2.78	9.49

*\* The reported intersections are drilled thicknesses and are believed to represent approximately 70-100% true width.*

BDO-18-008 was drilled towards the southwest targeting the Anubis Fault plane at depth below AN-12-001. This hole intersected 4.66 m of 6.95 g/t gold including 1.63 m of 15.95 g/t gold within sheared, weakly silicified mudstone approximately 535 m down dip of AN-12-001. The step-out represents the deepest intersection of mineralization to date on the Orion Project.

BDO-18-017 intersected 7.61 m of 10.48 g/t gold within a broader 70 m wide interval of intermittently sheared and altered mudstone in the hanging wall of the Anubis Fault. This mineralized interval is a 390 m undercut of mineralization intersected in AN-12-001.

BDO-18-018 targeted shallow mineralization along the Anubis Fault 285 m east of AN-12-001. This hole intersected 10.73 m of 7.20 g/t gold within a decalcified and silicified interval of calcareous mudstone.

BDO-18-019 tested the Anubis Fault 2.3 km northwest of AN-12-001 beneath the Dorado target, where hand pit samples collected in 2013 returned 4.64 g/t gold and 3.98 g/t gold. This hole

intersected 2.78 m of 9.49 g/t gold within strongly sheared mudstone approximately 170 m down dip of the mineralized pit samples.

(ii) Drilling of Structural Intersections

Geological modelling of data collected during the 2017 stratigraphic drill campaign identified three faults that were all projected to intersect with the Anubis Fault in proximity to favourable stratigraphy.

Holes BDO-18-005, 006, 007, 009, 011, 015, 016 and 020 were drilled targeting these areas. None of these eight drill holes intersected the modelled structural targets. Moderate to intense alteration and pathfinder element response was encountered in several of these holes providing evidence for hydrothermal fluid transport in the area, however no significant gold mineralization was intersected.

The 2018 program provided valuable information about structural orientation and stratigraphy at depth that will be incorporated into ongoing geological modelling. The projected fault intersections still remain priority targets for future work.

(iii) Drilling of Geophysical and Geochemical Anomalies

Four holes tested targets identified by geophysical and geochemical surveys, but none encountered significant gold mineralization. No work has been carried out at the Orion Project area since 2018.

See ATAC's website ([www.atacresources.com](http://www.atacresources.com)) for Orion Project figures.

**(c) Rau Project**

The Rau project lies at the western end of the 185 km long Rackla Gold property and consists of a 22-kilometre-long anomalous geophysical and geochemical trend extending north westerly from the 63 million-year-old felsic Rackla Pluton. The trend hosts the Tiger Deposit as well as the Ocelot silver-lead-zinc discovery. Limited work conducted along trend of the Tiger Deposit since 2008 has led to the discovery of ten additional sediment hosted gold targets (Airstrip, Bengal, Caracal, Cheetah, Condor, Cougar, Jaguar, Panther, Puma and Serval), nine gold+/- copper +/- tungsten skarn targets (Bobcat, Kathy, Hogsback, Ridgecrest, Flat Top and Spotlight) and numerous untested gold, gold-pathfinder and silver-lead-zinc anomalies.

Mineralization at the Rau project occurs within a highly prospective geological setting, situated between the regional scale Dawson and Kathleen Lakes Fault Zones. Mineralization styles within the Rau project are diverse and likely related to a broad hydrothermal mineralizing system related to the Rackla Pluton, located 3 km southeast of the Tiger Deposit.

ATAC's 2019 exploration program began on June 1 and was completed during the first week of October. The program focused on the Rau Project area, specifically the eastern side of the 660 km<sup>2</sup> project area in proximity to the Rackla Pluton. The program was designed to follow up on gold, copper, silver and tin anomalies identified in 2018 and to continue advance exploration work at the Tiger deposit. See "Tiger Deposit" and "Bobcat Target" for additional information.

(i) Tiger Deposit

The Tiger Deposit is located approximately 55 km northeast of Keno City, Yukon. Current access is by air via a 2,500 foot airstrip located 8 km from the deposit. The Tiger Deposit is a thick north-westerly trending body of carbonate-replacement style gold mineralization hosted by a moderately northeast dipping karsted limestone horizon.

On February 27, 2020, ATAC announced the highlights of an updated Mineral Resource and Preliminary Economic Assessment (the “2020 PEA”) for the Tiger Deposit. The 2020 PEA and Mineral Resource update incorporated recent work, including additional diamond drilling, metallurgical test work, and a revised geological model focused on better defining high-grade trends. A technical report supporting the 2020 PEA in accordance with National Instrument 43-101 was filed on SEDAR ([www.sedar.com](http://www.sedar.com)) on April 9, 2020. A copy of the report is also available on the ATAC website ([www.atacresources.com](http://www.atacresources.com))

The 2020 PEA is an update to the preliminary economic assessment report entitled “Technical Report and Preliminary Economic Assessment for the Tiger Deposit, Rackla Gold Project, Yukon Territory, Canada” (the “2016 PEA”) filed with Canadian securities regulators on June 14, 2016. A full copy of the 2016 PEA can be viewed under the ATAC profile on SEDAR ([www.sedar.com](http://www.sedar.com)).

### **2020 PEA Highlights**

Highlights from the 2020 PEA, using a base case gold price of US\$1,400/oz and an exchange rate of C\$1.00 equal to US\$0.77 are as set out below. Unless specified otherwise, all values are shown in Canadian dollars.

- NPV(5%) of \$118.2 million and an IRR of 54.5% before tax, and an NPV(5%) of \$85.4 million and an IRR of 42.6% after tax;
- Payback period of 1.24 years (pre-tax);
- All-in sustaining cost of US\$661/oz;
- Approximately 267,000 ounces of gold produced at an average diluted grade of 3.82 g/t;
- Peak annual production of 72,860 ounces of gold in the first operating year, with an average production of 61,900 ounces of gold per year for the first three years;
- Total project life of seven years, including one year of construction and pre-stripping followed by six years of operation; and
- Pre-production capital costs of \$110.1 million.

The mineral resource update was completed by Mine Development Associates (“MDA”) of Reno, Nevada. The preliminary economic assessment was completed by Tetra Tech Canada Inc. of Vancouver, British Columbia (mining, processing, infrastructure, financial analysis, environmental); Knight Piesold Ltd. of Vancouver, British Columbia (tailings and waste management); and Blue Coast Metallurgy Ltd (metallurgy) of Parksville, British Columbia.

**Table 1: Comparison with 2016 PEA**

<b>Parameter</b>	<b>2016 PEA</b>	<b>2020 PEA</b>
Gold Price (US\$/oz)	\$1,250	\$1,400
Exchange Rate (US\$/C\$)	\$0.78	\$0.77
Pre-Tax NPV(5%) (C\$M)	\$106.6	\$118.2
Pre-Tax IRR	34.8%	54.5%
Pre-Tax Payback (years)	1.85	1.24
Post-Tax NPV(5%) (C\$M)	\$75.7	\$85.4
Post-Tax IRR	28.2%	42.6%
Post-Tax Payback (years)	1.93	1.40
Total Recovered Gold	302,307	267,090
Pre-Production Capital (C\$M)	\$109.4	\$110.1
Sustaining Capital (C\$M)	\$8.3	\$9.3
Strip Ratio (waste to ore)	4.9:1	5.3:1

### Economic Sensitivities

The following tables demonstrate the sensitivity of the Tiger Deposit pre-tax economics to changes in the price of gold and exchange rates. The base case, highlighted in the tables below, assumes US\$1,400 per ounce of gold at an exchange rate of C\$1.00 equal to US\$0.77.

**Table 2: Summary of Gold Price Sensitivity (0.77 US\$/C\$)**

<b>Gold Price (US\$/oz)</b>	<b>\$1,250</b>	<b>\$1,300</b>	<b>\$1,350</b>	<b>\$1,400</b>	<b>\$1,450</b>	<b>\$1,500</b>	<b>\$1,550</b>
Pre-Tax NPV(5%) (C\$M)	\$74.9	\$89.4	\$103.8	\$118.2	\$132.6	\$147.0	\$161.4
Pre-Tax IRR	38.7%	44.1%	49.4%	54.5%	59.4%	64.3%	69.2%

**Table 3: Summary of Exchange Rate Sensitivity (US\$1,400/oz Au)**

<b>Exchange Rate (US\$/C\$)</b>	<b>0.75</b>	<b>0.76</b>	<b>0.77</b>	<b>0.78</b>	<b>0.79</b>
Pre-Tax NPV(5%) (C\$M)	\$129.0	\$123.5	\$118.2	\$113.0	\$108.0
Pre-Tax IRR	58.2%	56.3%	54.5%	52.6%	50.9%

### Opportunities for Future Improvement

The updated Resource and PEA provide a number of key opportunities to further enhance the value of the Tiger Project:

- Refined geology model identified significant high grade trends which are open along strike;
- Detailed review of geology and drilling identified areas where infill drilling could improve grade and resource continuity;
- Drilling to date has been limited in depth as only open pit mining has been contemplated. Opportunities exist to extend sulphide mineralization at depth with grades which could potentially support underground mining, as demonstrated by the underground-constrained portion of the resource; and
- Prospecting, mapping and geochemical sampling has identified numerous nearby early-stage targets which could provide further oxide and sulphide gold mineralization.

## Mining and Processing

Consistent with previous studies, the Tiger Project has been modelled as an owner-operator, conventional truck-and-shovel open-pit mining operation with a conventional carbon-in-pulp (“CIP”) gold recovery process. Year-round operations would be supported via a 68 km tote road, which would connect the project to the Yukon highway system, near Keno City.

A total of 2.7 Mt of mineralized material and 14.4 Mt of waste rock will be produced from the pit during the 7 years of mining operations and pre-stripping. The life-of-mine (“LOM”) average diluted gold grade is 3.82 g/t. The LOM stripping ratio (defined as waste material mined divided by mineralized material mined) is 5.3:1.

Mineralized material will be crushed, ground and cyanide leached in a conventional CIP circuit, with production of doré bars on site via a standard adsorption, desorption and recovery treatment. Based on the results of metallurgical test work and the mining schedule, projected LOM average recoveries are 90.5% for oxide material and 60.8% for sulphide material.

The processing plant will operate year-round at a rate of 1,500 tonnes per calendar day, and will achieve full throughput in Year 2. Peak annual production will be approximately 72,860 oz of gold in Year 1, with a LOM average annual production of approximately 45,000 oz gold. Production during the first three operating years averages 61,900 ounces of gold per year.

## Capital and Operating Costs

Total LOM capital costs are \$119.4 million, with \$110.1 million in pre-production costs, and \$9.3 million in sustaining capital. To minimize initial capital costs, the PEA has assumed that modular equipment would be used where possible and that some equipment and facilities will be leased.

The following tables summarize the project capital and operating costs.

**Table 4: Pre-Production and Sustaining Capital Costs**

Area	Pre-Production (\$M)	Sustaining	Life-of-Mine (\$M)
Site Infrastructure	\$8.4	-	\$8.4
Access Road	\$11.6	-	\$11.6
Open Pit Mining*	\$10.4	-	\$10.4
Materials Crushing and	\$2.0	-	\$2.0
Process Plant	\$30.4	-	\$30.4
Tailings and Water Management	\$8.0	\$9.3	\$17.3
Project Indirects	\$20.8	-	\$20.8
Owner’s Costs	\$1.3	-	\$1.3
Contingencies**	\$17.2	-	\$17.2

\* Includes capitalized pre-production mining costs. Major mining equipment is leased.

\*\* Contingencies were factored on an area-by-area basis depending on the detail level of each estimate.

**Table 5: Operating Costs**

Area	LOM Average
Mining Cost (\$/t mined)*	\$4.28
Processing Cost (\$/t processed)	\$29.88
G&A (\$/t processed)	\$15.33
Surface Services (\$/t processed)	\$4.68
Tailings & Waste (\$/t processed)	\$0.64
Camp & Genset Leasing (\$/t)	\$1.68
Equipment Leasing (\$/t processed)	\$3.55

\* Not including capitalized pre-production mining costs

## Mineral Resource

MDA completed an updated mineral resource incorporating work completed on the project since 2015. The 2020 resource includes a significantly more detailed geological model which better delineates high-grade trends throughout the deposit. Furthermore, the 2020 resource incorporates pit and underground constraints to meet a test of “reasonable prospects of economic extraction” in accordance with current CIM Best Practice Guidelines.

The 2016 resource did not include mining and economic constraints and instead presented a global resource. For the 2020 update, the global Tiger Deposit resource has been reclassified into open pit and underground categories, and peripheral low grade sections present in the 2016 resource are no longer considered reportable. As a result, the previous and updated resources are not directly comparable.

Tungsten was estimated but is not included in this summary as preliminary trade-off analysis found the economic contribution to be positive but marginal. Contained tungsten will be reported in the full technical report supporting the 2020 PEA.

The following table shows the Tiger Deposit Mineral Resource as of April 9, 2020.

**Table 6: Tiger Deposit Mineral Resources**

Type	Constraints*	Classification	Au Cut-off (g/t)	Tonnes > Cut-off	Grade (Au,g/t)**	Ounces (Au)
Oxide	Open Pit	Indicated	0.75	1,980,000	3.74	238,000
	Underground	Indicated	1.50	165,000	3.09	16,000
Sulphide	Open Pit	Measured	0.75	799,000	2.92	75,000
	Open Pit	Indicated	0.75	847,000	2.68	73,000
	Underground	Measured	1.50	29,000	2.06	2,000
	Underground	Indicated	1.50	706,000	2.64	60,000
<b>Total</b>		<b>M+I</b>	<b>Variable</b>	<b>4,526,000</b>	<b>3.19</b>	<b>464,000</b>
Oxide	Open Pit	Inferred	0.75	20,000	1.54	1,000
	Underground	Inferred	1.50	41,000	2.62	3,000
Sulphide	Open Pit	Inferred	0.75	7,000	2.41	500
	Underground	Inferred	1.50	97,000	2.26	7,000
<b>Total</b>		<b>Inferred</b>	<b>Variable</b>	<b>165,000</b>	<b>2.17</b>	<b>11,500</b>

\* Open Pit constraints were conducted using a US\$1,625 pit shell with economic parameters similar to the PEA parameters. Underground constraints were conducted using a 1.4 g/t grade shell and removal of thin/sporadic zones based on MDA’s experience.

\*\* Gold grades are block-diluted.

The reader should be cautioned that the 2020 PEA is preliminary in nature. It includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that the results of the 2020 PEA will be realized.

## Qualified Persons

The 2020 PEA was prepared under the direction of Tetra Tech Canada Inc., in cooperation with other industry consultants, all of whom are Qualified Persons (QPs) under terms of NI 43-101. QPs contributing to the mineral resource and preliminary economic assessment are listed in the following table.

**Table 7: Qualified Persons**

<b>Qualified Person</b>	<b>Company</b>
Suraj Priyadarshi, P.Eng.	Tetra Tech Canada Inc.
Hassan Ghaffari, P.Eng., M.A.Sc	Tetra Tech Canada Inc.
Jianhui (John) Huang, Ph.D.,	Tetra Tech Canada Inc.
Chris Martin, C.Eng., MIMMM	Blue Coast Metallurgy Ltd.
Steven Ristorcelli, C.P.G.	Mine Development Associates
Peter Ronning, P.Eng.	New Caledonian Geological Consulting
Bruno Borntraeger, P.Eng.	Knight Piesold Ltd.
Matthew Dumala, P.Eng.	Archer, Cathro & Associates (1981)

## Tiger Tote Road

### Permit Status

On November 27, 2020, ATAC was notified by the Yukon Government that it had rejected ATAC's permit application to construct a proposed tote road to the Tiger gold deposit to support advanced exploration and feasibility work. The decision document and related materials can be found on the ATAC website ([www.atacresources.com](http://www.atacresources.com)) under the Tote Road tab.

ATAC does not agree with many of the aspects of the government's decision and is seeking clarification on the reasons for denial. In the interim, ATAC continues its dialog with the Yukon Government to determine if it will submit a revised road permit application or take other appropriate action.

### Permitting and Consultation History

The Tiger tote road was conditionally approved by both the Yukon Government and the FNNND in March of 2018 under the *Yukon Environmental and Socio-Economic Assessment Act*. The proposed road will branch off the Hanson Lake Road west of Keno City and is envisioned as a gated, single lane (5 m wide) and radio-controlled road suitable for vehicle support of advanced exploration at the Tiger gold deposit and throughout the Rau project area. The total length of the tote road will be approximately 65 km and will consist of 53 km of new road and 12 km of upgraded pre-existing winter road.

Discussions related to access and the development of the Tiger deposit with the FNNND, local communities and other interested parties has been ongoing for more than seven years. Details of these consultations can be found on ATAC's website ([www.atacresources.com](http://www.atacresources.com)).

Since 2008, ATAC has completed comprehensive water, heritage, wildlife and fisheries studies related to the tote road permitting and consultation process. ATAC will continue environmental baseline work and ongoing studies as it advances the Tiger deposit and other targets throughout the Rackla Gold property.

Community and First Nation engagement began in 2008 and an Exploration Cooperation Agreement with the FNNND was in operation from 2010 to 2016. The Exploration Cooperation Agreement provided a framework within which exploration activities and environmental regulatory process on ATAC's Rackla Gold property were carried out. The Rackla Gold property lies exclusively within the Traditional Territory of the FNNND.

(ii) Bobcat Target

The Bobcat Target is located 4.5 km southeast of the Tiger Deposit. The target hosts narrow high-grade gold-copper distal skarn vein mineralization and is 1.5 km southeast of the Rackla Pluton.

A rock sample result collected from the target in 2019 graded 41.90 g/t gold and 10.90% copper. Diamond drilling in 2019 returned 17.75 g/t gold over 0.51 m in RPP-19-002 and 1.53 g/t gold over 6.28 m incl. 173 g/t gold and >1/00% copper over 0.05 m in RPP-19-003.

In 2019, a total of 683 m in 3 diamond drill holes and 240 m in 6 rotary air blast (RAB) drill holes were completed.

Numerous geophysical and geochemical targets remain untested in the Bobcat target area.

(iii) Spotlight Target

The Spotlight skarn target, located 6.5 km north of Bobcat was discovered in 2017 with the collection of high grade grab samples containing 7,080 g/t silver and 3.27 g/t gold collected from a 500 m long gold and silver soil anomaly. Soil sampling in 2018 expanded this anomaly to over 2.2 km in length and remains open to the north, east and west. Highlight soil samples from 2018 include 0.7 g/t gold and 15.2 g/t silver.

One day of detailed prospecting was conducted in the Spotlight area during 2018. Rock samples returning 4,090 g/t silver and 1,765 g/t silver in limonite bearing quartz veins were collected near the initial discovery. Prospecting 1.2 km along the anomalous soil trend returned brecciated quartz-siderite material containing 2.17 g/t gold and 1.38 g/t gold.

Abundant tremolite development, in addition to significant hornfels and marble alteration observed in the rocks around Spotlight, indicate high fluid flow, likely from a nearby intrusive system. These observations are supported by the development of gold-copper-tungsten skarn mineralization at the historic Blue Lite occurrence located 1 km to the south of Spotlight.

(iv) Condor Target

The Condor target, located 1.5 km to the northwest of the Tiger Deposit was assessed in detail in 2018 to follow-up on an area of high grade prospecting samples (17.0 g/t gold and 23.3% zinc) collected in 2017.

Work in 2018 focused on a 100 m wide vegetation anomaly located upslope of 2017 samples. Hand pits were excavated on a grid pattern across the vegetation anomaly and a variety of samples containing strongly oxidized sulphides hosted in dolostones and volcanic rocks were encountered. Highlight results from pit samples are presented below:

<b>Sample</b>	<b>Au (g/t)</b>	<b>Ag (g/t)</b>	<b>Zn (%)</b>	<b>Pb (%)</b>
W591494	1.85	103	--	4.22
W591525	--	45	37.49	--
W591508	--	--	36.51	--
W591507	1.06	--	--	1.38
W591523	--	133	1.44	--
W591499	--	42	22.60	--

*\* Note: dashes indicate no significant result for that element.*

Condor is situated in a similar stratigraphic and structural environment to the Tiger Deposit, with a series of carbonate horizons interlayered with volcanoclastic flows. Mineralization at Condor is thought to have developed at the structural intersection of a regional scale northwesterly trending strain zone with a northerly trending brittle fault zone.

(v) Ocelot Zone

In 2010 ATAC made a significant silver-lead-zinc-indium discovery at the Ocelot target located in the western portion of the Rau project. It is situated in lowlands 1.5 km west of the Wind River Winter Road and 15 km northwest of the Tiger Deposit.

A total of 4,918 m in 24 holes was drilled at Ocelot during 2010 and 2011. Mineralization consists of medium to coarse grained pyrite and varying concentrations of low iron sphalerite and medium to coarse grained galena. Sulphide mineralization occurs within a steeply dipping northeast trending fault that cuts an extensive dolomite sequence locally exhibiting structural and fluidized breccias. Drilling to date has identified mineralization over a 230 m strike length and to a depth of 150 m. Mineralization remains open downdip and possibly along strike to the northeast.

In 2012, ATAC completed geophysical and geochemical surveys on the Ocelot target. No subsequent exploration has been carried out on the Ocelot Zone since 2012. Updated Rau figures as well as a detailed list of all Rau drill results can be viewed on the ATAC's website ([www.atacresources.com](http://www.atacresources.com)).

(vi) 2020 Exploration Program

ATAC completed a two phased exploration program mostly focused at the Airstrip target in 2020. The phase one program consisted of RAB drilling, prospecting, trail building and

trenching. The phase two program consisted of follow up diamond drilling, RAB drilling, prospecting, trail building and trenching. A summary of the combined programs is presented below:

- 1,876 m of diamond drilling in 6 holes
- 1,565 m of RAB drilling in 25 holes
- 3,500 m of trails construction
- Prospecting and mapping were completed across the Airstrip target

Results of the phase one RAB program are presented below:

Hole Name	From (m)	To (m)	Interval (m)	Gold (g/t)
ASR-20-014	32.00	33.53	1.53	3.11
ASR-20-017	51.82	64.01	12.19	0.22
<b>ASR-20-018</b>	<b>39.62</b>	<b>76.20</b>	<b>36.58</b>	<b>0.51</b>
ASR-20-019	12.19	35.05	22.86	0.32
incl.	24.38	25.91	1.53	1.63

#### Airstrip Target

The Airstrip target hosts an ~11.5 km<sup>2</sup> gold-in-soil anomaly with values ranging from detection limit up to 2,360 ppb gold. The target area is underlain by phyllite with lesser amounts of quartzite, and mafic to intermediate volcanic and volcanoclastic rocks of the Devonian-Mississippian Earn Group.

Gold mineralization encountered to date occurs within broad zones of highly deformed quartz-carbonate ± sericite veins and is disseminated within the phyllite host rock. The veins contain variable amounts of pyrite and arsenopyrite with trace pyrrhotite and are typically oxidized near surface.

The overall structural geometry of the area mimics the larger regional trends of the Dawson Thrust Fault with east-southeast to west-northwest trending folds that are upright to overturned to the north. At least three generations of veins exist and likely formed during brittle-ductile deformation at greenschist facies metamorphic pressures and temperatures. The observations made to date would suggest the Airstrip target is a Phanerozoic orogenic gold system (e.g. Moose River Gold Mines, Canada and Fosterville Mine, Australia).

#### Val Target

ATAC plans to complete a small diamond drill program at the Val target at the Rackla Gold Property. Drilling is planned to twin and step-out on historical high grade intervals at the Big Red Zone and to evaluate bulk tonnage potential by sampling broader horizons of mineralization. Where available, historical drill core will be re-logged and re-sampled in areas that were not originally sent for assay.

## **2. Rosy Property**

The 100%-owned 61 km<sup>2</sup> Rosy property is located 77 km east of Whitehorse and surrounds the Red Mountain Molybdenum deposit. The property covers a large system of gold-silver epithermal veins. Property-wide, helicopter-borne VTEM and magnetic surveys were flown during 2007 and soil geochemical surveys, prospecting and geological mapping were conducted in July 2008. This work identified two main areas of vein mineralization and a number of gold-in-soil anomalies.

ATAC carried out further soil sampling and prospecting in 2009 and identified additional weakly mineralized veins. In July 2010 Bonaparte Capital Corp. (“Bonaparte”) conducted a two hole, 263 m diamond drill program. Results were disappointing and Bonaparte terminated its option on the property in December 2010. A small prospecting program was carried out in the early summer of 2016 and partially funded through the Yukon Mineral Exploration Program.

In December 2016 and April 2017, approximately 260 claims were added to the Rosy Property to cover recently lapsed claims that surround the core of the Red Mountain Molybdenum Deposit owned by Tintina Mines Ltd.

ATAC conducted a small exploration program in June 2017 to follow up on favourable results from 2016 and to evaluate the newly staked ground. Approximately 50 rock samples, 50 silts and 750 soil samples were collected. Results were consistent with those from samples previously collected on the property. No work has been carried out on the property since 2017.

ATAC plans to carry out exploration work on the property in 2021.

## **3. Connaught Property**

The 137.3 km<sup>2</sup> Connaught property is owned 100% by ATAC and is located in the Dawson Mining District in west-central Yukon. It lies immediately south of the Sixty Mile placer gold camp, approximately 65 km west of Dawson City.

The property hosts 26 silver-lead-zinc-gold-copper epithermal veins within a 13 by 5 km area of anomalous soil geochemical response which coincides with a pronounced magnetic high and Late Cretaceous Prospector Mountain Suite intrusive rocks.

Between 1969 and 2003, a total of 2,444 m in 40 diamond drill holes has been completed at the Connaught Project. All epithermal veins remain open along strike and at depth. Where exposed, the veins are typically 0.3 to 2 m wide and grade from background up to 4,050 g/t silver, 79.41% lead, 7.24% zinc, 10.90 g/t gold and 1.98% copper. A historic 240.7 tonne bulk sample test completed by previous operators in 1966 and 1976 averaged 2,228.5 g/t silver, 60% lead and 1.00 g/t gold.

In 2020, ATAC completed a small soil sampling, prospecting and mapping program at the Connaught property. During 2021, ATAC plans to complete soil sampling, mapping, prospecting and geophysical surveys to evaluate early-stage copper-molybdenum-gold porphyry potential in preparation for drilling in 2022.

#### **4. Idaho Creek Property**

The 13.9 km<sup>2</sup> Idaho Creek property is located 150 km south of Dawson City and 14 km east of the Casino Cu-Mo-Au porphyry project.

Grid soil sampling at the Idaho property has outlined anomalous gold, silver, lead, arsenic and zinc soil values in four main targets. The anomalous areas are up to 1,200 by 600 m in size and produced soil geochemical values ranging up to 6,550 ppb Au, 122 ppm Ag, 6,180 ppm Pb, 2,620 ppm As, 2,300 ppm Zn and 1,110 ppm Sb.

By agreement dated August 19, 2020, ATAC granted Makara Mining Corp. (“Makara”) an option to acquire a 100% interest in the Idaho Creek property, located 14 km east of Western Copper and Gold’s Casino gold-copper porphyry deposit and adjacent to Makara’s Rude Creek gold project in central Yukon. Makara can exercise the option by; (i) making aggregate cash payments of C\$150,000; (ii) issuing ATAC an aggregate of 750,000 shares; and (iii) completing C\$2,000,000 in work expenditures by December 1, 2024.

A one-time milestone payment of C\$1.00 per ounce gold equivalent will be paid to ATAC if a mineral resource is identified on the property. ATAC will also retain a 2% net smelter return on the property, one half of which can be purchased by Makara for C\$1,000,000.

#### **B. East Goldfield, Nevada Property**

The 7.8 km<sup>2</sup> East Goldfield property is currently under option from Silver Range Resources Ltd. The property is an early-stage high-sulphidation epithermal (“HSE”) gold exploration project located in central Nevada, U.S.A. The property is strategically situated in the Walker Lane Gold Belt, host to a number of well-known mining districts including Comstock, Tonopah, Goldfield, Bullfrog and Aurora. This mature high-grade gold trend is recognized for its numerous occurrences of volcanic-hosted epithermal gold and silver deposits with estimated discovery successes well in excess of 50 million ounces of gold.

The East Goldfield property covers an area of approximately 600 hectares and is located in the Goldfield Mining District where historic production is estimated to have been 4.2 million ounces at 18.55 g/t gold). The East Goldfield property is approximately eight km east of Waterton Global Resource Management’s development stage Gemfield project (47.3 million tonnes of measured and indicated mineral resources at 1.03 g/t gold totaling 1,574,000 ounces gold).

The property is a road-accessible project with favourable volcanic stratigraphy, silicic replacement “ledges” and extensive hydrothermal alteration. Approximately 100 small historical surface workings are documented across the project area with the most significant development in the southwestern part of the claims at the former Tom Keane mine. Historic production statistics are not available however the development consisted of approximately 900 m of workings on 4 levels down to 150 m.

Ten angled RC drill holes were drilled in the immediate vicinity of the Tom Keane mine in 2003 by Metallic Gold Ventures Inc. All drill holes targeted silicic altered north-westerly trending structural zones distal to the main silicic-clay-breccia alteration feature and reported anomalous gold values (>0.50 g/t) across intervals ranging from 1.52 to 44.20 m. Highlights from the program included:

Hole #	From (m)	To (m)	Interval (m)	Gold (g/t)
TK-4	51.82	56.39	4.57	2.40
TK-5	65.53	109.73	44.20	1.03
TK-6	67.06	89.92	22.86	2.88
incl.	70.10	74.68	4.58	8.23
and	92.96	102.11	9.15	1.61
TK-7	85.34	102.11	16.77	1.03

\* Drill orientations and true widths are unknown

A broad west-northwest trending zone of HSE alteration was identified from Landsat 7 and ASTER spectral satellite data, which extends from the Gemfield deposit onto the East Goldfield property. Due diligence fieldwork conducted by ATAC in February of 2020 confirmed the presence of important proximal HSE alteration minerals, including alunite and vuggy quartz in rock samples collected within the alteration footprint of the satellite data.

### 2020 Exploration Program

Exploration in 2020 at the East Goldfield property focused on property-wide baseline data collection, including airborne surveys and initial ground-based geochemical and geological mapping. The airborne surveys and all surface work was completed by local Nevada based contractors. No COVID-19 pandemic related disruptions were experienced in completing this work.

ATAC plans to complete approximately 4,000 m of reverse circulation drilling at East Goldfield in the fall of 2021. Drilling is anticipated to begin by twinning and stepping out on historical holes at the Tom Keane area. Subsequent holes will target new anomalies identified by recent prospecting, soil sampling and airborne hyperspectral work.

### East Goldfield Option

By agreement dated February 20, 2020, Silver Range Resources Ltd. (“Silver Range”) granted ATAC a two staged option to acquire up to a 100% interest in the East Goldfield property in central Nevada. Under stage one of the option, ATAC can acquire a 75% interest in the East Goldfield property by making aggregate cash payments of \$400,000 by April 1, 2024 and aggregate exploration expenditures of \$10,000,000 by December 1, 2025. Other than a minimum annual exploration expenditure of \$200,000 in each of the first two years of the option, the rate at which expenditures are incurred over the remaining four years, will be at ATAC’s sole discretion.

Under stage two of the option, ATAC can acquire the remaining 25% interest in the East Goldfield property by paying \$10,000,000 by June 30, 2026 and granting Silver Range a 2% net

smelter return royalty interest. One-half (1%) of the net smelter return royalty interest can be purchased by ATAC for \$1 million.

Silver Range will also be paid a success fee of US\$2 per ounce of gold (or the gold equivalent) on the first 1,000,000 ounces in any future measured or indicated mineral resources or proven or probable mineral reserve on the East Goldfield property. The success fee will be US\$1 per ounce of gold (or the gold equivalent) on all ounces above 1,000,000, in any measured or indicated mineral resources or proven or probable mineral reserve on the property.

If ATAC exercises the stage one option, but not the stage two option, ATAC and Silver Range will form a joint venture to develop the property. Initial ATAC and Silver Range joint venture interests will be 75% and 25%, respectively.

### **TECHNICAL REVIEW**

Technical information disclosed in this MD&A has been reviewed by Adam Coulter, M.Sc., P. Geo., a qualified person for the purposes of National Instrument 43-101. Adam Coulter is the Vice President of Exploration of ATAC.

### **SUBSEQUENT EVENTS**

On January 12, 2021, ATAC announced 2020 drill results from the Airstrip target. See “2020 Exploration Program” for additional information.

On February 16, 2021, ATAC provided an exploration update on its activities in Nevada. See “East Goldfield, Nevada Property” for additional information.

On March 4, 2021, ATAC announced its 2021 exploration program. See “East Goldfield, Nevada Property”, “Val target” and “Connaught Property” for additional information.

### **SHARE CAPITAL INFORMATION**

#### **Shares**

The authorized share capital of ATAC consists of the following classes of shares:

- (a) an unlimited number of common shares without par value; and
- (b) an unlimited number of Class A preferred shares with a par value of \$1.00 each.

As of March 19, 2021, there were 162,738,547 ATAC common shares issued and outstanding.

## Stock Options

As of March 19, 2021, ATAC had the following stock options outstanding:

<b>Number of Options Outstanding</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
250,000	\$0.76	June 7, 2021
2,665,000	\$0.55	May 26, 2022
2,940,000	\$0.55	February 1, 2023
2,120,000	\$0.30	February 4, 2024
100,000	\$0.30	February 4, 2024
2,210,000	\$0.22	January 9, 2025
195,000	\$0.20	April 28, 2025
<b>10,480,000</b>		

## Warrants

As of March 19, 2021, ATAC had the following share purchase warrants outstanding:

<b>Number of Warrants Outstanding</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
382,500	\$0.425	March 22, 2021
2,173,914	\$0.27	June 30, 2022
260,870	\$0.23	June 30, 2022
5,253,572 <sup>(*)</sup>	\$0.28	March 22, 2022
<b>8,070,856</b>		

(\*) On March 5, 2021, the TSX Venture Exchange consented to the reduction of the exercise price of these warrants from \$0.425 to \$0.28 and the extension of the exercise period for one year.

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#### CORPORATE INFORMATION

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Glenn R. Yeadon, Vancouver, B.C.	Secretary and Director
Robert C. Carne, Burnaby, B.C.	Director
Bruce J. Kenway, Calgary, Alberta	Independent Director
Bruce A. Youngman, Powell River, B.C.	Independent Director
Don Poirier, Qualicum Beach, B.C.	Independent Director
Graham N. Downs, Squamish, B.C.	President and Chief Executive Officer
Ian J. Talbot, North Vancouver, B.C.	Chief Operating Officer
Larry B. Donaldson, Port Moody, B.C.	Chief Financial Officer
Adam Coulter, Vancouver, B.C.	Vice President, Exploration
Andrew Carne, Vancouver, B.C.	Vice President, Corporate and Project Development

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