



**ATAC RESOURCES LTD.  
MANAGEMENT DISCUSSION AND ANALYSIS  
for the Three Months and Six Months ended June 30, 2018  
(including any Significant Subsequent Events to August 14, 2018)**

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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 six months ended June 30, 2018 should be read in conjunction with ATAC’s audited consolidated financial statements and related notes for the twelve months ended December 31, 2017 and the unaudited consolidated interim financial statements for six months ended June 30, 2018. 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. See “Exploration and Property Transactions” for additional information.

## **OVERALL PERFORMANCE**

As of August 14, 2018, ATAC had no debt and had working capital in excess of its anticipated expenditures for all of 2018. Such expenditures include costs related to administrative overhead and future exploration programs. See “Risks and Uncertainties” for additional information.

The focus of most of ATAC’s human and financial resources is the Rackla Gold property, which includes the Rau, Orion, and Osiris projects. See “Exploration and Property Transactions” for additional information.

## **SELECTED ANNUAL INFORMATION**

	<b>December 31, 2017</b>	<b>December 31, 2016</b>	<b>December 31, 2015</b>
Revenues	Nil	Nil	Nil
Net (Loss)	(\$4,434,097)	(\$663,155)	(\$1,791,192)
Net (Loss) per Share - Basic and Diluted	(\$0.03)	(\$0.01)	(\$0.02)
Total Assets	\$121,797,151	\$113,163,451	\$109,390,324
Total Long-term Financial Liabilities	Nil	Nil	Nil
Cash Dividends Declared per Share	Nil	Nil	Nil

Total assets increased from 2016 to 2017 mainly due to proceeds received from equity financings, which have been used, for the most part, to fund property acquisition and exploration, both of which are capitalized.

### **SUMMARY FINANCIAL INFORMATION (for the eight quarters ended June 30, 2018)**

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>
June 30, 2018	Nil	(\$1,295,560)	(\$0.01)
March 31, 2018	Nil	(\$637,844)	(\$0.00)
December 31, 2017	Nil	(\$2,284,688)	(\$0.01)
September 30, 2017	Nil	(\$2,128,152)	(\$0.02)
June 30, 2017	Nil	(\$386,715)	(\$0.00)
March 31, 2017	Nil	\$365,458	\$0.00
December 31, 2016	Nil	(\$17,317)	(\$0.00)
September 30, 2016	Nil	\$56,568	\$0.00

### **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.

The difference in the net loss for the quarter ended June 30, 2018, compared to the net loss for the quarter ended June 30, 2017, was an increase of approximately \$909,000. This was predominantly caused by an increase in deferred income tax expense of approximately \$466,000, an increase in share-based payments expense of approximately \$645,000, an increase in salaries and benefits of approximately \$35,000 and an increase in investor relations and shareholder information fees of approximately \$31,000. The increase in net loss for the quarter was partially offset by an increase in gain (loss) on marketable securities of approximately \$111,000, a reduction in professional fees of approximately \$62,000 and an increase in project management fee income of approximately \$60,000.

## **LIQUIDITY AND CAPITAL RESOURCES**

### (a) Working Capital

As of June 30, 2018, working capital totalled \$15,776,797 compared to \$21,614,016 at June 30, 2017.

### (b) Private Placement

On May 25, 2018, ATAC closed a 7,556,700 flow-through share private placement for total proceeds of \$4,534,020. Each flow-through share was sold at a price of \$0.60. The proceeds from the placement will be used to fund exploration at the Rackla Gold property.

Cash finders' fees totalling \$269,881 were paid and an aggregate 437,441 finders' warrants were issued as part of the placement. Each finders' warrant entitles the holder to purchase one ATAC common share at a price of \$0.60 until May 25, 2019. All of the securities issued pursuant to the placement are subject to a hold period in Canada expiring on September 26, 2018.

### (c) Equity Portfolio

As of August 14, 2018, ATAC owned marketable securities of other publicly traded junior resource companies with a total market value of approximately \$600,250. 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 quarter ended June 30, 2018, legal fees and disbursements totalling \$29,950 were incurred with a personal law corporation controlled by Glenn R. Yeadon ("Yeadon"), a director and Secretary of ATAC, compared to \$22,618 incurred with Yeadon in the quarter ended June 30, 2017. During the six months ended June 30, 2018, legal fees and disbursements totalling \$46,123 were incurred with Yeadon, compared to \$35,871 incurred for the six months ended June 30, 2017.

During the quarter ended June 30, 2018, accounting fees and disbursements totalling \$10,500 were incurred with Donaldson Grassi, Chartered Professional Accountants ("Donaldson Grassi"), a firm in which ATAC's Chief Financial Officer Larry Donaldson is a partner, compared to \$24,110 incurred with Donaldson Grassi in the quarter ended June 30, 2017. During the six months ended June 30, 2018, accounting fees and disbursements totalling \$24,000 were incurred with Donaldson Grassi, compared to \$32,860 incurred for the six months ended June 30, 2017.

During the quarter ended June 30, 2018, 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 quarter ended June 30, 2017. During the six months ended June 30, 2018, consulting fees totalling \$21,000 were paid to Goss P.C., compared to \$21,000 incurred for the six months ended June 30, 2017.

During the quarter ended June 30, 2018, 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 quarter ended June 30, 2017. During the six months ended June 30, 2018, consulting fees totalling \$21,000 were paid to Talbot, compared to \$21,000 incurred for the six months ended June 30, 2017.

During the quarter ended June 30, 2018, consulting fees totalling \$3,000 were paid to Bruce Kenway (“Kenway”), a director of ATAC, compared to \$3,000 paid to Kenway during the quarter ended June 30, 2017. During the six months ended June 30, 2018, consulting fees totalling \$6,000 were paid to Kenway, compared to \$3,000 incurred for the six months ended June 30, 2017.

During the quarter ended June 30, 2018, consulting fees totalling \$1,015 were paid to Carvest Holdings Ltd. (“Carvest”), a private company controlled by Robert Carne, a director of ATAC, compared to \$10,270 paid to Carvest during the quarter ended June 30, 2017. During the six months ended June 30, 2018, consulting fees totalling \$2,175 were paid to Carvest, compared to \$10,270 incurred for the six months ended June 30, 2017.

During the quarter ended June 30, 2018, salary in the amount of \$56,286 was paid to Graham Downs (“Downs”), the President and Chief Executive Officer of ATAC, compared to salary in the amount of \$56,092 paid to Downs in the quarter ended June 30, 2017. During the six months ended June 30, 2018, salary in the amount of \$116,419 was paid to Downs, compared to \$116,366 incurred for the six months ended June 30, 2017.

During the quarter ended June 30, 2018, salary in the amount of \$34,870 was paid to Matthew Keevil (“Keevil”), the Vice President of Corporate Affairs of ATAC. During the six months ended June 30, 2018, Keevil was paid a salary in the amount of \$46,493. Mr. Keevil’s employment with ATAC commenced on March 3, 2018, so comparative figures for previous periods are not available.

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

During the quarter ended June 30, 2018, \$809,560 in property location, acquisition, exploration, management, office rent and administration costs were billed by Archer, Cathro & Associates (1981) Limited (“Archer Cathro”), compared to \$891,312 billed by Archer Cathro for the quarter ended June 30, 2017. During the six months ended June 30, 2018, \$1,012,992 in property location, acquisition, exploration, management, office rent and administration costs were billed by Archer Cathro, compared to \$1,150,074 billed for the six months ended June 30, 2017.

Archer Cathro is a geological consulting firm with offices in Vancouver and Squamish, British Columbia and Whitehorse, Yukon. Douglas Eaton is a director of Archer Cathro and is the

President, Chief Executive Officer and a director of Strategic Metals Ltd., one of ATAC's larger shareholders. Julia Lane is the Vice President of Exploration of ATAC and is the managing director of Archer Cathro.

Douglas Eaton and Julia Lane are not employees or directors of ATAC and do not receive any salary, bonuses or benefits directly from ATAC other than by way of incentive stock options as consultants. Both receive indirect compensation from ATAC through their interests in Archer Cathro. This indirect compensation depends on Archer Cathro's profitability and is highly variable based on the cyclical nature of the mineral exploration industry. Archer Cathro's profits are only partially derived from ATAC's exploration activities and are strongly influenced by the amount of work it does on behalf of other companies and the capital outlays it must make to sustain its business.

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. The majority of the ATAC mineral properties are registered in the name of Archer Cathro and are held by Archer Cathro as bare trustee for ATAC under the terms of a trust indenture. In addition to holding legal title to mineral properties for ATAC, Archer Cathro provides the following administrative services related to the ATAC mineral properties: (i) mineral tenure management; (ii) the filing of annual assessment reports; and (iii) 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, who then instruct Archer Cathro geologists to prepare draft exploration programs and budgets, which are submitted to management for review and, where necessary, revised before final proposals are taken 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 six months ended June 30, 2018 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 its 50 years 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 native land claims. 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.

## (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

During the past year, base metals prices have improved somewhat, but precious metal prices have remained relatively stagnant. Mineral exploration activities remain at relatively low levels and global investors remain reluctant to make large investments in the securities of junior exploration companies. There can be no assurance that market prices for securities of mineral exploration companies will improve significantly in the short or intermediate 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, 2017. 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**

No changes to the ATAC management or board of directors occurred during the three months ending June 30, 2018.

## **INVESTOR RELATIONS**

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

## **EXPLORATION AND PROPERTY TRANSACTIONS**

The primary focus of ATAC is the exploration and development of the Rackla Gold property. Although no longer considered core business assets, ATAC continues to hold interests in a number of other mineral properties outside of the Rackla Gold property.

### **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 and covers an east-west extending land package approximately 185 km long by 15 km wide and covers an area of approximately 1,700 km<sup>2</sup>. ATAC has acquired the claims through its own staking for the purpose of covering the projected extensions of the favourable geology underlying the Rackla Gold property.

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 Selwyn Basin and Mackenzie Platform and contains units belonging to both tectonic elements. ATAC has carried out an aggressive geochemical sampling and prospecting program 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: (a) the Osiris project, which hosts the Conrad, Osiris, Sunrise and Ibis Carlin-type gold zones; (b) the Orion project, which is subject to an earn-in agreement with Barrick; and (c) the Rau project, which hosts the Tiger Gold Deposit. Each of the three projects is discussed below.

The gold mineralization identified to date in both the Osiris and Orion project areas is generally characterized by fine-grained pyrite, realgar and orpiment which appear to be the primary minerals associated with gold. The mineralization occurs in limestone debris flows and turbidite deposits characteristic of an offshore sedimentary environment. The mineralogy, chemistry and geological setting of both the Osiris and Orion project areas are characteristic of Carlin-type mineralization.

**(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 mineralized zones have been identified within the Osiris property area: (i) Osiris; (ii) Ibis; (iii) Conrad; and (iv) Sunrise.

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

(i) Osiris Zone

Gold mineralization at the Osiris Zone is hosted by Neoproterozoic carbonate rocks that are folded into a southerly plunging anticline and occurs in the form of narrow stylolites, stockworks and disseminations of fine grained pyrite associated with realgar and orpiment (both are arsenic sulphide minerals) accompanied by decarbonitization, silicification and peripheral calcite flooding. The discovery has been traced for an 800 m strike length on both limbs of the fold. The strongest mineralization occurs within a 40 m wide zone that lies along the fold axis near the crest of the anticline.

Drill campaigns from 2010 through 2017 included a total of 63 holes (16,321 m) and tested two distinct structural settings for Carlin-type gold mineralization: (i) the steeply dipping west limb of the anticline; and (ii) the near-surface mineralization in the south-dipping east limb.

All Osiris drill results to the end of 2017 confirmed good continuity of the mineralization along the western limb of the Osiris Anticline. Mineralization appears to be most strongly developed near stratigraphic boundaries where mineralizing fluid-flow can become focused.

(ii) Ibis Zone

The Ibis Zone is located approximately 500 m southwest of the Osiris Zone. 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.

All drilling to the end of 2016 included a total of 26 holes (6,574 m) and mineralization has been intersected over an unfolded strike length of 200 m to the current maximum depth of 400 m below surface. The mineralized area remains open to expansion to depth. Two soil geochemical anomalies located to the east and west of the currently drilled areas that have not been fully-tested. No diamond drilling was completed at Ibis in 2017.

(iii) Conrad Zone

The Conrad Zone is the most advanced zone within the Osiris project area. To the end of 2017, a total of 50,220 m of drilling in 123 holes had been completed.

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 where the thickest mineralization occurs 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 Zone is characterized by strong alteration and mineralization within multiple stacked, flat-lying bodies proximal to a laterally extensive, near vertical siltstone-limestone contact. Only 300 m of the presently known 800 m long favourable siltstone-limestone contact had been tested prior to 2018. Mineralization in the Middle Zone remains open along strike and at depth.

The Conrad Lower Zone is marked by two significant gold intervals that returned gold values beneath the Conrad Middle Zone. Mineralization in the Lower Zone remains open along strike and at depth.

Drilling at the Conrad Zone in 2017 was focused on targeting cross-faults, including the 350 and 650 Faults that are thought to be part of the hydrothermal plumbing system that introduced gold mineralization into Conrad. Results of the drilling completed to date suggest that both the 350 and 650 Faults play a significant role in the mineralizing system at Conrad.

Results from all pre-2018 drilling at the Conrad Zone can be viewed on ATAC's website at [www.atacresources.com](http://www.atacresources.com).

(iv) Sunrise Zone

The Sunrise Zone is located 300 m east of the Osiris anticline hinge zone. Mineralization at Sunrise occurs as sub-parallel tabular bodies that dip steeply south. Gold mineralization at the Sunrise Zone extends for a strike length of 215 m and remains open along strike and at depth.

Since the original discovery of the zone in 2012, a total of 6,654 m of drilling in 29 holes has been completed.

The primary objective of the 2017 drilling at the Sunrise Zone was to systematically step-out from previously defined mineralization and to test the wide gaps between previous drill holes and to extend the zone at depth.

Results from all pre-2018 drilling at the Sunrise Zone can be viewed on ATAC's website at [www.atacresources.com](http://www.atacresources.com).

(v) 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>

	Gold Cut- Off	Tonnes	Grade (Au g/t)	Gold (oz)
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 (1.30 g/t gold cut-off)</b>			
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 (2.60 g/t gold cut-off)</b>			
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>
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<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
<b>1.30</b>	<b>8,045,000</b>	<b>4.08</b>	<b>1,055,000</b>
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
<b>2.60</b>	<b>4,335,000</b>	<b>4.52</b>	<b>630,000</b>
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.

(vi) 2018 Exploration Program

On July 17, 2018, ATAC announced the results of the first three holes drilled from the Conrad Zone step-out diamond drilling program

Highlights

- New near-surface mineralization discovered 90 m to the east of the recently modeled Conrad resource boundaries;
- Hole OS-18-262 extends the Conrad Middle Zone mineralization 90 m to the east with an intersection of 23.59 m of 9.50 g/t gold; and,
- Expansion drilling continues at Conrad, which remains open in all directions.

**Initial 2018 Conrad Zone Diamond Drill Results**

Target Area	Drill Hole	From (m)	To (m)	Interval** (m)	Gold (g/t)	Gold*** (g/t x m)
650-850 Fault	OS-18-261*	32.31	35.36	3.05	10.50	32
650-850 Fault	OS-18-262	3.05	21.34	18.29	1.74	32
650-850 Fault	and	66.11	80.00	13.89	4.14	58
Middle Zone	and	363.71	387.30	23.59	9.50	224
Middle Zone	incl.	379.80	387.30	7.50	22.87	172
650-850 Fault	OS-18-263	19.81	83.82	64.01	1.55	99
650-850 Fault	and	309.37	321.56	12.19	5.27	64

\* Hole OS-18-261 abandoned short of target at 47.65 m due to drill-pad complications.

\*\* The reported intersections are drilled thicknesses and are believed to represent approximately 50-80% true widths.

\*\*\* Gram metres calculated by multiplying the interval by the g/t gold assay and rounding to the nearest integer.

Drilling at the Conrad Deposit was initiated to expand upon the Mineral Resource as set out in the Osiris Report. The initial 2018 phase of drilling targeted the 650-850 fault corridor where structurally controlled high-grade gold, associated with brittle faulting, was identified in a siliciclastic unit that returned values including 12.50 m of 20.78 g/t gold in OS-17-238.

Hole OS-18-262 stepped out 40 m east of OS-17-238 and intersected two zones of near-surface gold mineralization associated with the 650-850 fault corridor. This hole intersected 18.29 m of 1.74 g/t gold starting at the bedrock surface, with an additional zone returning 13.89 m of 4.14 g/t gold from 66 metres down hole.

High-grade, strata controlled limestone hosted mineralization was also intersected in OS-18-262 at depth and along strike from the Middle Zone, returning 23.59 m of 9.50 g/t gold (including 7.50 m of 22.87 g/t gold). This interval is located near the contact with the siliciclastic unit. All three intersections within OS-18-262 occurred outside the boundary of the Conrad Mineral Resource.

Holes OS-18-261 and OS-18-263 stepped out 45 and 100 m east of OS-17-257, respectively. Both holes were drilled to test the eastward extension of near-surface mineralization intersected in OS-17-257 (12.19 m of 9.44 g/t gold) and OS-17-259 (25.91 m of 5.44 g/t gold). OS-18-261 intersected 3.05 m of 10.50 g/t before it was abandoned short at 47.65 m, short of its target, due to drill-pad complications. The target area of this hole has been re-drilled and results are pending.

OS-18-263 intersected a broad zone returning 64.01 m of 1.55 g/t gold located 90 m to the east of the Conrad resource boundaries. This intersection is along trend of mineralization in holes OS-17-257, OS-17-259 and OS-18-261. The result confirms a continuous trend of near-surface mineralization that remains open on the eastern side of the Conrad Zone. Hole OS-18-263 also intersected a deeper zone consisting of 12.19 m of 5.27 g/t gold within a fault bounded slice of limestone.

Diamond drilling of the Conrad and the Sunrise Zones is ongoing. Updated Conrad Zone figures can be viewed on the ATAC website [www.atacresources.com](http://www.atacresources.com).

Additional results from the 2018 work program will be released when available.

## **(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 and is subject to a \$55 million earn-in agreement with Barrick Gold Corporation. The project hosts the 18 km<sup>2</sup> Anubis cluster and contains the Orion and Anubis gold Zones. The 18 km<sup>2</sup> geochemical footprint identified by ATAC in the Anubis area including peripheral occurrences of high-grade silver-lead-zinc and gold mineralization suggests the area has been exposed to a very large Carlin-type mineralizing event.

Geochemical anomalies occur in clusters in the Orion project area along a regional scale northwest-trending extensional fault system. Trenching and geochemical sampling has outlined a cumulative 8 km strike length of anomalous and potentially mineralized fault structure with well developed, gold bearing Carlin-type hydrothermal alteration in adjacent rocks.

A total of nine priority exploration targets have been identified for future drilling within the Orion project area, namely, the Anubis, Ana, Hydra, Draco, Dorado, Orion, Zodiac, Columba and Corona showings.

## Barrick Transactions

By agreement dated April 7, 2017, ATAC entered into a number of transactions with Barrick consisting of a maximum investment by Barrick of \$63.3 million. The transactions included a staged option to Barrick to acquire up to a 70% interest in the Orion project and a tax-assisted structured private placement. Each of the transactions is summarized below:

### (i) Earn-In and Joint Venture

Under the earn-in agreement dated April 7, 2017, (the “Option Agreement”) ATAC granted Barrick a two-staged option to acquire a 70% interest in the Orion project. Stage 1 of the earn-in requires Barrick to incur exploration expenditures of \$35-million over five years to acquire a 60% interest in the Orion project. Stage 1 expenditures include a \$10-million guaranteed exploration commitment over the first three years.

Under the terms of the earn-in agreement, one or more senior members of the Barrick exploration team will be seconded to the Orion project and provide technical assistance and expertise to ATAC.

Once Barrick has acquired a 60% interest in the project, ATAC and Barrick will form a joint venture. Under the joint venture, Barrick will be granted the Stage 2 option to acquire an additional 10% interest in the Orion project by incurring an additional \$20 million in exploration expenditures on the project. If Barrick does not exercise its right to acquire the additional 10% in the joint venture, ATAC will have the right to purchase a 10.1% interest in the project from Barrick, resulting in ATAC and Barrick joint venture interests of 50.1 per cent and 49.9 per cent, respectively.

If either of ATAC’s or Barrick’s joint venture interest is reduced to 10% or less, that party’s interest in the Orion project will convert to a sliding-scale net smelter return royalty on gold. The royalty will be adjusted for changes in gold price and cumulative gold production from the Orion project. The net smelter return royalty will range from 1% to 3% with no buyout provision.

Each stand-alone gold deposit within the Orion project area will be subject to the same sliding scale net smelter return royalty, but the cumulative gold production amount will be reset to zero for each new deposit. Silver will be subject to a 2% fixed net smelter return royalty, and all other commodities will be subject to a 1% fixed net smelter return royalty. Neither of the fixed royalties will have a buyout.

### (ii) Private Placement

Included in the transactions with Barrick was a tax-assisted structured private placement of \$8.3 million. See “Liquidity and Capital Resources” for additional information. The proceeds from the private placement were used by ATAC to partially finance the 2017 exploration program at the Osiris and Rau projects, which are not subject to the Barrick earn-in agreement.

### (iii) 2017 Exploration Program by Barrick

The primary objective of Barrick's first exploration program was to systematically establish a surface and sub-surface geologic and structural framework for identifying favourable rocks. The following work was completed on the Orion Project in 2017 to support this objective: (i) detailed mapping, prospecting and trenching; (ii) extensive rock, soil and stream sediment sampling; (iii) diamond and rotary air blast "RAB" drilling; and, (iv) ground based gravity survey and Lidar terrain mapping.

The mapping program resulted in a detailed classification of the Paleozoic stratigraphy and a refined understanding of the complex structural environment. The sampling program expanded coverage over known Paleozoic stratigraphy that had not previously been assessed. As part of this program, representative samples were collected for the purposes of geochemical classification of lithology and the identification of alteration suites.

Thirty-two RAB holes totalling 1,532 m were completed on the Orion Project in 2017. The RAB drilling tested the stratigraphy, alteration and the mineralizing potential of bedrock within overburden covered areas. The Pyramid target area was a particular focus of the RAB drilling as little was known about the geological environment as it is located in an area of low relief and significant surface cover.

Four stratigraphic diamond drill holes totalling 2,503 m were drilled in 2017. The holes were positioned specifically outside known mineralization and pathfinder soil geochemical anomalies in order to obtain an unaltered view of the Orion area stratigraphy. Although drilling occurred outside of the known mineralization and pathfinder footprint, favourable Carlin-type observations included: anomalous gold and elevated pathfinder elements (As, Sb, Hg and Tl) in holes three and four highlighting the prospective nature of both of the Anubis and Northern faults along their westward mapped extensions; and, several debris flow packages and turbidite sequences identified in holes two, three and four confirming important slope facies environments exist throughout the Paleozoic sequence at Orion.

An approximately 50 km<sup>2</sup> ground-based gravity survey was conducted between the Anubis and Pyramid target areas in 2017 to assist in the identification of structures and characterization of rocks within covered terrain. A fixed-wing based Lidar survey was also conducted to provide better ground control and to improve the identification of geologic contacts and structures below tree line. Preliminary interpretation of results from the gravity survey indicate good consistency with the regionally mapped geologic units while posing some alternative structural geometries of buried units within the Anubis Fault corridor.

Results from all of ATAC's work on the Orion project area can be viewed on ATAC's website at [www.atacresources.com](http://www.atacresources.com).

**(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 geophysically and geochemically anomalous 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), five gold+/-copper +/- tungsten skarn targets (Bobcat, Kathy, Hogsback, Ridgecrest and Flat Top) 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 directly related to a broad hydrothermal mineralizing system centered around the Rackla Pluton, located 3 km southeast of the Tiger Deposit.

The objectives of the 2017 exploration program on the Rau Project were to improve the knowledge base related to existing targets along trend from the Tiger Deposit, evaluate untested soil anomalies and gain a better understanding of the broad controls on mineralization within the district.

Assays of 17.00 g/t gold, 9.46 g/t gold and 23.3% zinc from grab samples were collected at the Condor target (located 1.5 km northwest of the Tiger Deposit) while grab samples returning 8.18 g/t gold, 6.35 g/t gold and 3.90 g/t gold were returned from the Panther target (located 3 km northwest of the Tiger deposit). These high-grade results from the Condor and the Panther confirm the potential for carbonate-replacement style gold mineralization along trend from the Tiger Deposit.

Exploration in 2017 resulted in the identification of the Spotlight and Northwest target areas through the follow-up of anomalous gold and arsenic in soil. Assays of 4.63% copper and 7,080 g/t silver were returned from grab samples collected as part of a prospecting program on the Spotlight target area. Assay values of 1.43 g/t gold and 4.14 % zinc from grab samples collected at the 7.5 km<sup>2</sup> Northwest target area suggest the potential for the discovery of additional mineralized zones.

A desktop evaluation of the district-scale potential for intrusive-related mineralization was also completed in 2017 through the reinterpretation of existing geochemical and geophysical data sets. The results of this work suggested the potential for three distinct intrusive centres beneath the Rau Project based on characteristic intrusive-related geochemical signatures correlated with areas of anomalous magnetic response.

Of the three intrusive centres identified, one correlates with the known location of the Rackla Pluton and is believed to be related to the development of gold mineralization at the Tiger Deposit. A second intrusive centre is located approximately 5 km to the north of Tiger in the area of the Blue Lite skarn target and the recently identified Spotlight target. The third intrusive centre is located approximately 14 km to the west of Tiger, in the vicinity of the Now target and

just south of the Northwest target area. All three intrusive centres will be further evaluated during the 2018 field program.

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

The highlights from the 2016 PEA are summarized below:

- The 2016 PEA was completed using a base case gold price of US\$1,250/oz and a currency exchange rate of US\$0.78 equal to CA\$1.00 (unless specified otherwise, all values are shown in Canadian dollars);
- Net present value (“NPV”) <sub>(5%)</sub> of \$106.6 million and an internal rate of return (“IRR”) of 34.8% before tax, and an NPV <sub>(5%)</sub> of \$75.7 million and an IRR of 28.2% after tax, with an all-in sustaining cost of US\$864/oz;
- The 2016 PEA extends the mine life from 4 years to 6.2 years, more than doubles the pre-tax NPV <sub>(5%)</sub> and increases the pre-tax IRR by 4.8%;
- Approximately 302,307 ounces of gold produced at an average undiluted grade of 3.81 g/t gold;
- Total project life increases to approximately 9 years, including 1 year of construction and pre-stripping followed by 6 years of owner-operated open-pit mining and 2 years of reclamation; and,
- Pre-production capital cost of \$109.4 million and life-of-mine (“LOM”) sustaining capital costs totaling \$8.3 million.

For a more detailed discussion related to all aspects of the 2016 PEA, the reader is referred to the ATAC MD&A document for the twelve months ended December 31, 2016, as filed with Canadian securities regulators on March 30, 2017 under the ATAC Resources Ltd. profile at [www.atacresources.com](http://www.atacresources.com).

Drilling of the sulphide portion of the Tiger Deposit in 2017 was designed to confirm gold grade and continuity of the sulphide resources and expand the areas of known sulphide mineralization. Eight drill holes targeted sulphide gold mineralization and all returned significant mineralized intercepts.

Drill holes RAU-17-151 through 156 targeted mineralization along the western edge of the existing sulphide resource, while holes 157 and 158 were drilled to add confidence to sulphide grade. RAU-17-156 returned 56.77 m of 4.08 g/t gold including 9.14 m of 8.07 g/t gold with the three phases of sulphide mineral development present in the hole. This hole demonstrates the

continuous, high-grade potential of the sulphide mineralization where previous drilling was widely spaced.

Hole RAU-17-159 targeted near-surface oxide mineralization on the eastern side of the Tiger Deposit and returned a high-grade intersection of 51.82 m of 5.66 g/t gold.

### **Tiger East Anomaly**

Prospecting in 2016 of an underexplored gold-in-soil geochemical anomaly returned numerous samples with significant gold-in-rock values. Ten out of 21 oxide float composite grab samples collected over a 150 m long area at the Tiger East Anomaly returned values greater than 1 g/t gold with the most notable sample returning 18.30 g/t gold.

Three drill holes targeted the Tiger East Anomaly in 2017. RAU-17-160 returned 21.34 m of 2.59 g/t gold including 3.05 m of 9.97 g/t gold within a strongly oxidized interval of dolomitized limestone. Hole RAU-17-161 was drilled outside the apparent alteration and mineralized zone while RAU-17-162 was terminated short of its target due to mechanical issues with the drill. Future drilling is warranted at Tiger East.

### **Tiger Tote Road**

#### Permitting and Consultation

Access to the Rau project and Tiger Gold Deposit, 55 km northeast of Keno City, would be by means of a tote road. The proposed tote road would 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 vehicles that support advanced exploration at the Tiger Deposit and throughout the Rau project. The total length of the tote road would be approximately 65 km and would 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 First Nation of Na Cho Nyak Dun (“NNDNFN”), 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.

On May 3, 2017, the Yukon Environmental and Socio-Economic Assessment Board recommended to the Yukon Government and NNDNFN that the Tiger Tote Road project be allowed to proceed with certain terms and conditions. On March 2, 2018, the Yukon Government and NNDNFN issued a Consolidated Decision Document stating that the Tiger Tote Road would be allowed to proceed.

#### Environmental and Community Engagement

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 NNDFN 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. ATAC anticipates that a replacement agreement will be in place by the spring of 2019. The Rackla Gold property lies exclusively within the Traditional Territory of the NNDFN.

(ii) 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. A summary of assays from the drilling to date at the Ocelot Zone is available on ATAC's website at [www.atacresources.com](http://www.atacresources.com).

### **2018 Exploration Program at the Rau Project**

ATAC plans to follow-up on the gold and base metal potential at the Rau project in 2018 through advanced exploration at the Condor, Panther and Spotlight targets. Work will include hand pitting, prospecting and geological mapping at the three above targets. First pass soil sampling will also be carried out over unexplored ground at the Spotlight target.

## **2. Dawson Gold Project**

On August 19, 2016, ATAC sold its 50% interest in the Dawson Gold Project to Arcus Development Group Inc. ("Arcus"). As consideration, ATAC received 10,869,910 Arcus common shares and 5,000,000 share purchase warrants. The warrants may be exercised at a price of \$0.20 at any time prior to August 19, 2021. ATAC also retained a 1% net smelter return royalty interest in any future production from any of the four properties.

During the period August 5 and September 2, 2017, Arcus completed a 20 hole (2,880 m) reverse circulation drill program at the Dan Man property, one of the four properties originally comprising the Dawson Gold Project. The Dan Man property is located immediately north and adjacent to the Goldcorp Inc. Coffee project in the White Gold District of Yukon Territory. Results from 2017 drill program are available on the Arcus website ([www.arcusdevelopmentgroup.com](http://www.arcusdevelopmentgroup.com)).

As of August 14, 2018, Arcus had not disclosed its plans for the 2018 exploration season.

### **3. Rosy Property**

ATAC holds a 100% interest in the Rosy property which covers a large system of gold-silver veins located in the Whitehorse Mining District of southern Yukon. 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. The newly staked claims 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 is planned in 2018.

### **4. Connaught Property**

The 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 Sixtymile placer gold camp, approximately 65 km west of Dawson City.

The property hosts a number of silver-lead-gold veins within a 13 by 5 km area of anomalous soil geochemical response which approximately coincides with a pronounced magnetic high. Although the area has good road access, follow-up work has been limited to trenching and a few drill holes along lightly vegetated ridge tops. Where exposed, the veins are typically 0.3 to 2 m wide and grade 100 to 2,000 g/t silver with 0.3 to 2 g/t gold and 3 to 60% lead. A 218 tonne bulk sample test completed by a previous operator in 2011 averaged 2,228.5 g/t silver and 60% lead.

ATAC staked 48 new claims adjacent to the Connaught Property to connect all claims and to cover prospective ground to the south. A small geochemical survey and prospecting program was conducted in July 2017. Results were consistent with those from samples previously collected on the property. No work is planned in 2018.

### **5. Panorama Property**

ATAC holds a 100% interest in the Panorama property which consists of 36 mineral claims located in Dawson Mining District of west-central Yukon. The property is a bulk-tonnage gold prospect modelled on the former Brewery Creek Mine, 15 km to the west. Work in 2015

consisted of a helicopter borne geophysical survey. No work program was carried out during the 2017 exploration field season and none is planned for 2018.

## **6. Idaho Creek Property**

In 2006 ATAC staked the 58 claims comprising the Idaho Creek property in the Whitehorse Mining District in west-central Yukon. The property hosts gold and silver mineralization, geophysical anomalies and extensive soil geochemical anomalies, some of which were drill tested in 2006 and 2007 under the terms of an option agreement that was terminated in November 2007. Drill results were generally disappointing and accumulated costs were written-off by ATAC.

The property was held under option by a third party during the period January 2010 through November 2014. Work in 2015 consisted of a helicopter borne geophysical survey. No work program was carried out during the 2017 exploration field season and none is planned for 2018.

### **TECHNICAL REVIEW**

Technical information disclosed in this MD&A has been reviewed by Julia Lane, B.Sc., P. Geo., a qualified person for the purposes of National Instrument 43-101. Julia Lane is a geological consultant to and the Vice President of Exploration of ATAC.

### **SUBSEQUENT EVENTS**

The Osiris Report was filed on [www.Sedar.com](http://www.Sedar.com) on July 11, 2018. See “Osiris Project” for additional information.

On July 17, 2018 ATAC announced the first drill results from its ongoing 2018 exploration program. See “Osiris Program” 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 August 14, 2018, there were 147,468,577 ATAC common shares issued and outstanding.

**Stock Options**

As of August 14, 2018, ATAC had the following stock options outstanding:

<b>Number of Options Outstanding</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
1,905,000	\$0.75	February 3, 2019
1,550,000	\$0.75	January 23, 2020
1,990,000	\$0.31	January 21, 2021
250,000	\$0.76	June 7, 2021
2,940,000	\$0.55	May 26, 2022
3,165,000	\$0.55	February 1, 2023
250,000	\$0.53	March 1, 2023
<b>12,050,000</b>		

**Warrants**

As of August 14, 2018, ATAC had the following share purchase warrants outstanding:

<b>Number of Warrants Outstanding</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
437,441	\$0.60	May 25, 2019

ATAC RESOURCES LTD.  
 1016 - 510 West Hastings Street  
 Vancouver, B.C. V6B 1L8  
 Tel: 604-687-2522 Fax: 604-688-2578  
 E-mail: [info@atacresources.com](mailto:info@atacresources.com)  
 Trading Symbol: TSX-V: ATC  
 Website: [www.atacresources.com](http://www.atacresources.com)

#### CORPORATE INFORMATION

Douglas O. Goss, Q.C., Edmonton, Alberta	Chairman of the Board and Director
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
Julia Lane, Vancouver, B.C.	Vice President of Exploration
Matthew Keevil, Vancouver, B.C.	Vice President of Corporate Affairs

Registered Office  
 1710 - 1177 West Hastings Street  
 Vancouver, B.C. V6E 2L3

Transfer Agent  
 Computershare Investor Services Inc.  
 2nd Floor - 510 Burrard Street  
 Vancouver, B.C. V6C 3B9

Auditors  
 Davidson & Company LLP  
 1200 - 609 Granville Street  
 Vancouver, B.C. V7Y 1G6