



ATLAS SALT INC.

**MANAGEMENT DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS**

For the three and nine months ended September 30, 2025, and 2024

November 28, 2025

Cautionary Note Regarding Forward-Looking Statements

Certain statements in this MD&A are forward-looking statements or contain forward-looking information, which may include, but are not limited to, statements with respect to the future financial or operating performance of Atlas Salt Inc. (“Atlas Salt” or the “Company”) and its projects, business strategy, corporate plans, objectives and goals, as well as the market conditions applicable to Atlas Salt. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes” or variations (including negative variations) of such words and phrases, or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking statements include, among others: expectations regarding commodity prices; statements relating to the business and future activities of and developments related to Atlas Salt; statements relating to the finances of Atlas Salt not based on the audited financial statements of Atlas Salt; the expected success of business activities; expectations for other economic, business, regulatory and/or competitive factors related to Atlas Salt in general; the business objectives and milestones of Atlas Salt; the amount and principal uses of available funds; and other events or conditions that may occur in the future.

Forward-looking information and statements are based on current expectations, beliefs, assumptions, estimates and forecasts about the Company’s business and the industry and markets in which it operates, as of the date of this MD&A. Although the assumptions made by the Company in providing forward looking information or making forward looking statements are considered reasonable by management at the time, there can be no assurance that such assumptions will prove to be accurate.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of Atlas Salt to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, but are not limited to, the risk factors discussed in this MD&A, including risks relating to the development of Atlas Salt’s Great Atlantic Salt Project. Although Atlas Salt has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this MD&A and, other than as required by law, Atlas Salt disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

This Management's Discussion and Analysis ("MD&A") is prepared by management and approved by the Board of Directors as of November 28, 2025. This MD&A should be read in conjunction with the condensed interim financial statements for the three and nine months ended September 30, 2025, and 2024 and the audited financial statements for the year ended December 31, 2024.

GENERAL BUSINESS

Atlas Salt Inc. is a mineral exploration company engaged in the evaluation and exploration of mineral properties in Newfoundland and Labrador with a strong commitment to responsible and sustainable mining practices. The Company's principal asset is the Great Atlantic salt deposit project (the "Great Atlantic Salt Project" or the "Project"), located in the St. George's Bay basin of Western Newfoundland. With a focus on innovation and efficiency, the Company is poised to make significant contributions to the North American salt market while upholding its values of environmental stewardship and community engagement.

The Company was listed on the TSX Venture Exchange on August 17, 2012, as a result of a corporate reorganization of Vulcan Minerals Inc. ("Vulcan"), whereby Vulcan transferred its 100% working interest in its St. George's Bay mineral assets to the Company. On August 24, 2021, the Company announced that it changed its name from Red Moon Resources Inc. to Atlas Salt Inc. The Company's common shares commenced trading under the new stock symbol "SALT" on September 1, 2021.

On July 25, 2022, the Company announced that it entered into a definitive arrangement agreement with Triple Point Resources Ltd. ("Triple Point") with respect to the spin-out of Atlas Salt's Fischell's Brook Salt Dome Property and related mineral licences comprising 226 sq. km in Southwest Newfoundland.

On September 22, 2022, the Company closed the Triple Point spin-out through a Plan of Arrangement (the "Arrangement"). As part of the Arrangement, the Company distributed 23,747,026 common shares of Triple Point that it received under the Arrangement to holders of common shares of Atlas Salt on a pro rata basis, such that Atlas Salt shareholders as of the Record Date received one share of Triple Point for every 3.68 shares owned of Atlas Salt. As at August 10, 2025, the Company's ownership in Triple Point was 27.25%, which management determined gave it significant influence over Triple Point. As a result, the Company applied the equity method of accounting for its investment in Triple Point. On August 11, 2025, Triple Point closed a \$4.5 million private placement of common shares. Due to this financing and the resulting dilution to the Atlas Salt's ownership position (14.4% ownership), the Company concluded that it no longer exercises significant influence over Triple Point. Per IFRS 9 Financial Instruments, the Company will now apply Fair Value Through Profit or Loss (FVPL) to value this investment.

Atlas Salt recognizes environmental, social and governance ("ESG") best practices as key components to a responsible mineral exploration and mining sector. The Company's

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exploration programs are conducted in a way that meets or exceeds environmental regulations, while respecting the communities and environments in which we operate. Atlas Salt strives to earn its social license wherever it is active, endeavouring to meet regularly with local communities, regulators and other concerned parties before, and during, exploration work to understand issues important to local and Indigenous communities. Atlas Salt's approach is based on transparency, open communication, inclusivity and respect, to enable social and economic benefits for communities as well as value for investors.

OVERALL PERFORMANCE

The Company is at the project development stage and does not have revenue from operations. The Company recorded a loss of \$1,632,623 for the nine months ended September 30, 2025 (September 30, 2024 - \$2,675,117). The \$1 million reduction in net loss in 2025 compared to 2024 resulted primarily from decreased share-based compensation and the fair value adjustment (gain) on the investment in Triple Point of \$776,644. The negative share-based compensation reflects the cancellation of restricted and performance share units granted to former executives, following the termination of those contracts. Management and subcontractor fees increased substantially in the nine months ended September 30, 2025 due to fees associated with the termination of a former executive.

Mineral Properties – Background

Great Atlantic Salt Project (the "Project")

The Company acquired a 100% working interest in mineral licences located in the St. George's Bay basin in Western Newfoundland in August 2012, as a result of a corporate re-organization of Vulcan Minerals Inc. The licences included the mineral rights to lands that have potential for salt, gypsum, potash, and other mineral deposits. The Company has pursued exploration for salt and potash since 2013 and has delineated a significant salt resource.

During 2021, the Company initiated a feasibility study on the Project. SLR Consulting ("SLR") was selected in July 2021 to undertake the analysis with the objective of producing a feasibility study (the "2023 Feasibility Study"). As part of the feasibility analysis, SLR delivered a positive Preliminary Economic Assessment on January 30, 2023. On August 28, 2023, the results of the 2023 Feasibility Study were received.

On May 2, 2024, the Company announced the filing of an amended technical report for the Project prepared by SLR. The Mineral Resource and Mineral Reserve Estimates and financial assumptions in the feasibility study were unchanged from the October 2023 Report. The Amended Technical Report reflects the removal of a preliminary economic assessment of an expansion case originally presented in the October 2023 Report, as well as other minor changes to align with Form 43-101F1.

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On February 28, 2024, the Company announced the submission of the Project Registration Document for the Project, pursuant to Part X of the Newfoundland and Labrador Environmental Protection Act.

On April 19, 2024, the Company announced that the NL Minister of Environment and Climate Change, had released, with conditions, the Project from the provincial environmental assessment process.

On July 10, 2025, the Company announced that the Minister of the Department of Industry, Energy and Technology (“IET”) for Newfoundland and Labrador has formally approved the Early Works Mine Development, Rehabilitation and Closure Plan (the “Early Works Development Plan”) for the Project. Approval of the Early Works Development Plan authorizes Atlas Salt to proceed with site preparation and surface infrastructure activities. This will enable the Project to advance toward full mine construction, further reduce associated risks, and keep the Project on schedule.

On June 9, 2025, Atlas Salt announced that it had initiated an updated feasibility (the “UFS”) on the Project. Prepared by SLR, and building on the 2023 Feasibility Study, the UFS incorporated significant advancements and optimizations to enhance the Project’s development strategy. The UFS focused on optimizing the production rate while balancing capital expenditure, refining mine planning parameters, and integrating recently completed technical studies to improve operational efficiency and economic outcomes. On September 30, 2025, the results of the UFS were received as set forth below.

Technical Summary Overview

The UFS considers developing the Project into an underground operating mine capable of producing 4.0 Mtpa of rock salt (the “Base Case”) Construction of the mine would occur over four years, with access to the deposit via twin declines. Extraction of rock salt would occur using the room and pillar method, with continuous mining equipment. Salt would be processed to a specific size and grade using a crushing and screening plant located within the underground mine and then brought to surface via conveyor belts. An overland conveyor will transport the rock salt from the mine area to the existing Turf Point port, located 3 km from the project site, for loading onto ships destined for Canadian and American markets.

Mineral Resources

Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards for Mineral Resources and Mineral Reserves (CIM (2014) definitions) were used for Mineral Resource classification. The UFS includes 383 Mt of Indicated Mineral Resources plus 868 Mt of Inferred Resources. Table 1 provides a summary of the Great Atlantic Mineral Resource estimate prepared by SLR, with an effective date of September 30, 2025. The estimate is unchanged from the previous estimate dated May 11, 2023.

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Table 1: Summary of Great Atlantic Mineral Resources

Category	Tonnage (Mt)	Grade (% NaCl)	Contained NaCl (Mt)
Indicated	383	96.0	368
Inferred	868	95.2	827

Notes:

1. CIM (2014) definitions were followed for Mineral Resources. Mineral Reserves are estimated at a cut-off grade of 90% NaCl.
2. Mineral Resources are estimated without a reporting cut-off grade. Reasonable Prospects for Eventual Economic Extraction were instead demonstrated by reporting within Mineable “Stope” Optimised (MSO) shapes, with a minimum height of 5 m, minimum width of 20 m, length of 40 m, and minimum grade of 90% NaCl, with a 5 m minimum pillar width between shapes.
3. Bulk density is 2.16 t/m³.
4. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
5. Mineral Resources are inclusive of Mineral Reserves.
6. Salt prices are not directly incorporated into the Mineral Resource MSO minimum target grades, however, the mean Mineral Resource grades exceed the 95.0% NaCl ($\pm 0.5\%$) specification outlined in ASTM Designation D632-12 (2012).
7. Numbers may not add due to rounding.

SLR’s QP is not aware of any environmental, permitting, legal, title, taxation, socio-economic, marketing, political, or other relevant factors that could materially affect the Mineral Resource estimate.

Mining and Mineral Reserves

A summary of Mineral Reserves, effective September 30, 2025, is shown in Table 2.

Table 2: Summary of Great Atlantic Mineral Reserves

Category	Tonnage (Mt)	Grade (% NaCl)	Contained NaCl (Mt)
Probable	95.0	95.9%	91.1

Notes:

1. CIM (2014) definitions were followed for Mineral Reserves.
2. Salt prices are not directly incorporated into the Mineral Reserve designs, however the mean Mineral Reserve grades exceed the 95% NaCl ($\pm 0.5\%$) specification outlined in ASTM Designation D632-12(2012).
3. A minimum mining height of 5.0 m and width of 17.0 m were used for production rooms.
4. Sterilization zone 8.0 m below the top of salt and 5.0 m above the bottom of salt have been applied.
5. A mining extraction factor of 100% was applied to all excavations
6. Bulk density is 2.16 t/m³
7. Planned process recovery is 95%

The SLR QP is not aware of any mining, metallurgical, infrastructure, permitting, or other relevant factors that could materially affect the Mineral Reserve estimate.

Economic Outcomes

The resulting economics of the Project including net present value (NPV) and internal rate of return (IRR) are presented below.

Summary of Economic Outcomes – Initial 24 Year Production Plan at 4.0 Mtpa

Metric	Units	Value
Pre-Tax Payback Period	Yrs	3.6
Pre-Tax IRR	%	27.1%
Pre-tax NPV at 5% discounting	C\$ '000	2,759,000
Pre-tax NPV at 8% discounting	C\$ '000	1,683,000
Post-Tax Payback Period	Yrs	4.2
Post-tax IRR	%	21.3%
Post-tax NPV at 5% discounting	C\$ '000	1,574,000
Post-tax NPV at 8% discounting	C\$ '000	920,000

All calculations of NPV and IRR assume an initial capital spending period of four years. The payback period calculations have used the commencement of operations as the base date.

Gypsum – Ace Deposit

The Company obtained a mining lease from the government of Newfoundland and Labrador to reinstate mining at the Ace Deposit covering a starter area of 12 hectares. The project was registered pursuant to the provincial environmental review process on December 13, 2017, and released from further review on February 21, 2018. The Company initiated mining operations on July 20, 2018, on a seasonal basis with a shut down over the winter months. For the nine-month period ended September 30, 2025, the Company generated \$67,148 of proceeds from the sale of gypsum. Gypsum mining operations did not occur in 2024 due to the unavailability of contract mining service providers.

Nepheline Syenite Property

In July 2016, the Company acquired, by staking, the Black Bay nepheline property in Southern Labrador. The property consists of a surface occurrence of nepheline syenite along the Southern Labrador highway. The project is located approximately 6 km from tide water. The Blanc Sablon, QC airport is a 90-minute drive from the property.

The nepheline occurs in an alkali feldspar syenite unit up to 200m wide and in excess of 2,000m in length based on field work carried out by the Newfoundland and Labrador Department of Natural Resources and field mapping by the Company. Previous work on the property included the analysis of grab samples, which indicated that the chemistry of the syenite unit has the potential to meet the specifications for industrial uses. Nepheline is an industrial mineral and a source of aluminum (Al₂O₃), sodium (Na₂O) and potassium (K₂O) used primarily in the manufacture of glass, ceramics, extenders and fillers. Commercial nepheline deposits are rare with only one mine in production in North America at Blue Mountain in Ontario. Though feldspar is used as a substitute for nepheline because of nepheline's limited supply, nepheline is generally a preferred material over feldspar due to its higher concentration of potassium and sodium resulting in significant energy savings in industrial uses. In 2016 the Company carried out a mapping and sampling program at the nepheline occurrence to outline the mineralogical variation within the deposit to better evaluate its chemistry. Results from the sampling indicate that the alumina and alkali content of the rock is comparable to other commercial nepheline deposits and that beneficiation results meet industrial specifications. In 2017 the Company obtained, through surface channel sampling, in excess of 3 tonnes of material to scale up the geochemical and beneficiation analysis. Preliminary geochemical analysis is similar to the initial 2016 sampling, which is encouraging. Beneficiation work on the composite bulk sample has confirmed results comparable to the 2016 analysis. Further work is being designed to quantify the material's mineralogical characteristics and evaluate the potential tonnage through drilling.

No material expenditures were incurred in the nine-month period ended September 30, 2025, and only minor expenditures are planned for the Nepheline Syenite Property in 2025.

Financing

On October 21, 2025, the Company closed a brokered private placement (the "Offering"), raising gross proceeds of \$8,704,400 by issuing 10,880,500 common shares at \$0.80 per share.

In connection with the Offering, the Company paid cash fees of \$522,264 to the agents, and issued 652,830 compensation warrants, each exercisable to acquire one common share at the offering price for 24 months.

It is anticipated that the net proceeds of the financing would be used to start early works and advancing the Project towards development and for general and working capital purposes

The Company is continuing to progress the following objectives for the Project in 2025:

- Developing salt distribution and monetization strategic partnerships;
- Progressing project financing options;

- Progressing offsite infrastructure agreements and capital investment plans for logistics, including the planned material transportation, conveyor and port loading systems;
- Continuing to advance compliance with the conditions of release from the provincial environmental assessment process;
- Permitting; and
- Project engineering.

MINERAL EXPLORATION AND EVALUATION ASSETS

The major components of the cumulative mineral exploration and evaluation assets on September 30, 2025, are as follows:

Acquisition costs – licenses	\$ 1,162,217
Mineral licenses and license renewals	\$ 96,621
Asset retirement obligation	\$ 349,522
Drilling, geological, geophysical & related costs	\$ 11,096,303
Share-based compensation	\$ 1,248,395
Feasibility Study	\$ 3,805,602
Gypsum sales	\$(2,068,821)
Government grants	\$ (274,164)
Balance	\$ 15,415,675

RESULTS OF OPERATIONS

Three and nine months ended September 30, 2025, compared to 2024.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Marketing and communications	(905)	(7,052)	(1,890)	(32,347)
Share-based compensation	(148,069)	(359,525)	156,935	(1,184,969)
Office and other	(105,739)	(56,819)	(524,966)	(272,868)
Salaries and benefits	(127,728)	(76,997)	(351,557)	(267,897)
Public company expenses	(6,702)	(41,877)	(67,240)	(107,863)
Management and subcontract fees	(64,125)	(149,550)	(1,079,940)	(488,135)
Investor relations	(139,323)	(13,268)	(144,493)	(13,268)
Conferences and travel	(52,077)	(101,279)	(105,115)	(163,675)
Directors' fees	-	-	(50,000)	(60,000)
Right of use amortization	(4,237)	-	(12,711)	-
Depreciation	(11,101)	(10,539)	(25,032)	(34,012)
Total Expenses	(660,005)	(816,904)	(2,206,009)	(2,625,035)
Interest income	6,707	98,816	19,865	288,976
Interest on lease liability	(120)	-	(528)	-
Interest on long term debt	(3,437)	-	(7,458)	-
Loss from investment in associate	(27,722)	(103,055)	(215,137)	(339,058)
Fair value adjustments on investment	776,644	-	776,644	-
Total Income	752,072	(4,238)	573,386	(50,083)
Net and Comprehensive (Loss) Income	92,067	(821,142)	(1,632,623)	(2,675,117)

Details of the expenses and other items are as follows:

Marketing and communications: The decrease in marketing and communications expenses in 2025 is related to more expenses being classified as investor relations expenses.

Share-based compensation: Share-based compensation in the nine months ended September 30, 2025, reflects a cancellation of restricted and performance share units granted to former executives following the end of contracts, and the cancellation of deferred share units granted to a former director upon his resignation. As the Company had previously recognized an expense related to these units, the cancellation resulted in a reversal of the previously recognized expense.

Office and other: Office and other expenses increased in the nine months ended September 30, 2025, as compared to the same period in 2024, due to an increase in third party professional fees and recruitment fees related to the hiring of an executive.

Management and subcontractor fees: The large increase in management and subcontractor fees for the nine months ended September 30, 2025, is primarily due to a termination payment made to a previous executive.

Conference and Travel: The small decrease in conferences and travel is related to the fact that the Company was transitioning to new management during 2025, and as a result, there was minimal travel. Travel expense was still minimal in the third quarter of 2025 but is projected to increase in the fourth quarter.

Interest Income: Interest income has decreased significantly as the Company does not hold a large interest-bearing financial instrument as compared to the same period in 2024.

Loss from equity accounted investment in associate: This reflects the Company's share of the losses incurred by Triple Point as a result of Atlas Salt applying the equity method of accounting for its investment through to August 10, 2025.

Fair value adjustments on investment: This reflects the Company's change in accounting for Triple Point a result of losing significant influence when it completed at equity raise on August 11, 2025 and the Company's ownership was diluted to 14.14%. The increase in value is a result of Atlas Salt applying the fair value through profit or loss (FVPL) to value the Company's investment.

SUMMARY OF QUARTERLY RESULTS FOR LAST THREE YEARS

Quarter Ended	Total Income	Net Income (Loss)	Net Income (loss) Per Share	Net Income (loss) Per Share - Diluted	Total Assets	Total Long-Term Liabilities	Cash and Cash Equivalents
30-Sep-25	752,072	92,067	0.001	0.001	19,629,292	508,566	1,653,864
30-Jun-25	(114,463)	(672,101)	(0.007)	(0.007)	19,297,731	424,920	2,687,338
31-Mar-25	(62,234)	(1,015,585)	(0.010)	(0.010)	19,943,048	212,595	4,910,558
31-Dec-24	(151,728)	(1,000,806)	(0.010)	(0.010)	21,965,299	216,550	8,032,910
30-Sep-24	(4,238)	(821,142)	(0.009)	(0.009)	21,550,668	124,762	8,949,812
30-Jun-24	(65,714)	(1,074,506)	(0.011)	(0.011)	21,949,054	124,845	10,410,821
31-Mar-24	116,611	(779,565)	(0.008)	(0.008)	22,272,827	124,899	11,291,543
31-Dec-23	129,547	(1,132,620)	(0.012)	(0.012)	22,374,049	136,931	12,192,483
30-Sep-23	306,708	(360,207)	(0.004)	(0.004)	22,443,798	137,994	13,408,648
30-Jun-23	293,693	(2,327,446)	(0.025)	(0.025)	23,683,040	135,348	15,151,110
31-Mar-23	203,896	(1,017,740)	(0.011)	(0.011)	24,262,852	139,326	17,417,408
31-Dec-22	2,405,022	353,389	0.004	0.004	16,046,794	144,720	9,269,788

Income for each quarter is comprised of interest income. In the quarters ending December 31, 2024, December 31, 2023, June 30, 2023, and March 31, 2023, income also includes a

dilution gain on the Company's investment in Triple Point. Income in the quarter ended December 31, 2022, includes interest income, dilution gain and gain on disposal of mineral exploration and evaluation assets.

LIQUIDITY, CAPITAL RESOURCES, AND GOING CONCERN

The Company had total assets of \$19,629,293 as at September 30, 2025, including cash of \$1,653,864 accounts receivable of \$258,969 and prepaid expenses of \$16,736. The Company had accounts payable and accrued liabilities of \$911,106 resulting in positive working capital of \$1,018,463 (December 31, 2024 - \$7,129,606).

The Company completed an equity financing in October 2025 for gross proceeds of \$8,704,400.

The Company has an unsecured loan with the Business Development Bank of Canada (BDC) bearing interest at a fixed rate of 8.40% and as such is not sensitive to interest rate fluctuations. The loan matures on June 23, 2030. The Company has financed a light duty vehicle bearing interest at a fixed rate of 5.54% and as such is not sensitive to interest rate fluctuations. The loan matures on July 16, 2032. The Company has no contingent liabilities that could materially affect its financial position.

The Company carries out exploration on mineral licences in Newfoundland and Labrador. These tenure instruments require work obligations to maintain ownership. Failure to fulfill work obligations would result in loss of ownership interest. The Company originally held 13 mineral licences represented by 36,375 hectares. From 2013 to 2019, in addition to the acquisition of additional mineral licences, the Company reorganized several of its original mineral licences, resulting in the Company holding 20 mineral licences on September 30, 2025, representing approximately 8,025 hectares in the Bay St. George region of Western Newfoundland and in Black Bay, Labrador. The Company's current mineral licences are in good standing in respect of ongoing work obligations.

Year Required	Required Expenditures (Estimated)	Notes
2025	\$38,100	There is sufficient cash on hand and the plan is to complete work on these licences to maintain their good standing.
2026	\$200	There is sufficient cash on hand and the plan is to complete work on these licences to maintain their good standing.
2027	\$31,000	There is sufficient cash on hand and the plan is to complete work on these licences to maintain their good standing.
2028	\$2,800	There is sufficient cash on hand and the plan is to complete work on these licences to maintain their good standing.
2029	\$6,900	There is sufficient cash on hand and the plan is to complete work on these licences to maintain their good standing.
Estimated Total	\$79,000	The total is \$79,000 over the next five years. There is sufficient cash on hand and the plan is to complete work on all current licences to maintain their good standing.

With the cash balance of \$1.65 million, the Company has the capacity to maintain its current licences in addition to being able to work on its 2025 objectives as noted above.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements in the current or prior periods.

RELATED PARTY TRANSACTIONS

Vulcan Minerals Inc., which, as at September 30, 2025, owned 29.70% of the Company's common shares (December 31, 2024 – 29.79%), has significant influence over Atlas Salt. The following transactions were carried out with Vulcan Minerals Inc.:

Expenditures paid/payable to Vulcan Minerals Inc., Associate of the Company reflected as:	Nine months ended	
	September 30, 2025 \$ CAD	September 30, 2024 \$ CAD
Mineral exploration and evaluation assets	6,675	26,857
General and administrative expenses	-	31,914
Rent paid to a corporation which is controlled by a Director of the Company	-	12,000
	6,675	70,771

Compensation for key management personnel, which includes the former President and Chief Executive Officer, former Chief Financial Officer and Directors, is as follows:

Management fees, salaries, and benefits for key management personnel paid/payable and included in above is reflected as the following:	Nine months ended	
	September 30, 2025 CAD \$	September 30, 2024 CAD \$
Directors' fees	50,000	60,000
Management and subcontractor fees	1,079,940	200,917
Compensation capitalized as mineral exploration and evaluation assets	89,794	120,000
Share-based compensation:		
General and administrative expenses	(373,835)	1,138,666
Mineral exploration and evaluation assets	(307,406)	566,485
	538,492	2,086,068

Accounts payable and accrued liabilities include \$25,000 owing to related parties as at September 30, 2025 (December 31, 2024 – \$72,362).

SHARE CAPITAL

The Company has issued and outstanding common shares of 108,167,367 as at the date of this MD&A. The Company's share capital consists of an unlimited number of voting common shares, and an unlimited number of preferred shares of which there are none outstanding.

As of the date hereof, the Company has 5,200,000 stock options with exercise prices ranging from \$0.10 to \$2.35, 725,750 Restricted Share Units ("RSUs") outstanding, 972,430 Performance Share Units ("PSUs") outstanding, and 1,400,000 Deferred Share Units ("DSUs") outstanding.

MATERIAL ACCOUNTING POLICIES AND ESTIMATES

In preparing the accompanying annual financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ. All estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognized in the period in which the estimates are revised and in any future periods affected.

CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

The Company's management, with the participation of its Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), has evaluated the design of the Company's disclosure controls and procedures. Based on the results of that evaluation, the Company's CEO and CFO have concluded that, as of September 30, 2025, the Company's disclosure controls and procedures framework provides reasonable assurance that the information required to be disclosed by the Company in reports it files is recorded, processed, summarized and reported, within the appropriate time periods, and is accumulated and communicated to management, including the CEO and CFO, as appropriate to allow timely decisions regarding required disclosure. The design of any system of controls and procedures is based in part upon certain assumptions about the likelihood of future events. Therefore, even those systems determined effective can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

Changes in Internal Control over Financial Reporting

Management, including the CEO and CFO, has evaluated the Company's internal controls over financial reporting to determine whether any changes occurred during the period that have materially affected, or are reasonably likely to materially affect, the Company's internal controls

over financial reporting. During the nine months ended September 30, 2025, there have been no significant changes in internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting. Under the supervision and with the participation of management, including the CEO and CFO, management will continue to monitor and evaluate the design and effectiveness of its internal controls over financial reporting and disclosure controls and procedures, and may make modifications from time to time as considered necessary.

FINANCIAL INSTRUMENTS

The Company's financial instruments include cash, accounts receivable, and accounts payable, accrued liabilities and debt. The fair value of each approximates the carrying value due to their short-term nature.

RISKS AND UNCERTAINTIES

The Company is exposed to various risks resulting from its operations. The Company's main risk exposure and its risk management policies are as follows:

Going Concern Risk

The principal risk faced in the development stage is the ability to raise project financing required to complete exploration and evaluation and develop a mineral deposit. The Company does not operate any producing properties and as such, is dependent on the ability to raise funds. Although the Company believes it has sufficient access to financial markets to support its intended work plan, failure to do so would result in future work being suspended or delayed. While the Company has been successful in securing financing to date, there can be no assurances that it will be able to do so in the future.

Environmental and Permitting Risk

The Company's activities involve the application for licenses and permits from government authorities and such activities are governed by various laws and regulations in Newfoundland and Labrador that cover the protection of the environment, land use, exploration, development, co-ordination of operations and infrastructure with third parties engaged in other activities on the lands, taxes, labour standards, occupational health, waste disposal, safety, and other matters. A breach of such legislation may result in imposition of fines and penalties in addition to potential cleanup costs. In addition, certain types of activities require approval from the relevant agencies prior to being undertaken. Environmental legislation is evolving in a direction of higher standards and enforcement. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of future operations.

The Company believes that it is in compliance with all material laws and regulations which currently apply to its activities. There can be no absolute assurance, however, that all permits

which the Company may require for development activities and land use will be obtainable on reasonable terms or on a timely basis, or that such laws and regulations will not have an adverse effect on any exploration projects that the Company may undertake.

Business Risks

The Company is a mineral exploration company principally involved in the evaluation, exploration, development and production of mineral properties, which is an inherently high-risk activity. The business of exploring for, developing, acquiring, and producing minerals is subject to many risks and uncertainties, several of which are beyond the control of the Company. These risks are operational, financial, legal, and regulatory in nature.

Operational risks include unsuccessful exploration and development activity, safety and environmental concerns, access to cost effective contract services, escalating industry costs and timelines for contracted services and equipment, product marketing and hiring and retaining qualified employees.

The Company is subject to financial risk as exploration and development is capital intensive. The Company has access to potential sources of funding including equity financing, and joint venture and strategic financing arrangements. Production at the Company's Ace gypsum mine has previously provided cash flow to mitigate some of these risks. The skills of management and staff in mineral exploration and development financing serve to mitigate these risks.

The Company is subject to a variety of regulatory risks that it does not control. Government and securities regulations are monitored to ensure compliance.

Financial Risk Factors

The Company has exposure to credit risk, liquidity risk and market risk. The source of risk exposure and how each is managed is outlined below:

Credit risk is the risk of loss associated with a counterparty's inability to fulfil its payment obligation. The Company is exposed to credit risk on its cash and accounts receivable. Cash is maintained on deposit with a major Canadian chartered bank. The Company believes its credit risk with respect to cash and accounts receivable is not significant.

Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due. As of September 30, 2025, the Company had a cash balance of \$1,653,864 and a positive working capital of \$1,018,463.

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates, and commodity prices will affect the Company's net loss or the value of its financial instruments.

Commodity price risk

The value of the Company's mineral exploration and development assets is partially related to the market price of metals and industrial minerals. The Company does not hedge this exposure to fluctuations in commodity prices. The Company's ability to continue with its exploration and development programs is also indirectly subject to commodity prices.

SUBSEQUENT EVENT

On October 21, 2025, the Company closed a brokered private placement (the "Offering"), raising gross proceeds of \$8,704,400 by issuing 10,880,500 common shares at \$0.80 per share.

In connection with the Offering, the Company paid cash fees of \$522,264 to the agents, and issued 652,830 compensation warrants, each exercisable to acquire one common share at the offering price for 24 months.

QUALIFIED PERSON

The technical information in this MD&A has been prepared in accordance with the Canadian regulatory requirements set out in National Instrument 43-101 and reviewed by Andrew Smith, P. Eng, Mine Project Director for Atlas Salt's Great Atlantic Salt Project, a qualified person.

ADDITIONAL INFORMATION

The Company's financial statements and all additional corporate disclosure documents relating to the Company are filed on SEDAR+ at www.sedarplus.ca. Additional information regarding the Company's projects and activities is available on the Company's website at www.atlassalt.com.



Atlas Salt Inc.

Interim Condensed Financial Statements

For the Three and Nine Months Ended
September 30, 2025 and 2024

(709) 275-2009
info@atlassalt.com
www.AtlasSalt.com

Atlas Salt Inc.
2 School Road, PO Box 130
St. George's, NL, A0N 1Z0

Notice of No Auditor Review of Interim Financial Statements

Under National Instrument 51-102, “Continuous Disclosure Obligations”, part 4 subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The Corporation’s external auditors have not performed a review of these financial statements.

ATLAS SALT INC.

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Atlas Salt Inc.
Condensed Statement of Financial Position (Unaudited)
As at

(in Canadian Dollars)

	Sep 30, 2025	Dec 31, 2024
	\$	\$
Assets		
Current Assets		
Cash	1,653,864	8,032,910
Accounts receivable	258,969	445,054
Prepaid expenses	16,736	134,871
	<u>1,929,569</u>	<u>8,612,835</u>
Right of use asset (Note 4)	5,649	18,360
Capital assets (Note 5)	905,751	740,640
Work in process assets	-	-
Investments (Note 6)	1,372,649	811,142
Mineral exploration and evaluation (Note 7)	15,415,675	11,782,322
Total Assets	<u>19,629,293</u>	<u>21,965,299</u>
Liabilities		
Current		
Trade payables and accrued liabilities (Note 8)	872,665	1,448,666
Lease Liability (Note 4)	6,389	18,532
Current portion of long-term debt (Note 9)	32,051	10,360
Other liabilities	-	5,671
	<u>911,105</u>	<u>1,483,229</u>
Non-Current		
Asset retirement obligations (Note 10)	349,522	125,303
Lease Liability (Note 4)	-	1,607
Long Term Debt (Note 9)	159,044	89,640
	<u>508,566</u>	<u>216,550</u>
Total Liabilities	<u>1,419,671</u>	<u>1,699,779</u>
Shareholders' Equity		
Share capital (Note 11)	27,577,128	27,204,839
Warrants (Note 11)	-	2,678,079
Contributed surplus	7,447,164	5,564,649
Deficit	(16,814,670)	(15,182,047)
Total Shareholders' Equity	<u>18,209,622</u>	<u>20,265,520</u>
Total Liabilities and Shareholders' Equity	<u>19,629,293</u>	<u>21,965,299</u>

Nature of operations (Note 1)

Approved on behalf of the Board of Directors

Nolan K. Peterson

Carson Noel

Director, Chief Executive Officer

Director, Chair of Audit Committee

Atlas Salt Inc.

Condensed Statements of Net Loss and Comprehensive Loss (Unaudited)

For the period

(in Canadian Dollars)

	3 Months Ending		9 Months Ending	
	September 30		September 30	
	2025	2024	2025	2024
	\$	\$	\$	\$
Expenses				
Management and subcontractor fees (Note 8)	64,125	149,550	1,079,940	488,135
Director's fees (Note 8)	-	-	50,000	60,000
Marketing and communications	905	7,052	1,890	32,347
Investor relations	139,323	13,268	144,493	13,268
Public company expenses	6,702	41,877	67,240	107,863
Office and other (Note 8)	105,739	56,819	524,966	272,868
Salaries and benefits	127,728	76,997	351,557	267,897
Conferences and travel	52,077	101,279	105,115	163,675
Share-based compensation (Note 12)	148,069	359,525	(156,935)	1,184,969
Right of use amortization (Note 4)	4,237	-	12,711	-
Depreciation (Note 5)	11,101	10,539	25,032	34,012
	660,006	816,904	2,206,009	2,625,035
Other Income (Expenses)				
Interest income	6,707	98,817	19,865	288,976
Interest on lease liability (Note 4)	(120)	-	(528)	-
Interest on long term debt (Note 9)	(3,437)	-	(7,458)	-
Loss from investment in associate	(27,722)	(103,055)	(215,137)	(339,058)
Fair value adjustments on investments (Note 6)	776,644	-	776,644	-
	752,072	(4,238)	573,386	(50,083)
Net and Comprehensive Loss	92,066	(821,142)	(1,632,623)	(2,675,117)
Net Loss per share (basic and diluted)	0.001	(0.009)	(0.017)	(0.028)
Weighted average number of common shares outstanding - basic and diluted	97,286,867	96,216,047	97,286,867	96,216,047

Atlas Salt Inc.

Condensed Statement of Changes in Equity (unaudited)

(in Canadian Dollars)

	(Note 11)	(Note 11)	(Note 12)		Total Shareholders' Equity
	Share Capital	Warrants	Contributed Surplus	Deficit	
	\$	\$	\$	\$	\$
Balance, December 31, 2023	25,591,855	2,678,787	5,011,628	(11,506,123)	21,776,147
Net and comprehensive loss					
January 1, 2024 - September 30, 2024	-	-	-	(2,675,117)	(2,675,117)
Issuance of shares upon vesting of Performance and Restricted Share Units	670,000		(670,000)		-
Return of common shares to treasury	(78,184)	-	-	-	(78,184)
Exercise of options	96,525	-	(41,525)	-	55,000
Exercise of warrants	6,958	(708)	-	-	6,250
Share-based compensation	-	-	1,957,440	-	1,957,440
Balance, September 30, 2024	26,287,154	2,678,079	6,257,543	(14,181,240)	21,041,536
Net and comprehensive loss					
October 1, 2024 - December 31, 2024	-	-	-	(1,000,807)	(1,000,807)
Issuance of shares upon vesting of Performance and Restricted Share Units	857,684	-	(857,684)		-
Return of common shares to treasury	-	-	-	-	-
Exercise of options	60,000	-	-	-	60,000
Exercise of warrants	-	-	-	-	-
Share-based compensation	-	-	164,790	-	164,790
Balance, December 31, 2024	27,204,838	2,678,079	5,564,649	(15,182,047)	20,265,519
Net and comprehensive loss					
January 1, 2025 - September 30, 2025	-	-	-	(1,632,623)	(1,632,623)
Issuance of shares upon vesting of Performance and Restricted Share Units	372,290	-	(372,290)	-	-
Return of common shares to treasury	-	-	-	-	-
Exercise of options	-	-	-	-	-
Expiration of warrants	-	(2,678,079)	2,678,079	-	-
Share-based compensation	-	-	(423,274)	-	(423,274)
Balance, September 30, 2025	27,577,128	-	7,447,164	(16,814,670)	18,209,622

Atlas Salt Inc.

Condensed Statement of Cash Flows (unaudited)

Period Ended

(in Canadian Dollars)

	Sep 30	Sep 30
	2025	2024
	\$	\$
Operating Activities		
Net loss	(1,632,623)	(2,675,117)
Adjustment for non-cash items:		
Depreciation (Note 5)	25,032	34,012
Right of use asset (Note 4)	12,711	(33,896)
Acquisition of light duty vehicle	107,102	
Lease accretion (Note 4)	528	-
Loss on investment in associate (Note 6)	215,137	339,058
Fair value adjustment on investment (Note 6)	(776,644)	-
Share-based compensation (Note 12)	(156,935)	1,184,969
	<u>(2,205,692)</u>	<u>(1,150,974)</u>
Changes in non-cash working capital		
Accounts receivable	186,085	(120,998)
Prepaid expenses	118,135	(23,278)
Accounts payable and accrued liabilities	(581,672)	(76,602)
Cash used in operating activities	<u>(2,483,144)</u>	<u>(1,371,852)</u>
Financing Activities		
Issuance of common shares and warrants (Note 12)	-	-
Share issuance costs (Note 12)	-	-
Return of common shares to treasury	-	(78,183)
Exercise of options	-	55,000
Exercise of warrants	-	6,250
Long term debt (Note 10)	-	-
Cash from financing activities	<u>-</u>	<u>(16,934)</u>
Investing Activities		
Purchase of capital assets (Note 5)	(228,676)	(221,499)
Work in process assets	38,533	(49,051)
Right of use lease payments (Note 4)	(14,279)	-
Long term debt payments (Note 9)	(16,007)	-
Mineral exploration and evaluation assets	(3,675,473)	(1,583,337)
Incidental revenue (Note 6)	-	-
Cash used in investing activities	<u>(3,895,902)</u>	<u>(1,853,887)</u>
Net change in cash and cash equivalents for the period	(6,379,046)	(3,242,671)
Cash and cash equivalents, beginning of the period	<u>8,032,910</u>	<u>12,192,483</u>
Cash and cash equivalents, end of the period	<u>1,653,864</u>	<u>8,949,812</u>

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Atlas Salt Inc.

2 School Road, PO Box 130

St. George's, NL, AON 1Z0

1. NATURE OF OPERATIONS

Atlas Salt Inc. (the “Company”) is a mineral exploration company engaged in the evaluation and exploration of mineral properties in Newfoundland and Labrador. The Company’s principal asset is the Great Atlantic salt deposit project (the “Great Atlantic Salt Project”), located in the St. George’s Bay basin of Western Newfoundland.

The Company was formed on September 15, 2011, under the Alberta Business Corporations Act and was listed on the TSX Venture Exchange on August 17, 2012 under the symbol “RMK.” Its business address is 2 School Road, St. George’s, NL, A0N 1Z0. In 2021, approval was gained for the corporate continuance of the Company from the Province of Alberta to the Province of British Columbia. On August 24, 2021, the Company changed its name from Red Moon Resources Inc. to Atlas Salt Inc. to reflect the Company’s core business anchored by the Great Atlantic Salt Project. On September 1, 2021, the Company’s common shares commenced trading under its new symbol “SALT.” On November 19, 2025, the Company’s shares began trading on the OTCQX under the symbol “SALQF”. Since September 30, 2022, the Company’s shares had previously traded on the OTCQB under the symbol “REMRF.”

2. BASIS OF PRESENTATION

The Company prepares its financial statements in accordance with Canadian generally accepted accounting principles (“GAAP”) as set out in the Canadian Professional Accountants of Canada Handbook – Accounting – Part I (“CPA Canada Handbook”) which incorporates IFRS® Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), and interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”).

These financial statements have been prepared on a historical cost basis.

The Company’s presentation currency and the functional currency of all of its operations is the Canadian dollar, as this is the principal currency of the economic environment in which it operates. All the Company’s assets are located in Canada.

These financial statements were approved and authorized for issuance by the Board of Directors on November 28, 2025.

3. NEW AND AMENDED IFRS STANDARDS AND INTERPRETATIONS

Future applicable accounting standards

In April 2024, the IASB issued IFRS 18 - Presentation and Disclosure in Financial Statements which sets out the overall requirements for presentation and disclosures in the consolidated financial statements. The new standard replaces IAS 1 and although much of the substance of IAS 1 will carry over into the new standard, the new standard will require presentation of separate categories of income and expense for operating, investing, and financing activities with prescribed subtotals for each new category. The new standard will also require disclosure and explanation of 'management-defined performance measures' in a separate note within the financial statements.

The new standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim consolidated financial statements, and requires retrospective application. The Company is currently assessing the impact of the new standard.

4. RIGHT OF USE ASSET AND LEASE LIABILITY

On October 18, 2023, the Company entered into a lease agreement for office space commencing on February 1, 2024, until January 31, 2026. The lease agreement provides for monthly base rent payments of \$1,366 in the first year of the lease and monthly base rent payments of \$1,614 in the second year.

In accordance with IFRS 16, the Company recognized a right-of-use asset and lease obligation in relation to its lease commitments. The lease liability has been recorded at the present value of the lease payments, discounted using the Company's incremental borrowing rate estimated at 10% per annum. The associated right-of-use asset is measured at the amount equal to the corresponding lease liability and subsequently depreciated.

Right-of-use asset	September 30, 2025 \$ CAD	December 31, 2024 \$ CAD
Balance beginning of the period	18,360	-
Additions	-	33,896
Amortization	(12,711)	(15,536)
Balance end of the period	5,649	18,360

Lease liability	September 30, 2025 \$ CAD	December 31, 2024 \$ CAD
Balance beginning of the period	20,139	-
Additions	-	33,896
Lease accretion	529	1,267
Lease payments	(14,279)	(15,024)
Balance end of the period	6,389	20,139
Long-term portion	-	(1,607)
Short-term portion	6,389	18,532

Future undiscounted fixed lease payments are as follows:	
Fiscal Year 2025	4,843
Fiscal Year 2026	1,614
	6,457

5. CAPITAL ASSETS

September 30, 2025

	Opening Cost	Additions	Closing Cost	Opening Depreciation	Depreciation	Closing Accumulated Depreciation	Net Book Value
	\$ CAD	\$ CAD	\$ CAD	\$ CAD	\$ CAD	\$ CAD	\$ CAD
Buildings	270,701	47,533	318,235	16,038	8,596	24,635	309,638
Land	373,118	74,041	447,159	-	-	-	447,159
Office Furniture	9,274	-	9,274	3,344	1,391	4,735	7,883
Computer equipment	49,013	-	49,013	16,061	11,028	27,089	37,985
Light Duty Vehicle	-	107,102	107,102	-	4,016	4,016	103,086
Total	702,106	228,676	930,783	35,442	25,031	60,474	905,751

December 31, 2024

	Opening Cost	Additions	Closing Costs	Opening Depreciation	Depreciation	Closing Accumulated Depreciation	Net Book Value
	\$ CAD	\$ CAD	\$ CAD	\$ CAD	\$ CAD	\$ CAD	\$ CAD
Buildings	286,740	-	286,740	5,735	10,304	16,039	270,701
Land	71,685	301,433	373,118	-	-	-	373,118
Office Furniture	12,617	-	12,617	1,262	2,082	3,344	9,274
Computer equipment	35,075	41,499	76,574	13,031	14,530	27,561	49,013
Totals	406,117	342,932	749,049	20,028	26,916	46,944	702,106

6. INVESTMENTS

	September 30, 2025 \$CAD	December 31, 2024 \$CAD
Investment	1,372,649	811,142

On August 11, 2025, Triple Point Resources Ltd. ("Triple Point") closed a \$4.5M private placement of common shares. Due to this financing and the resulting dilution to the Atlas Salt's ownership position, the Company concluded that it no longer exercises significant influence over Triple Point. Per IFRS 9 Financial Instruments, the Company will now apply Fair Value Through Profit or Loss (FVPL) to value this investment.

7. MINERAL EXPLORATION AND EVALUATION ASSETS

The Company has 20 mineral licences (December 31, 2024 – 20) which consist of 321 claims (December 31, 2024 – 321 claims), which are active and in good standing with the Department of Industry, Energy and Technology in the Province of Newfoundland and Labrador. These licences are in the exploration and evaluation stage. The Company has 3 mining leases (Ace Mining Lease #239, and Gypsum Waste Reclamation Mining Leases #241 and #242) registered with the Department of Department of Industry, Energy and Technology in the Province of Newfoundland and Labrador on mineral licences 022132M, 027059M and 0271060M situated near St. George's, Western Newfoundland.

A summary of the costs of these licences is as follows:

September 30, 2025

	Balance, beginning of the period	Additions	Refunds	Incidental Revenue	Balance, end of the period
	\$ CAD	\$ CAD	\$ CAD	\$ CAD	\$ CAD
Mineral Exploration and Evaluation Assets	11,782,322	3,633,353	-	-	15,415,675

December 31, 2024

	Balance, beginning of the period	Additions	Refunds	Incidental Revenue	Balance, end of the period
	\$ CAD	\$ CAD	\$ CAD	\$ CAD	\$ CAD
Mineral Exploration and Evaluation Assets	8,162,295	3,620,027	-	-	11,782,322

Incidental revenue includes proceeds from the sale of gypsum from the Ace Gypsum mine which were netted against mineral exploration and evaluation assets. In the current period ending September 30, 2025, additions to mineral exploration costs include share-based compensation of \$42,088 (September 30, 2024 – \$200,244).

During the period, no indicators of impairment have been identified related to the Company's mineral exploration and evaluation assets.

8. RELATED PARTY TRANSACTIONS

Vulcan Minerals Inc., which, as at September 30, 2025, owned 29.70% of the Company's common shares (December 31, 2024 – 29.79%), has significant influence over Atlas Salt. The following transactions were carried out with Vulcan Minerals Inc.:

Expenditures reimbursed to Vulcan Minerals Inc. for expenditures paid on behalf of the Company:	September 30, 2025 \$ CAD	September 30, 2024 \$ CAD
Mineral exploration and evaluation assets	6,675	26,857
General and administrative expenses	-	31,914
Rent paid to a corporation which is controlled by a Director of the Company	-	12,000
	6,675	70,771

Compensation for key management personnel, which includes the former President and Chief Executive Officer, former Chief Financial Officer and Directors, is as follows:

Paid/payable to members of key management and directors:	September 30, 2025 CAD \$	September 30, 2024 CAD \$
Directors' fees	50,000	60,000
Management and subcontractor fees	1,079,940	200,917
Compensation capitalized as mineral exploration and evaluation assets	89,794	120,000
Share-based compensation:		
General and administrative expenses	(373,835)	773,734
Mineral exploration and evaluation assets	(307,406)	429,145
	538,492	2,086,068

Accounts payable and accrued liabilities include \$25,000 owing to related parties as at September 30, 2025 (December 31, 2024 – \$72,362).

9. LONG TERM DEBT

The Company has a loan with the Business Development Bank of Canada (BDC) bearing interest at 8.40%, payable in two separate monthly payments of Principal and Interest. Principal payments consist of a one-time principal payment of \$2,060, then \$1,660 monthly, beginning on July 23, 2025. Interest payments have been paid monthly since the loan's inception, and the loan matures on September 23, 2030. The loan is unsecured.

In July 2025, the Company financed a light duty vehicle through Scotiabank bearing interest at 5.54%. Combined principal and interest payments total \$1,429 monthly. The loan matures on July 16, 2032.

Long term debt	September 30, 2025 \$ CAD	December 31, 2024 \$ CAD
Balance beginning of the period	100,000	-
Additions	107,102	100,000
Interest	7,682	-
Payments Made	(23,689)	-
Balance end of the period	191,095	100,000
Long term portion	159,044	89,640
Short term portion	32,051	10,360

Future minimum long-term debt payments are as follows:	
Fiscal Period 2025	7,950
Fiscal Period 2026	32,219
Fiscal Period 2027	32,915
Fiscal Period 2028	33,651
Fiscal Period 2029	34,428
Fiscal Period 2030	25,290
Fiscal Period 2031	16,198
Fiscal Period 2032	8,443

10. ASSET RETIREMENT OBLIGATIONS

Upon termination of the Company's Ace Gypsum mine, the Company is required to satisfy certain asset retirement obligations including the removal of any equipment and the restoration of the land and premisses to their original condition. The total discounted cash flows estimated to settle the Company's asset retirement obligations as at September 30, 2025, was \$349,522 (December 31, 2024 – \$125,302). The estimated future cash flows have been discounted using a risk-free rate of 2.47% (December 31, 2024 – 2.92%) and an inflation rate of 2.4% (December 31, 2024 – 1.8%).

A reconciliation of the asset retirement obligation is provided below:

	September 30, 2025 \$ CAD	December 31, 2024 \$ CAD
Balance, beginning of the period	125,302	136,932
Provision Adjustment	224,220	(11,629)
Balance, end of the period	349,522	125,303

11. SHARE CAPITAL

Unlimited number of voting common shares.

Unlimited number of preferred shares, issuable in series.

Issued and Outstanding	September 30, 2025		December 31, 2024	
	Number of Common Shares	Share Capital \$ CAD	Number of Common Shares	Share Capital \$ CAD
Common Shares				
Balance, beginning of the period	96,967,117	27,204,839	94,768,785	25,591,855
Issuance of shares upon vesting of Performance Share Units and Restricted Share Units	319,750	372,290	1,151,070	1,527,684
Return of common shares to treasury	-	-	(127,738)	(78,183)
Exercise of stock options	-	-	1,150,000	156,525
Exercise of warrants	-	-	25,000	6,958
Balance, end of the period	97,286,867	27,577,129	96,967,117	27,204,839

For the period ended September 30, 2025, there were 319,750 shares issued (December 31, 2024 – 1,151,070), as a result of Performance Share Units and Restricted Share Units that vested (Note 12) and nil options exercised by related parties (2024 – 1,150,000). There was no return of common shares by a related party in 2025. (December 31, 2024 – 127,738).

Warrants

Issued and Outstanding	September 30, 2025		December 31, 2024	
	Number of Warrants	Weighted Average Exercise Price \$	Number of Warrants	Weighted Average Exercise Price \$
Warrants				
Balance, beginning of the period	2,850,000	2.40	2,850,000	2.38
Expired	(2,850,000)	2.40		
Exercised	-	-	(25,000)	0.25
Balance, end of the period	-	-	2,850,000	2.40

	September 30, 2025 \$ CAD	December 31, 2024 \$ CAD
Balance, beginning of the period	2,678,079	2,678,787
Transferred to share capital upon exercise of warrants	-	(708)
Expiry of warrants	(2,678,079)	-
Balance, end of the period	-	2,678,079

12. SHARE-BASED COMPENSATION

Stock Option Plan

The Company has a stock option plan under which directors, officers, management, consultants, and employees of the Company are eligible to receive stock options. The aggregate number of shares to be issued upon exercise of all options granted under the plan shall not exceed 10% of the issued shares of the Company at the time of granting the options. The number of shares which may be reserved for issuance in any 12-month period to any one individual may not exceed 5% of the issued shares or 2% if the optionee is a consultant, and the number of shares which may be reserved for issuance in any 12-month period to all optionees engaged in investor relations activities may not exceed 2% in the aggregate of the issued shares on a yearly basis. Options may be exercisable over periods of up to ten periods, as determined by the Board of Directors of the Company and are required to have an exercise price no less than the closing market price of the Company's shares prevailing on the day that the option is granted less a discount of up to 25%, with the amount of the discount varying with market price in accordance with the policies of the TSXV.

Stock Options

Summary of Stock Options Outstanding and Exercisable	September 30, 2025		December 31, 2024	
	Number of Options	Weighted Avg Exercise Price \$	Number of Options	Weighted Avg Exercise Price \$
Outstanding, beginning of the period	4,000,000	0.79	5,825,000	0.77
Granted	1,200,000	0.49	-	
Expired	-	-	(802,738)	(1.53)
Exercised	-	-	(1,022,262)	(0.11)
Outstanding, end of the period	5,200,000	0.89	4,000,000	0.79
Outstanding and exercisable, end of the period	4,200,000	0.77	4,000,000	0.79

The weighted average of the share price on the date of exercise of options in 2025 was \$0.72 (2024 – \$0.67).

The weighted average remaining contractual life of outstanding options is 2.45 years (December 31, 2024 – 2.71 years). The weighted average remaining contractual life of exercisable options is 1.95 years (December 31, 2024 – 2.71 years). For the period ending September 30, 2025, 1,200,000 stock options were granted (2024 – nil).

On April 28, 2026, the Company granted 200,000 stock options to a director, with 100,000 options vesting immediately and 100,000 options vesting April 28, 2026. The stock price on the date of grant was \$0.46.

On June 9, 2025, the Company granted 400,000 stock options to an officer, with 200,000 vesting September 9, 2026, and 200,000 vesting September 9, 2027. The stock price on the date of grant was \$0.49.

On June 9, 2025, the Company granted 200,000 stock options to an officer, with 100,000 vesting September 9, 2026, and 100,000 vesting September 9, 2027. The stock price on the date of grant was \$0.49.

On July 15, 2026, the Company granted 400,000 stock options to a consulting company, with 100,000 options vesting immediately; 100,000 options vesting January 15, 2026; 100,000 options vesting April 15, 2026, and 100,000 stock options vesting July 15, 2026. The stock price on the date of grant was \$0.50.

The Company expensed share-based compensation related to options in the amount of \$nil in the period ending September 30, 2025 (December 31, 2024 – \$nil) and \$nil was capitalized to mineral exploration and evaluation assets (December 31, 2024 – \$nil).

Equity Incentive Plan

The Company has an equity incentive plan to provide the Company with a share-related mechanism to attract, retain and motivate qualified directors, employees, and consultants of the Company. The total number of shares reserved and available for grant and issuance, together with all the Company's other Security Based Compensation Arrangements, shall not exceed 10% (in aggregate) of the issued and outstanding shares of the Company. The aggregate number of awards granted to any one Participant in a 12-month period must not exceed 5% of the issued and outstanding shares or 2% for Consultants, calculated on the date an award is granted or issued to the participant, less the aggregate number of shares reserved for issuance to such person. The grant to Insiders (as a group), within a 12-month period of an aggregate number of awards must not exceed 10% of the issued and outstanding shares. Investor relations service providers may not receive any security-based compensation other than stock options.

Deferred Share Units (DSUs)

Summary of deferred share units (DSUs)	September 30, 2025		December 31, 2024	
	Number of DSUs	Weighted Average Price at Date of Grant \$	Number of DSUs	Weighted Average Price at Date of Grant \$
Outstanding, beginning of the period	1,000,000	0.72	1,000,000	0.72
Granted	600,000	0.49		
Forfeited	(200,000)	0.71		
Outstanding, end of the period	1,400,000	0.62	1,000,000	0.72

On January 5, 2024, the Company granted 150,000 DSUs to a director, with 50,000 vesting January 5, 2025, 50,000 vesting July 5, 2025, and 50,000 vesting January 5, 2026. The stock price on the date of the grant was \$0.70.

On July 16, 2024, the Company granted 850,000 DSUs to directors, with 425,000 vesting July 16, 2025, and 425,000 vesting January 16, 2026. The stock price on the date of grant was \$0.72.

On March 28, 2025, a Director resigned from the Board of Directors and surrendered 200,000 DSUs on that date.

On September 18, 2025, the Company granted 600,000 DSUs to directors, with all vesting on September 18, 2026. The stock price on the date of grant was \$0.49.

The Company expensed share-based compensation related to DSUs in the amount of \$60,250 for the period ending September 30, 2025 (September 30, 2024 – \$146,458). None of these expenses were capitalized to mineral exploration and evaluation assets.

Restricted Share Units (RSUs)

Summary of restricted share units (RSUs)	September 30, 2025		December 31, 2024	
	Number of RSUs	Weighted Average Price at Date of Grant \$	Number of RSUs	Weighted Average Price at Date of Grant \$
Outstanding, beginning of the period	355,500	1.16	987,500	1.31
Granted	700,000	0.52	72,000	0.70
Forfeited	(48,000)	0.78	-	-
Vested and settled in shares	(281,750)	1.32	(704,000)	1.32
Outstanding, end of the period	725,750	0.51	355,500	1.16

On January 5, 2024, the Company granted 72,000 RSUs to an officer, with 40,000 vesting January 5, 2025, 16,000 vesting July 5, 2025, and 16,000 vesting January 5, 2026. The stock price on the date of the grant was \$0.70. On April 20, 2025, 32,000 RSUs were forfeited.

On June 9, 2025, the Company granted 500,000 RSUs to an officer, with 100,000 vesting September 9, 2026, 200,000 vesting December 9, 2025, and 200,000 vesting September 9, 2027. The stock price on the date of the grant was \$0.52.

On June 9, 2025, the Company granted 200,000 RSUs to an officer, with 50,000 vesting September 9, 2026, 75,000 vesting December 9, 2025, and 75,000 vesting September 9, 2027. The stock price on the date of the grant was \$0.52.

The Company expensed share-based compensation related to RSUs in the amount of \$45,992 for the period ending September 30, 2025 (September 30, 2024 – \$85,368) and \$17,978 was capitalized to mineral exploration and evaluation assets (December 31, 2024 – \$354,674).

Performance Share Units (PSUs)

Summary of performance share units (PSUs)	September 30, 2025		December 31, 2024	
	Number of PSUs	Weighted Average Price at Date of Grant \$	Number of PSUs	Weighted Average Price at Date of Grant \$
Outstanding, beginning of the period	1,418,430	1.25	1,737,500	1.31
Granted	800,000	0.49	128,000	0.70
Forfeited	(38,000)	0.70	-	-
Exercised	(1,208,000)	1.27	(447,070)	1.34
Outstanding, end of the period	972,430	0.62	1,418,430	1.25

On October 1, 2023, the Company granted 128,000 PSUs to a consultant. These PSUs are based on performance indicators achieved and could not vest prior to October 1, 2024. The stock price on the date of the grant was \$1.01. These RSUs were forfeited on December 18, 2023.

On October 6, 2023, the Company granted 49,500 PSUs to a consultant. These PSUs are based on performance indicators achieved and could not vest prior to October 6, 2024. The stock price on the date of grant was \$0.92.

On October 10, 2023, the Company granted 128,000 PSUs to a consultant. These PSUs are based on performance indicators achieved and could not vest prior to October 10, 2024. The stock price on the date of the grant was \$0.95. These PSUs were forfeited on December 18, 2023. On September 20, 2025, 118,000 PSUs were forfeited.

On January 5, 2024, the Company granted 128,000 PSUs to a consultant. These PSUs are based on performance indicators achieved and cannot vest prior to January 5, 2025. The stock price on the date of the grant was \$0.70. On April 20, 2025, 90,000 PSUs were forfeited.

The Company expensed share-based compensation related to PSUs in the amount of \$41,827 for the period ending September 30, 2025 (September 30, 2024 – \$159,198) and \$24,110 was capitalized to mineral exploration and evaluation assets (December 31, 2024 – \$392,547). For the period ending September 2024, there were 1,208,000 performance share units vested.

The performance milestones for all the issued PSUs are tied to the advancements on the Great Atlantic Salt Project.

13. CAPITAL MANAGEMENT

The capital structure of the Company consists of equity comprising share capital, contributed surplus, warrants, and deficit. The Company's objective when managing capital is to safeguard its accumulated capital in order to maintain its ability to continue as a going concern and to fund exploration and development activities.

14. FINANCIAL INSTRUMENTS AND RELATED RISK MANAGEMENT

Fair Value of Financial Instruments

The carrying amount of cash and cash equivalents, accounts payable and accrued liabilities approximate their fair value due to their short-term nature. The Company's debt is carried at its carrying amount which is reflective of fair value since the debt was assumed during the period and there have been no material changes in market interest rates. The Company does not have any other financial assets or liabilities.

The Company has exposure to credit risk, liquidity risk, market risk and commodity price risk. The source of risk exposure and how each is managed is outlined below:

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfil its payment obligation. The Company is exposed to credit risk on its cash and cash equivalents. Cash is maintained on deposit with a major Canadian chartered bank. The Company believes its credit risk with respect to cash and cash equivalents is not significant.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due. As of September 30, 2025 the Company had a cash balance of \$1,653,864 and a positive working capital of \$1,018,463.

Market Risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates, and commodity prices will affect the Company's net loss or the value of its financial instruments.

Commodity Price Risk

The recoverability of the Company's mineral exploration and evaluation assets is partially related to the market price of minerals and commodities. The Company does not hedge this exposure to fluctuations in commodity prices. The Company's ability to continue with its exploration programs is also indirectly subject to commodity prices.

15. SUBSEQUENT EVENTS

On October 21, 2025, the Company closed a brokered private placement (the "Offering"), raising gross proceeds of \$8,704,400 by issuing 10,880,500 common shares at \$0.80 per share.

In connection with the Offering, the Company paid cash fees of \$522,264 to the agents, and issued 652,830 compensation warrants, each exercisable to acquire one common share at the offering price for 24 months.

The number of outstanding shares as of November 28, 2025, is 108,167,367.