



**ATAC RESOURCES LTD.
MANAGEMENT DISCUSSION AND ANALYSIS
for the Three Months and the Twelve Months ended December 31, 2021
(including any Significant Subsequent Events to April 7, 2022)**

The following discussion and analysis of the results of operations and financial condition of ATAC Resources Ltd. (“ATAC” or “the Company”) for the three months and the twelve months ended December 31, 2021 should be read in conjunction with ATAC’s audited consolidated financial statements and related notes for the twelve months ended December 31, 2021. 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.

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.

CAUTIONARY NOTE TO US READERS

Information concerning mineral properties in this MD&A has been prepared in accordance with Canadian disclosure standards under applicable Canadian securities laws, which are not comparable in all respects to United States disclosure standards. The terms "mineral resource", "measured resource", "indicated resource" and "inferred resource" (and similar expressions) used in this MD&A are Canadian mining terms as defined in accordance with National Instrument 43 - 101 under guidelines set out in the standards set by the Canadian Institute of Mining, Metallurgy and Petroleum.

While the terms "mineral resource", "measured resource", "indicated resource" and "inferred resource" are recognized and required by Canadian regulations, they are not defined terms under the standards of the U.S. Securities and Exchange Commission ("SEC"). As such, certain information contained or incorporated by reference in this MD&A concerning descriptions of mineralization and resources under Canadian standards is not comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements of the SEC.

An "inferred resource" has a great amount of uncertainty as to its existence and as to its economic and legal feasibility. It cannot be assumed that all or any part of an "inferred resource" will ever be upgraded to a higher category. Under Canadian regulations, estimates of inferred resources may not form the basis of feasibility or other economic studies.

Readers are cautioned not to assume that all or any part of measured, indicated or inferred resources will ever be converted into Mineral Reserves. Readers are also cautioned not to assume that all or any part of an "inferred resource" exists, or is economically or legally mineable.

This MD&A also contains information with respect to adjacent or similar exploration and evaluation assets in respect of which ATAC has no interest or rights to explore or mine. ATAC advises US readers that the mining guidelines of the US Securities and Exchange Commission (the "SEC") set forth in the SEC's Industry Guide 7 ("SEC Industry Guide 7") strictly prohibit information of this type in documents filed with the SEC. Readers are cautioned that ATAC has no interest in or right to acquire any interest in any such properties, and that mineral deposits on adjacent or similar properties, and any production therefore or economics with respect thereto, are not indicative of mineral deposits on ATAC's properties or the potential production from, or cost or economics of, any future mining of any of ATAC's exploration and evaluation assets.

All of ATAC's public disclosure filings, including its most recent management information circular, material change reports, press releases and other information, may be accessed via www.sedar.com and readers are urged to review these materials, including the technical reports filed with respect to ATAC's exploration and evaluation assets.

DESCRIPTION OF BUSINESS

ATAC is in the business of exploring for metals and minerals with a particular emphasis on gold and copper. It does not own interests in any producing mines. At present, management is concentrating most of its efforts on its mineral properties in Yukon Territory and British Columbia, Canada. See "Exploration Properties" for additional information.

The common shares of ATAC are listed for trading on the TSX Venture Exchange in Canada under the trading symbol "ATC" and on the OTCQB Venture Market in the United States under the trading symbol "ATADF".

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 COVID-19, which could create significant uncertainty for ATAC and its operations. All work carried out in 2021 by ATAC on its Yukon and Nevada projects was subject to all COVID-19 related travel restrictions and health advisories in place at the time such work was undertaken.

As of April 7, 2022, ATAC had no debt and had working capital in excess of its anticipated expenditures for all of 2022. Such expenditures include costs related to administrative overhead and future exploration programs. See “Risks and Uncertainties” for additional information. The focus of ATAC’s human and financial resources are the various mineral properties located in Yukon Territory and British Columbia, Canada and in Nevada, U.S.A. See “Exploration Properties” for additional information.

CORPORATE HIGHLIGHTS FOR THE YEAR ENDED DECEMBER 31, 2021

- On March 5, 2021, ATAC amended 5,253,572 warrants with an original exercise price of \$0.425 and expiry date of March 22, 2021 to an amended exercise price of \$0.28 and an amended expiry date of March 22, 2022. These warrants expired unexercised.
- On April 16, 2021, ATAC raised \$1.0 million in gross proceeds through the sale of flow-through shares. See “Use of Proceeds” for additional information.
- On June 9, 2021, Larry Donaldson resigned as ATAC’s Chief Financial Officer (“CFO”). Andrew Carne, the Company’s current Vice President, Corporate and Project Development, was appointed as interim CFO.
- On June 25, 2021, ATAC raised an aggregate of \$3.02 million in gross proceeds through a private placement of common and flow-through units. See “Use of Proceeds” for additional information.
- On July 8, 2021, ATAC granted an aggregate 2,950,000 incentive stock options, exercisable at \$0.18 per share until July 8, 2026, to directors, officers, employees and consultants.
- On October 1, 2021, James Gray was appointed to the ATAC board of directors. In connection with the appointment, the Company granted Mr. Gray 250,000 incentive stock options exercisable at a price of \$0.18 until July 8, 2026.
- On October 8, 2021, ATAC’s common shares commenced trading on the OTCQB Venture Market under the symbol “ATADF”.
- On December 1, 2021, ATAC announced that Jasmine Lau joined the Company as Chief Financial Officer (“CFO”). Ms. Lau replaced Andrew Carne who had been serving as Interim Chief Financial Officer. Mr. Carne will continue in his role as the Company’s VP Corporate and Project Development.
- On December 23, 2021, ATAC issued 30,000 common shares valued at \$3,000 pursuant to the Mag Property Option Agreement.

EXPLORATION HIGHLIGHTS FOR THE YEAR ENDED DECEMBER 31, 2021

- On January 12, 2021, ATAC announced results from its 2020 phase 2 exploration program at the Rau Project, part of the Rackla Gold Property.
- On February 16, 2021, ATAC provided an update on its exploration activities at its East Goldfield project in Nevada, including the staking of additional claims.
- On March 4, 2021, ATAC announced its plans for the 2021 exploration season, including work at its properties in the Yukon and Nevada.

ATAC Resources Ltd.

Management Discussion and Analysis

For the year ended December 31, 2021 and containing information up to and including April 7, 2022

- On April 22 and May 20, 2021, ATAC provided updates on its exploration activities at its East Goldfield project, including sampling results and the planned drilling program.
- On July 7, 2021, ATAC announced that its 2021 exploration programs had commenced at its Yukon and Nevada properties.
- On August 23, 2021, ATAC announced the commencement of drilling at its East Goldfield project in Nevada.
- On September 2, 2021, ATAC provided an update on exploration activities at its Connaught Property, including preliminary trenching results.
- On November 2, 2021, additional results from the 2021 exploration program at the Connaught property were announced.
- On December 2, 2021, ATAC provided final trench results from the 2021 exploration activities at its Connaught Property.
- On December 15, 2021, ATAC provided an update on grassroots exploration at its Rosy Property.

SUBSEQUENT EVENTS

- On January 5, 2022, ATAC issued 20,000 common shares valued at \$2,000 pursuant to the Blackbear claims option agreement, part of the Connaught property.
- By agreement dated January 20, 2022, ATAC was granted an option to acquire a 100% interest in the Catch Property. See “Catch Property” for additional information.
- On January 31, 2022, ATAC announced that it had voluntarily relinquished mineral claims located within designated wilderness areas of the finalized Peel Watershed Land Use Plan.
- On February 10, 2022, Bruce Kenway retired from ATAC’s Board of Directors.
- By agreement dated February 21, 2022, ATAC was granted an option to acquire a 70% interest in the PIL Property. See “PIL Property” for additional information.
- On February 18, 2022, ATAC terminated the East Goldfield property option. See “East Goldfield Property” for additional information.
- On March 31, 2022, ATAC raised \$4.0 million in gross proceeds through the sale of flow-through units. See “Use of Proceeds” for additional information.

EXPLORATION PROPERTIES

The current focus of ATAC’s exploration activities are several properties located in Yukon Territory, Canada, and the PIL property in British Columbia, Canada. Based on disappointing 2021 drill results, ATAC recently terminated an option on the East Goldfield property in Nevada, United States. ATAC remains committed to working in Nevada and is currently evaluating additional project opportunities.

A. Yukon Properties

1. Connaught Property

The 137.3 km² Connaught property 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 majority of the property is 100%-owned by ATAC with two portions under option from private individuals (see “Connaught Property Options”).

Historically, the property was explored for high-grade epithermal veins. A total of 26 distinct silver-lead-zinc-gold \pm copper \pm zinc epithermal veins over 13 km in combined strike length and 400 m in vertical extent have been identified to date. Between 1969 and 2003, a total of 2,444 m of diamond drilling in 40 holes was completed. Assay values ranged from background up to 4,050 g/t silver, 79.41% lead, 10.90 g/t gold, 1.98% copper and 7.24% zinc.

Based on copper-molybdenum \pm gold porphyry potential, in 2020, ATAC optioned two adjacent properties and staked additional claims in order to consolidate land on the eastern portion of the property.

Connaught Geology and Mineralization

The Connaught project lies within the northeast-trending 150 km long Sixtymile-Pika fault system which controlled Late Cretaceous magmatism, hydrothermal activity and associated porphyry, skarn and epithermal mineralization in Yukon and Alaska. The property is underlain by Carboniferous-to-Devonian gneiss, marble and metavolcanic rocks and Permian schists which are intruded by the Late Cretaceous Prospector Mountain Suite granodiorite, diorite and quartz monzonite.

The Prospector Mountain Suite rocks observed to date consist of multiple phases of intrusive stocks, dykes and breccias including: equigranular quartz monzonite, quartz monzonite porphyry, quartz latite and intrusion breccia. Copper mineralization observed to date includes disseminated and fracture coated malachite-tenorite \pm azurite within a quartz monzonite porphyry, disseminated chalcopyrite-pyrite within an intrusion breccia and disseminated malachite-tenorite within a quartz latite dyke. At surface, the rocks containing copper mineralization are intensely weathered, are commonly stained orange, yellow and/or brown by iron oxides and clays and are friable to the touch and are interpreted as a copper depleted leached cap.

The style of mineralization, lithologies and alteration observed to date are typical of copper-gold-molybdenum porphyry systems such as Western Copper and Gold's Casino project in Yukon and Kenorland Minerals' Tanacross project in Alaska.

2021 Exploration Program

The 2021 exploration program included geophysical surveys, surface trenching, soil sampling and re-sampling of select historical drill core.

A total of 2,229 soil samples were collected across the property in 2021, primarily focused on claims optioned in 2020 and as infill work around known anomalies. Ten trenches, totaling 918 m in length, were dug by an excavator and sampled, with eight of ten trenches returning >325 ppm copper over 75 to 108 m. A total of 39 km of induced polarization ("IP") and 113 km of ground magnetic surveys were completed in July and August, with data showing geophysical anomalies coincident with copper-molybdenum-gold in-soil anomalies. The Prospector Mountain Suite intrusive rocks present as a regional elongate (13 x 2 km) magnetic high.

Based on the results of the 2021 work, four porphyry target areas have been identified for priority follow-up work in 2022. Geophysical data has identified over 20 priority drill targets throughout these target areas, which are being evaluated for drilling in 2022.

Target Areas

Target Area A is a copper-molybdenum-in-soil anomaly that was previously identified through soil sampling and formed the basis of the 2021 trenching work. The anomaly was constrained by historical claim boundaries and was open-ended on the east side. Additional samples collected this year expanded the anomaly area by approximately 500 m to the east, to a total size of 1,500 x 600 m.

Geophysical surveys show that Target Area A is situated within a broad magnetic high surrounding a central magnetic low underlying the trenches, potentially indicative of a magnetite destructive zone – a porphyry alteration indicator. Moderate chargeability and low resistivity are observed immediately underneath the trenching area, indicative of sulphides at depth. An area of strong chargeability is observed about 900 m SW of the trenches, potentially indicative of a higher abundance of sulphides.

Target Area B is a 1,700 x 1,200 m copper±gold-in-soil anomaly located 2.5 km southeast of the 2021 trenching area. The target area shows moderate to strong copper-in-soil anomalism and elevated to strong gold-in-soil response on the east side of the anomaly with values up to 0.10 g/t gold-in-soil. The anomaly has sporadic molybdenum-in-soil anomalism, with more significant response on the northern edge of the target area.

Geophysical surveys at Target Area B revealed a coincident circular magnetic high feature surrounded by a magnetic low – a “donut”-shaped magnetic feature typical of many porphyry systems. The IP response shows a resistivity high in the middle of the anomaly potentially indicative of a potassic core surrounded by a chargeability high indicative of a pyrite shell in the sericitic alteration zone.

Target Area C is a 700 x 600 m copper- and molybdenum-in-soil anomaly located 5 km west of the 2021 trenching area. The core zone of coincident copper and molybdenum anomaly is located within a broader 2.7 x 1.3 km molybdenum soil anomaly with more sporadic copper anomalism.

Geophysical surveys at Target Area C show it is situated within a broad magnetic high and displays a magnetic low in the middle of the anomaly – possibly indicative of magnetite destruction. No IP work has been completed in this area to-date.

Target Area D is an 800 x 400 m copper-, molybdenum-, silver- and lead-in-soil anomaly located 9 km west of the 2021 trenching area. The core zone of the coincident copper and molybdenum is located on the northern edge of a broader 1,300 x 1,000 m molybdenum-in-soil anomaly. This target area is located within a broad magnetic high. No IP work has been completed in this area to-date.

Connaught Property Options

Blackbear Option Terms

ATAC can acquire a 100% interest in the 13.2 km² Blackbear property from a private owner by making aggregate cash payments of \$100,000 and issuing an aggregate 200,000 shares on or before February 28, 2026. Following the exercise of the option, the property will remain subject to a 2% net smelter return royalty interest from conventional mining, and a 5% net smelter return royalty from small-scale high-grade mining. One half (1%) of the conventional royalty can be purchased by ATAC for \$500,000.

Mag Option Terms

ATAC can acquire a 100% interest in the 2.1 km² Mag property from a private owner by making aggregate cash payments of \$70,000 and issuing an aggregate 120,000 shares on or before December 31, 2022. Following the exercise of the option, the property will remain subject to a 1% net smelter return royalty interest from conventional mining, and a 10% net smelter return royalty from small-scale high-grade mining. The conventional royalty can be purchased by ATAC for \$250,000.

2. Rosy Property

The 100%-owned 61 km² 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. Historic work programs from 2008 to 2017 included geophysics, geochemistry, and limited drilling. This work identified two main areas of vein mineralization and a number of gold-in-soil anomalies.

Work in 2021 consisted of prospecting, mapping, and geochemical sampling to build a more comprehensive understanding of gold-silver potential at the property.

3. Rackla Gold Property

ATAC's 100%-owned, 1,700 km² 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 lies within a zone of regional-scale thrust faults, which imbricate basinal 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 two separate project areas:

- (i) the Nadaleen project, which hosts the Osiris gold deposit and numerous other 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 and precious metal targets.

Each of the two projects is discussed below.

(a) Nadaleen Project

The Nadaleen project is located at the eastern end of the Rackla Gold property. Gold mineralization in the Nadaleen project area was first discovered in July of 2010. Since 2010, 20 Carlin-type gold occurrences have been discovered over a 25 km long trend, including the Osiris gold deposit. There are two distinct clusters of occurrences within the broader mineralization trend: the Osiris cluster, which hosts the Osiris gold deposit; and the Anubis cluster, which hosts earlier stage Carlin-type occurrences. All zones remain open in multiple directions.

On June 18, 2018, ATAC announced the highlights of a maiden Inferred Mineral Resource (the “2018 Resource”) for the Osiris gold deposit. On July 11, 2018, a National Instrument 43-101 compliant technical report supporting the 2018 Resource was filed by ATAC with Canadian securities regulators. A full copy of the 2018 report can be viewed under the ATAC profile on SEDAR (www.sedar.com). Subsequently, 7,780 m of diamond drilling in 20 holes was completed at the Osiris deposit.

A summary of the Osiris inferred mineral resources are provided below:

Osiris Project – Total Inferred Mineral Resource Estimate Summary^{1,2}

	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
TOTAL		12,380,000	4.23	1,685,000

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

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

The Anubis cluster contains thirteen Carlin-type gold prospects located 10 km west of the Osiris gold deposit. 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 of diamond drilling in 49 holes was completed at the Orion project. The Anubis Fault remains open along strike and at depth. Highlight diamond drill results across the Anubis Fault are presented in the table below:

Orion Project Highlight Diamond Drill Results

Drill Hole	From (m)	To (m)	Interval* (m)	Gold (g/t)
AN-12-001	63.09	71.60	8.51	19.85
AN-12-003*	69.19	85.95	16.76	9.08
AN-16-010*	18.00	79.29	61.29	2.75
BDO-18-008	509.84	514.50	4.66	6.95
BDO-18-017*	361.80	369.41	7.61	10.48
BDO-18-018	166.73	177.46	10.73	7.20
BDO-18-019	135.94	138.72	2.78	9.49

* True widths for diamond drill results are estimated to be 20 – 50% of intersected widths.

(b) Rau Project

The Rau project lies at the western end of the Rackla Gold property and hosts the Tiger Deposit, the Ocelot silver-lead-zinc discovery, and numerous other gold and base metal targets.

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 associated with the Rackla Pluton, located 3 km southeast of the Tiger deposit.

ATAC will be deferring additional work at the Rau project while the Beaver River sub-regional Land Use Plan is being drafted – currently scheduled for completion in March 2023.

(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. On April 9, 2020, a National Instrument 43-101 compliant technical report supporting the 2020 PEA was filed by ATAC with Canadian securities regulators. A full copy of the 2020 report can be viewed under the ATAC profile on SEDAR (www.sedar.com). The 2020 PEA outlined Measured and Indicated Mineral Resources of 464,000 ounces of gold at 3.19 g/t gold (in 4.5 Mt). Economic results from the 2020 PEA included a pre-tax NPV (5%) of \$118.2 million and an IRR of 54.5%.

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 Deposit to support advanced exploration and feasibility work.

ATAC does not agree with many of the aspects of the decision and is continuing dialogue with Yukon Government and local First Nations to identify concerns and revise the application.

(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.

Hand pitting has identified numerous high-grade gold and copper grab samples along a 280 m strike length; including 41.90 g/t gold with 10.55% copper. Highlight diamond drilling results 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 >10.00% copper over 0.05 m in RPP-19-003.

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, hosts a 2.2 km long gold and silver soil anomaly. Limited prospecting has returned grab samples grading up to 7,080 g/t silver and 3.27 g/t gold. Mineralization occurs in limonite bearing quartz veins and brecciated quartz-siderite material. The target has not been drilled.

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.

(v) Ocelot Zone

The Ocelot silver-lead-zinc target is located 15 km northwest of the Tiger deposit, and has seen a total of 4,918 m of drilling in 24 holes 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.

Drilling to date has identified mineralization over a 230 m strike length and to a depth of 150 m, with a highlight result of 37.91 m of 188.07 g/t silver, 8.69% lead and 6.06% zinc in OS-11-11. Mineralization remains open downdip and possibly along strike to the northeast.

(vi) Airstrip Target

The Airstrip target, located 5 km southeast of the Tiger deposit, hosts an approximately 11.5 km² 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.

In 2020, a total of 1,876 m in 6 diamond drill holes and 1,565 m in 25 RAB drill holes were completed. Highlight diamond drilling results returned 0.51 g/t gold over 46.32 m and 0.24 g/t gold over 101.13 m in AS-20-005.

(vii) Val Target

The Val target is a historical high-grade carbonate replacement silver-lead-zinc-copper-plus-or-minus-gold occurrence in the Rackla Gold project area. The target was drilled by multiple operators in the 1970s and 1980s but has received very limited recent work. Historical drilling highlights include 20.12 m of 703 g/t silver, 15.3% lead and 22.1% zinc in hole 79-16 at the Big Red zone.

Mineralization at Val typically occurs as intermittent galena-tetrahedrite veins, with very high silver grades. Historical work focused on these high-grade lenses but does not seem to have considered bulk tonnage potential. Previous work also neglected the gold and copper potential, with limited analysis for these elements.

In 2020, ATAC conducted a broadly spaced rock sampling program across a 150 m by 100 m vegetation anomaly at the Big Red zone. Twenty-seven rock samples were collected and averaged 201 g/t silver, 1.85% lead and 3.43% zinc, strongly supporting the bulk tonnage hypothesis applied to the target.

4. Catch Property

The Catch property is located in an underexplored part of south-central Yukon, 56 km south-east of Carmacks. It is accessible by float plane. Preliminary sampling on the property has returned very encouraging results indicative of the potential for significant copper-gold porphyry mineralization. The property is located 20 km from an all-season highway and powerline, within the traditional territory of the Little Salmon Carmacks First Nation.

Prospecting and trench grab sampling conducted by the property vendor yielded 3 samples returning over 0.5% copper or 1.0 g/t gold, with results including 52.4 g/t gold with 0.12% copper and 41.7 g/t silver, 4.4 g/t gold with 0.88% copper, 1.3 g/t gold with 1.39% copper, and 1.9 g/t gold with 228 ppm molybdenum.

Seven hand trenches, totaling 40 m, dug by the property vendor in 2021 over a 400 x 250 m area and 140 m vertical extent averaged 0.27% copper and 0.41 g/t gold. The property also exhibits extensive copper and gold soil geochemistry anomalism, including 800 x 400 m of >400 ppm copper and >0.1 g/t gold in soil, with numerous other anomalies identified for follow up in 2022.

Property Geology and Mineralization

The Catch property lies within the Quesnel Terrane and is juxtaposed against the Stikine Terrane by the 1,000+ km long, deep seated, crustal scale strike-slip Teslin-Thibert fault approximately 3 km west of the property boundary. The Quesnel and Stikine Terranes are characterized by similar Late Triassic to early Jurassic volcanic-plutonic arc complexes that are well-endowed with copper-gold-molybdenum porphyry deposits (i.e., Mt. Milligan, KSM, Red Chris, Mt. Polley, Highland Valley Copper).

The property is underlain by augite phyric basalt of the Semenof Formation, centered on a 7 x 3 km regional magnetic high. Bedrock exhibits strong propylitic alteration and intense localized oxidation, brecciation and malachite staining.

The geology, alteration and mineralization observed throughout the property are all indicative of a nearby copper-gold±molybdenum bearing porphyry system.

Option Terms

Under an agreement dated January 20, 2022, ATAC was granted an option to acquire a 100% interest in the property by making aggregate cash payments of \$325,000, issuing an aggregate 2,000,000 shares (to a maximum cash-equivalent value of \$380,000), and incurring aggregate exploration expenditures of \$3,600,000 on or before December 31, 2026. Following the exercise of the option, the property will remain subject to a 2% net smelter return royalty, of which one half (1%) can be purchased by ATAC for \$1,000,000. A milestone payment of \$1 per ounce of gold (or gold equivalent) will also be due to the property vendor upon identification of a measured or indicated mineral resource on the property equal to or greater than 1,000,000 ounces of gold (or gold equivalent).

5. Idaho Creek Property

The 13.9 km² Idaho Creek property is located 150 km south of Dawson City and 14 km east of the Casino Cu-Mo-Au porphyry project. By agreement dated August 19, 2020, ATAC granted Makara Mining Corp. ("Makara") an option to acquire a 100% interest in the property, which is adjacent to Makara's Rude Creek gold project. Makara can exercise the option by; (i) making aggregate cash payments of \$150,000; (ii) issuing ATAC an aggregate of 750,000 shares; and (iii) completing \$2,000,000 in work expenditures by December 1, 2024.

A one-time milestone payment of \$1.00 per ounce gold (or 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 \$1,000,000.

B. PIL Property (British Columbia)

The road accessible PIL property is located in the prolific Toodoggone porphyry and epithermal district of northern British Columbia. The property is 25 km northwest of the past producing Kemess Mine, 15 km east of Benchmark Metals' Lawyers Project and is immediately adjacent to both TDG Gold Corp.'s Shasta Project and AMARC Resources' Joy Project, which is being explored in partnership with Freeport-McMoRan.

Historical exploration at the PIL property has identified multiple compelling porphyry and epithermal targets that have seen limited exploration over the last decade and much of the property has seen minimal work. The property is located within the traditional territories of the Kwadacha, Tsay Keh Dene, Takla and Tahltan First Nations, and ATAC looks forward to building strong and respectful relationships with all local First Nations communities.

Work in recent years by the previous operators has identified numerous zones of interest, including a 1300 x 750 m copper-gold-molybdenum soil anomaly at the Copper Ridge Zone which has not been drill tested. Composite talus sampling in 2015 at the Copper Cliff discovery returned 25 m of 1.04% copper and has also not been evaluated by drilling. Historical grab sampling at the Atlas East target returned 489.71 g/t gold with 6,514 g/t silver from a brecciated bedrock source and 72.47 g/t gold with 2,187 g/t silver from quartz vein float material.

Property Geology and Mineralization

The PIL property is located in the Stikine Terrane and is juxtaposed against the Quesnel Terrane by the 1,000+ km long, deep seated, crustal scale strike-slip Teslin-Thibert fault approximately 8 km northeast of the property boundary. The Stikine and Quesnel Terranes are characterized by similar Late Triassic to Early Jurassic volcanic-plutonic arc complexes that host numerous copper-gold-molybdenum porphyry mines, deposits and prospects including Red Chris (Newcrest Mining), Galore Creek (Teck/Newmont), Kemess (Centerra Gold), and Mount Milligan (Centerra Gold). Numerous epithermal gold-silver projects are also found in the region, including Bruce Jack (Pretium), Ranch (Thesis Gold) and Lawyers (Benchmark Metals).

The property is in the heart of the 90 x 20 km, NW trending Toodoggone district in northern British Columbia in the eastern part of the Stikine Terrane. The district is underlain by volcanic and sedimentary rocks of the Early to Middle Jurassic Hazelton Group and coeval intrusive complex of the Early Jurassic Black Lake Plutonic Suite. There is a prominent northwest-trending regional structural fabric with several steeply dipping normal faults and a few strike-slip and thrust faults have disrupted strata in the Toodoggone.

The Toodoggone district contains several mineralization types including epithermal gold-silver, porphyry copper-gold-molybdenum and skarn.

Option Terms

By agreement dated February 21, 2022, Finlay Minerals Ltd. ("Finlay") granted ATAC an option to acquire a 70% interest in the PIL property. To exercise the option, ATAC is required to make aggregate cash payments of \$650,000, issue an aggregate value of \$1,250,000 in ATAC shares and/or cash and incur an aggregate \$12,000,000 in exploration expenditures on or before December 31, 2026. Following the exercise of the option, ATAC and Finlay will hold interests in the property of 70% and 30%, respectively, and will form a joint venture to further develop the property.

The property is subject to an underlying 3% net smelter return royalty held by Electrum Resource Corp., one-half of which (1.5%) can be purchased for \$2,000,000. This buyback right currently held by Finlay will be transferred to the joint venture following exercise of the option by ATAC.

C. East Goldfield Property (Nevada)

By agreement dated February 20, 2020, Silver Range Resources Ltd. ("Silver Range") granted ATAC an option to acquire up to a 100% interest in the East Goldfield property, located in the Goldfield Mining District, Nevada. On February 18, 2022, ATAC terminated the option based on poor 2021 drill results. ATAC will not retain any interest in the East Goldfield property.

During the period August to October 2021, ATAC completed a 4,124 m reverse circulation drill program at the East Goldfield property. A total of 16 holes were completed and included drilling proximal to the Tom Keane mine, and regional drilling to test priority targets identified through previous prospecting.

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Although 2021 drilling intersected anomalous gold in all holes and results demonstrate a broad mineralized system, drilling was not able to reproduce historical highlights and surface gold grades were not replicated at depth. A table of mineralized drill intersections is provided below.

Hole	From (m)	To (m)	Interval (m)	Gold (g/t)
EG -21-001	181.36	182.88	1.52	2.00
EG -21-004	99.06	129.54	30.48	0.20
EG -21-005	56.39	74.68	18.29	0.11
EG -21-006	89.92	137.16	47.24	0.11
EG -21-007	219.46	220.98	1.52	2.51
EG -21-010	62.48	144.78	82.30	0.31
incl.	70.10	79.25	9.15	1.03
EG -21-013	185.93	220.98	35.05	0.11

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.

SELECTED ANNUAL FINANCIAL INFORMATION

	December 31, 2021	December 31, 2020	December 31, 2019
Revenues	Nil	Nil	Nil
Net (Loss)	(\$3,037,606)	(\$102,670,247)	(\$1,098,047)
Net (Loss) per Share - Basic and Diluted	(\$0.02)	(\$0.64)	(\$0.01)
Total Assets	\$8,575,613	\$7,520,860	\$125,781,329
Total Long-term Financial Liabilities	Nil	Nil	Nil
Cash Dividends Declared per Share	Nil	Nil	Nil

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ATAC's net loss for the year ended December 31, 2021 compared to the net loss for the year ended December 31, 2020 decreased by approximately \$99,700,000. This decrease was predominantly caused by an impairment of the Rackla Gold Property in the year ending December 31, 2020 of the amount of \$118,783,685.

The overall decrease in net loss was partially offset by a decrease in deferred income tax recovery of approximately \$17,000,000, a loss on marketable securities in the amount of approximately \$54,000 (from a gain of approximately \$158,000 in 2020), as well as a reduction in share-based payments of approximately \$94,000 and an increase in salaries and benefits of approximately \$104,000.

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 (Rau and Nadaleen Projects) as of December 31, 2020. The impairment is related to the carrying 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 carrying 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, the Yukon Government's denial (November 27, 2020) of ATAC's permit application to construct a tote road to its Tiger gold deposit was a further impairment indicator on the Rau Project. 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 is currently deferring additional exploration work at the Rau Project while a sub-regional land use planning process is underway. Work will resume at the Nadaleen Project in 2022 to continue identifying additional gold resources at the Osiris Deposit.

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 both the Nadaleen and Rau Projects on the Rackla Gold property hold 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.

RESULTS OF OPERATIONS

The following discussions address the reasons for some of the variations in the quarterly numbers but, as with most junior mineral exploration companies, the results of operations (including interest income and net losses) are not the main factor in establishing the financial health of ATAC. Of far greater significance are the exploration and evaluation assets in which ATAC has, or may earn an interest, its working capital and how many shares it has outstanding. The variation seen over such quarters is primarily dependent upon the success of ATAC's ongoing property evaluation program and the timing and results of exploration activities on its mineral properties, none of which are possible to predict with any accuracy.

There are no general trends regarding ATAC's quarterly results and its business of mineral exploration is not seasonal, as it can work on a number of its properties on a year-round basis (funding permitting). Quarterly results can vary significantly depending on whether ATAC has abandoned any properties or granted any stock options and these are the factors that account for material variations in ATAC's quarterly net losses, none of which are predictable. The write-off of exploration and evaluation assets can have a material effect on quarterly results as and when they occur.

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The other major factor which can cause a material variation in net loss on a quarterly basis is the grant of stock options due to the resulting share-based payment charges which can be significant when they arise. General operating costs other than the specific items noted above tend to be quite similar from period to period. The variation in income is related solely to the interest earned on funds held by ATAC, which is dependent upon the success of ATAC in raising the required financing for its activities which will vary with overall market conditions, and is therefore difficult to predict.

Year ended December 31, 2021 compared with year ended December 31, 2020

During the year ended December 31, 2021, ATAC had a total comprehensive loss of \$3,037,606 (2020 - \$102,670,247) or \$0.02 per share (2020 - \$0.64 per share). The following discussion explains the variations in the key components of these numbers. For details of the results of work on, and other activities in connection with, ATAC's exploration and evaluation assets during the current period, see "Exploration Properties".

The significant changes in comprehensive loss from the prior period are as follows:

- Consulting fees of \$104,000 (2020 - \$40,800) increased due to an increase in corporate finance activities undertaken in the current period.
- Investor relations and shareholder information costs of \$87,816 (2020 - \$112,345) decreased due to a reduction in marketing and conference activities undertaken in the current period.
- Management, administration and corporation development fees of \$42,000 (2020 - \$67,515) decreased due to a reduction in administrative support during the current period.
- Professional fees of \$186,995 (2020 - \$220,435) decreased and reflect ATAC's corporate activity requirements which can vary over the course of the period.
- Salaries and benefits of \$375,528 (2020 - \$271,913) increased over the prior period as a result of staffing changes.
- Share-based payments of \$219,265 (2020 - \$312,989) were incurred as a result of the vesting of stock options.
- Exploration expenditures of \$632,984 (2020 - \$nil) incurred on the Rau property as previous indications of impairment had not been reversed as at December 31, 2021; work in 2021 consisted primarily of demobilization and removal of equipment.
- Mineral property impairment of \$1,333,337 on the East Goldfield property as a result of the Company's termination of the option, compared to an impairment of \$118,783,685 on the Rackla Gold property in 2020.

Three months ended December 31, 2021 compared with three months ended December 31, 2020

During the three months ended December 31, 2021, ATAC had a total comprehensive loss of \$2,199,466 (2020 - \$101,923,561) or \$0.01 per share (2020 - \$0.64 per share).

The significant changes in comprehensive loss from the prior period are as follows:

- Consulting fees of \$13,500 (2020 - \$13,500) remains constant for exploration and property evaluation activities during the current period and comparative period.
- Exploration expenses of \$632,984 (2020 - \$nil) incurred on the Rau property as previous indications of impairment had not been reversed as at December 31, 2021; work in 2021 consisted primarily of demobilization and removal of equipment.

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- Investor relations and shareholder information costs of \$32,849 (2020 - \$28,002) increased due to an increase in marketing and brand strategy activities undertaken in the current period.
- Professional fees of \$33,067 (2020 - \$128,713) decreased and reflect ATAC's corporate activity requirements which can vary over the course of the period.
- Salaries and benefits of \$120,934 (2020 - \$77,111) increased over the prior period as a result of an increase in the number of employees.
- Share-based payments of \$69,419 (2020 - \$20,553) were incurred as a result of the vesting of stock options.
- Mineral property impairment of \$1,333,337 on the East Goldfield property as a result of the Company's termination of the option, compared to an impairment of \$118,783,685 on the Rackla Gold property in 2020.

SUMMARY FINANCIAL INFORMATION

The following table shows the quarterly results for the past eight quarters:

Period Ending	Total Assets	Comprehensive Loss	Comprehensive Loss per Share (Basic and Diluted)	Number of Shares Outstanding
December, 2021	\$8,575,613	\$2,199,466	\$0.01	184,368,547
September 30, 2021	\$11,044,281	\$372,932	\$0.00	184,338,547
June 30, 2021	\$11,069,612	\$145,634	\$0.00	184,338,547
March 31, 2021	\$7,135,551	\$308,167	\$0.00	162,738,547
December 31, 2020	\$7,520,860	\$101,923,561	\$0.63	162,738,547
September 30, 2020	\$127,438,689	\$358,536	\$0.00	162,658,547
June 30, 2020	\$126,564,434	\$32,391	\$0.00	162,383,547
March 31, 2020	\$125,459,762	\$355,759	\$0.00	158,035,720

The net loss for the quarter ended December 31, 2021 included an impairment charge of \$1,333,337 in relation to the East Goldfield Property.

The net loss for the quarter ended December 31, 2020 included an impairment charge of \$118,783,685 in relation to the Rackla Gold Property.

LIQUIDITY AND CAPITAL RESOURCES

To date ATAC has financed its operations through the sale of its common shares. As of December 31, 2021, working capital totalled \$5,925,344 compared to \$6,217,260 at December 31, 2020.

As of December 31, 2021, ATAC owned marketable securities of other publicly traded junior resource companies with a total market value of approximately \$374,499. 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.

ATAC has no source of revenue, income or cash flow. It is wholly dependent upon raising monies through the sale of its common shares to finance its business operations. ATAC expects to raise additional funds through public or private equity funding, joint venture arrangements, bank debt financing or from other sources. There can be no assurances that this capital will be available in amounts or on terms acceptable to ATAC, or at all. Failure to raise additional financing on a timely basis could cause ATAC to suspend its operation and eventually to forfeit or sell its interest in its mineral properties.

USE OF PROCEEDS

During the years ended December 31, 2021 and 2020, and to the date of this MD&A, ATAC completed the following private placements:

- In June 2020, ATAC raised \$1.0 million in gross proceeds through a private placement. Proceeds from the placement were intended to fund exploration on the Rackla Gold property.
- On April 16, 2021, ATAC completed a flow-through private placement, issuing 4,800,000 flow-through common shares at a price of \$0.21 per flow-through common share for gross proceeds of \$1,008,000. Proceeds from the placement were intended to fund exploration on ATAC’s Yukon mineral properties.
- On June 25, 2021, ATAC completed a private placement consisting of:
 - 14,400,000 units at a price of \$0.175 per unit for gross proceeds of \$2,520,000. Each unit consisted of one common share and one-half of one share purchase warrant. Each whole warrant entitles the holder to purchase one common share at a price of \$0.24 until June 25, 2024; and
 - 2,400,000 flow-through units at a price of \$0.21 per flow-through unit for gross proceeds of \$504,000. Each flow-through unit consisted of one flow-through common share and one-half of one share purchase warrant. Each whole warrant entitles the holder to purchase one common share at a price of \$0.24 until June 25, 2024. Proceeds from the placement were intended for general working capital purposes and to fund exploration on the East Goldfield property in Nevada.
- On March 31, 2022, ATAC completed a flow-through private placement, issuing 25,000,000 flow-through units at a price of \$0.16 per flow-through unit for gross proceeds of \$4,000,000. Each flow-through unit consisted of one flow-through common share and one-half of one share purchase warrant. Each whole warrant entitles the holder to purchase one common share at a price of \$0.22 until March 31, 2024. Proceeds from the placement are intended for general working capital purposes and to fund exploration on ATAC’s Yukon and BC mineral properties.

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The following table sets out a comparison of how ATAC used the proceeds following the closing date, an explanation of the variances and the impact of the variance on the ability of ATAC to achieve its business objectives and milestones.

Intended Use of Proceeds	Actual Use of Proceeds
To advance ATAC's properties and for general and administrative purposes.	During the year ended December 31, 2021, ATAC spent \$54,932 on property examination costs, \$2,402,854 on property exploration costs, \$127,913 on property acquisition costs, and an additional \$961,902 on cash general and administrative expenses. During the year ended December 31, 2020, ATAC spent \$22,440 on property examination costs, \$3,967,258 on property exploration costs, \$168,553 on property acquisition costs and an additional \$805,792 on cash general and administrative costs. The amounts raised in the year ended December 31, 2021 and to the date of this MD&A will be used to fund exploration activities on ATAC's mineral properties, as well as for general working capital purposes going forward.
Explanation of variances and the impact of variances on the ability of ATAC to achieve its business objectives and milestones	The funds raised have been used as intended, to fund ATAC's exploration on its mineral properties, and for general working capital purposes.

OFF-BALANCE SHEET ARRANGEMENTS

ATAC does not utilize off-balance sheet arrangements.

PROPOSED TRANSACTIONS

There are no proposed transactions as at December 31, 2021 or as at April 7, 2022, except as disclosed elsewhere in this document.

TRANSACTIONS WITH RELATED PARTIES

Key management personnel comprise the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Vice-President of Corporate and Project Development, Vice-President of Exploration, Chairman, former Chief Financial Officer, and directors of the Company. The aggregate value of transactions and outstanding balances with key management personnel and directors and entities over which they have control or significant influence were as follows:

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Classification		For the year ended December 31, 2021	For the year ended December 31, 2020
Archer Cathro (a)			
Geological services	Property costs	\$ 282,814	\$ 950,996
Office and administration	Office rent	33,164	72,025
		<u>315,978</u>	<u>1,023,021</u>
Carvest - geological services (b)	Property costs	13,050	3,915
Yeadon Law Corp. (c)	Professional fees	87,754	59,027
DBM CPA (d)	Professional fees	14,500	60,300
D. Goss Corporation (e)	Consulting fees	42,000	31,500
Graham Downs (f)	Salaries and benefits	225,000	229,248
Ian Talbot (g)	Management fees	42,000	40,394
Kenway Mack (h)	Consulting fees	12,000	9,300
Andrew Carne (i)	Property costs and salaries and benefits	134,216	84,230
Adam Coulter (j)	Property costs and salaries and benefits	134,216	85,534
Red Fern Consulting (k)	Professional fees	<u>5,500</u>	<u>-</u>
		<u>\$ 1,026,214</u>	<u>\$ 1,626,469</u>

- (a) Archer Cathro is a geological consulting firm that is a former related party through its management contracts, which confer significant influence over operations. Charges are for property location, acquisition, exploration, management, accounting, office rent and administration.
- (b) Robert Carne is a Company director. He controls Carvest Holdings Ltd. ("Carvest"), which provides geological consulting services to ATAC.
- (c) Glenn Yeadon is a director and ATAC's Secretary. He controls Glenn R. Yeadon Personal Law Corporation ("Yeadon Law Corp."), which provides ATAC with legal services. Transactions for the year ended December 31, 2021 include \$28,270 (2020 - \$5,000) in share issuance costs.
- (d) Larry Donaldson is ATAC's former CFO. He is a principal of Donaldson Brohman Martin CPA Inc. ("DBM CPA"). Prior to June 1, 2021, DBM CPA provided ATAC with accounting and tax services.
- (e) Douglas Goss is a director and ATAC's Chairman of the Board. He controls Douglas O. Goss Professional Corporation ("D. Goss Corporation"), which provides consulting services to ATAC.
- (f) Graham Downs is ATAC's President and CEO. He is paid a monthly salary and benefits for his services.
- (g) Ian Talbot is ATAC's COO. He provides ATAC with management services.
- (h) Bruce Kenway is a former Company director and former Chairman of the Audit Committee. He is a partner in Kenway Mack Slusarchuk Stewart LLP ("Kenway Mack"), which provided advisory services to ATAC. He retired from ATAC's Board of Directors on February 10, 2022.
- (i) Andrew Carne is ATAC's Vice-President of Corporate and Project Development. He is paid a monthly salary for his services. He commenced his employment with ATAC on May 1, 2020. Transactions for the year ended December 31, 2021 include \$43,107 (2020 - \$54,112) in exploration and evaluation expenditures and \$11,387 (2020 - \$nil) in property examination costs.

- (j) Adam Coulter is the Company's Vice-President of Exploration. He is paid a monthly salary for his services. He commenced his employment with ATAC on May 1, 2020. Transactions for the year ended December 31, 2021 include \$83,340 (2020 - \$75,011) in exploration and evaluation expenditures and \$14,790 (2020 - \$nil) in property examination costs.
- (k) Jasmine Lau is the Company's CFO effective December 1, 2021. She is an associate of Red Fern Consulting Ltd, which provides accounting services to the Company.

All related party balances are unsecured and are due within thirty days without interest.

Stock option transactions with related parties:

During the year ended December 31, 2021, 2,850,000 stock options were granted to key management personnel, directors and employees having a fair value on issue of \$243,623. The options granted are exercisable at \$0.18 until July 8, 2026. All options vest over on a quarterly basis commencing three months of the date of grant.

During the year ended December 31, 2020, 1,695,000 stock options were granted to key management personnel and directors having a fair value on issue of \$201,802. 1,500,000 of the options granted are exercisable at \$0.22 until January 9, 2025 and are fully vested. The remaining 195,000 options granted have an exercise price of \$0.20 until April 28, 2025 and are fully vested.

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

In recent years, particularly in response to the COVID-19 pandemic, global securities markets have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price that have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the common shares of ATAC will be subject to market trends and conditions generally, notwithstanding any potential success of ATAC in creating revenues, cash flows or earnings. The value of the common shares of ATAC will be affected by market volatility.

(h) COVID-19 Pandemic

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 COVID-19, which could create significant uncertainty for ATAC and its operations. Despite the relaxation of many COVID-19 related restrictions, ATAC management and contractors continue to operate in accordance with applicable local, Provincial, Territorial or State COVID-19 safety protocols.

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 13 respectively, to its annual audited consolidated financial statements for the year ended December 31, 2021. 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.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning ATAC’s general and administrative expenses and resource property costs is provided in ATAC’s Consolidated Statements of Comprehensive Loss and Note 6 contained in its audited consolidated financial statements for the year ended December 31, 2021 that is available at www.sedar.com under the ATAC profile or on ATAC’s website at www.atacresources.com.

MANAGEMENT AND BOARD OF DIRECTORS

Effective June 9, 2021, Larry Donaldson resigned as ATAC’s Chief Financial Officer. Andrew Carne, ATAC’s VP, Corporate and Project Development was appointed interim Chief Financial Officer.

Effective October 1, 2021, James Gray was appointed to ATAC’s Board of Directors.

Effective December 1, 2021, Jasmine Lau was appointed ATAC’s Chief Financial Officer.

Effective February 10, 2022, Bruce Kenway resigned from ATAC’s Board of Directors.

INVESTOR RELATIONS

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

SHARE CAPITAL INFORMATION

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 at April 7, 2022, the following common shares, options and share purchase warrants were outstanding:

	# of Shares	Exercise Price	Expiry Date
Issued and Outstanding Common Shares	209,813,641		
Stock Options	2,110,000	\$0.55	May 26, 2022
	2,640,000	\$0.55	February 1, 2023
	1,605,000	\$0.30	February 4, 2024
	100,000	\$0.30	February 4, 2024
	1,725,000	\$0.22	January 9, 2025
	195,000	\$0.20	April 28, 2025
	100,000	\$0.17	April 8, 2026
	2,950,000	\$0.18	July 8, 2026
	<u>250,000</u>	\$0.18	July 8, 2026
	11,675,000		
Warrants	2,173,914	\$0.27	June 30, 2022
	260,870	\$0.23	June 30, 2022
	9,259,478	\$0.24	June 25, 2024
	<u>13,944,875</u>	\$0.22	March 31, 2024
	25,639,137		
Fully Diluted	247,127,778		

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Don Poirier
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James Gray
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President and Chief Executive Officer

Ian J. Talbot
Chief Operating Officer

Jasmine Lau
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