

OFFERING DOCUMENT DATED JANUARY 12, 2023

under the Listed Issuer Financing Exemption

ATLAS SALT INC.
("Atlas" or the "Company")

SUMMARY OF OFFERING

What are we offering?

- Offering:** Up to 5,000,000 units (the "Units") of the Company. Each Unit shall be \$2.00 and consist of one common share and one-half of one non-transferrable common share purchase warrant (each whole such common share purchase warrant, a "Warrant"). Each Warrant shall be exercisable into one common share for twenty-four months from closing at an exercise price of \$2.40 per Warrant.
- Offering Price:** \$2.00 per Unit.
- Offering Amount:** There is no minimum amount. A maximum of 5,000,000 Common Shares for maximum gross proceeds of \$10,000,000.
- Closing Date:** The offering may close in one or more tranches with a final closing expected to occur on or about January 16, 2023.
- Exchange:** The common shares of the Company are listed on the TSX Venture Exchange (TSXV:SALT) and trade on the OTCQB Venture Market (OTCQB:REMRF) and the Frankfurt Stock Exchange (FSE:9D00).
- Last Closing Price:** The closing price of the common shares on the TSX Venture Exchange on January 12, 2023 was \$2.10.

No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this document. Any representation to the contrary is an offence. This offering may not be suitable for you and you should only invest in it if you are willing to risk the loss of your entire investment. In making this investment decision, you should seek the advice of a registered dealer.

Atlas Salt Inc. is conducting a listed issuer financing under section 5A.2 of National Instrument 45-106 Prospectus Exemptions. In connection with this offering, the issuer represents the following is true:

- The issuer has active operations and its principal asset is not cash, cash equivalents or its exchange listing.
- The issuer has filed all periodic and timely disclosure documents that it is required to have filed.
- The total dollar amount of this offering, in combination with the dollar amount of all other offerings made under the listed issuer financing exemption in the 12 months immediately before the date of this offering document, will not exceed \$10,000,000.
- The issuer will not close this offering unless the issuer reasonably believes it has raised sufficient funds to meet its business objectives and liquidity requirements for a period of 12 months following the distribution.

- **The issuer will not allocate the available funds from this offering to an acquisition that is a significant acquisition or restructuring transaction under securities law or to any other transaction for which the issuer seeks security holder approval.**

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This offering document contains “forward-looking information” within the meaning of applicable Canadian securities laws, which is based upon the Company’s current internal expectations, estimates, projections, assumptions and beliefs. The forward-looking information included in this offering document is made only as of the date of this offering document. Such forward-looking statements and forward-looking information include, but are not limited to, statements concerning the Company’s plans regarding the Great Atlantic Salt property and other mineral properties and licenses, the Company’s expectations with respect to the use of proceeds and the use of the available funds following completion of the offering, the completion of the offering, and the expected closing date. Forward-looking statements or forward-looking information relate to future events and future performance and include statements regarding the expectations and beliefs of management based on information currently available to the Company. Such forward-looking statements and forward-looking information often, but not always, can be identified by the use of words such as “plans”, “expects”, “potential”, “is expected”, “anticipated”, “is targeted”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes” or the negatives thereof or 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 or forward-looking information include statements about the future and are inherently uncertain, and the Company’s actual achievements or other future events or conditions may differ materially from those reflected in such forward-looking statements and forward-looking information due to a variety of risks, uncertainties and other factors, including, without limitation, market prices, actual results of the Company’s exploration activities assessments being different than those expected by management, delays in obtaining or failure to obtain required government or other regulatory approvals, the continued availability of capital and financing, inability to procure labour, equipment, and supplies in sufficient quantities and on a timely basis, equipment breakdown, impacts of the current coronavirus pandemic, bad weather, and general economic, market or business conditions. This list is not exhaustive of the factors that may affect any of the Company’s forward-looking statements or forward-looking information.

The Company provides no assurance that forward-looking statements or forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements and information. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, changing circumstances, or otherwise. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information.

Atlas Salt’s future results, production levels, cash flows or other performance or achievements to differ materially from those expected including, but not limited to, regulatory approval for the offering and completion thereof; market conditions, future prices of salt and other minerals, actual results of production, exploration and development activities, actual resource grades and recoveries of salt, availability of third party mineralized material for processing, unanticipated geological or structural formations and

characteristics, currency rate fluctuations, availability of future financing, rising inflation and interest rates, geopolitical conflicts including wars, environmental risks, operating risks, accidents, labor issues, equipment or personnel delays, delays in obtaining governmental or regulatory approvals and permits, inadequate insurance, and other risks in the mining industry. Further, mineral resources and mineralized material that are not Mineral Reserves do not have demonstrated economic viability, are considered too speculative geologically to have economic considerations applied to them, and may be materially affected by environmental, permitting, legal, title, socio-political, marketing, and other relevant issues. There are no assurances Atlas Salt will meet its production forecasts or generate the anticipated cash flows from operations to satisfy scheduled debt payments and other liabilities when due or meet financial covenants to which Atlas Salt is subject or to fund its exploration programs and corporate initiatives as planned. There is also uncertainty about the continued spread and severity of COVID-19, ongoing war in Ukraine and rising inflation and interest rates and the impact they will have on Atlas Salt's operations, supply chains, ability to access mining projects or procure equipment, supplies, contractors and other personnel on a timely basis or at all and economic activity in general. Accordingly, readers should not place undue reliance on forward-looking statements or information. All forward-looking statements and information made herein are qualified by these cautionary statements and those in Atlas Salt's continuous disclosure filings available on SEDAR at www.sedar.com. These forward-looking statements and information are made as of the date hereof and Atlas Salt assumes no obligation to update or revise them to reflect new events or circumstances save as required by law.

TECHNICAL INFORMATION

Patrick J. Laracy, P.Geo, and CEO, is the Qualified Person as defined by National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (“NI 43-101”) and has reviewed and approved the technical disclosure contained in this offering document.

SUMMARY DESCRIPTION OF BUSINESS

What is our business?

Atlas Salt Inc. is a Canadian company engaged in mineral exploration and development on industrial mineral properties in Newfoundland and Labrador. The Company is currently producing gypsum from its Ace Gypsum mine and is undergoing a feasibility analysis of its Great Atlantic Salt Deposit. The Company owns 100% working interest in the Great Atlantic salt deposit strategically located in western Newfoundland in the middle of the robust eastern North America road salt market. The project features a large homogeneous high-grade inferred rock salt resource as per National Instrument 43-101 compliant Mineral Resource Assessment report prepared by Apex Geoscience Ltd. of Edmonton, Alberta and filed on SEDAR dated January 11, 2016.

The Company is also the largest shareholder in Triple Point Resources Ltd. as it pursues development of the Fischell's Brook Salt Dome approximately 15 kilometers south of Great Atlantic in the Bay St. George basin of western Newfoundland.

Recent developments

On January 11, 2023, the Company announced that it has intersected a thick bed of salt in the easternmost drill hole at Great Atlantic. Drill hole CC-9 cut a gross interval of salt over 333 meters (1,092 feet) starting

from a depth of 243 meters. The drill hole was collared 250 meters east of CC-4 and is anticipated to be the last drill hole for resource classification purposes subject to final analytical results pursuant to the ongoing Feasibility Study.

Additionally, SLR Consulting (Canada) Ltd. (SLR) has advised Atlas that it is on track to provide the results of a Preliminary Economic Assessment (PEA) of the Great Atlantic Project during the second half of January, 2023. This independent economic assessment is a prelude to the Feasibility Study and will describe the current economic valuation for the project subject to refinement in the final Feasibility Study expected during this first half of 2023.

On December 8, 2022, the Company announced the following:

- Ongoing drilling, nearing completion, continues to confirm the large resource endowment of high-grade Great Atlantic salt and has yet to find the limits of this minimum 2.5-kilometer-long deposit trending northeast toward the Turf Point Port on the west coast of Newfoundland; and
- Great Atlantic is unusually shallow by industry standards with geotechnical data continuing to support the objective of accessing this deposit through an inclined ramp as a unique and highly efficient mining method among North American salt deposits, subject to final feasibility assessment.

On October 11, 2022, the Company announced that its common shares are DTC service eligible for electronic clearing and settlement through the Depository Trust Company in the United States.

On September 22, 2022, the Company closed the Triple Point spin-out of Atlas Salt's Fischell's Brook Salt Dome Property and related mineral licenses comprising 226 sq. km in southwest Newfoundland through a Plan of Arrangement (the "**Arrangement**"). As part of the Arrangement, Atlas Salt 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 received one share of Triple Point for every 3.68 shares owned of Atlas.

Also on June 10, 2022, the Company announced that its shares have been approved for listing on the Frankfurt Stock Exchange under the symbol "9D00".

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.

Material facts

There are no material facts about the securities being distributed that have not been disclosed in this offering document or in any other document filed by the Company in the 12 months preceding the date of this offering document.

What are the business objectives that we expect to accomplish using the available funds?

Timeline	Business Objective	Significant Event & Cost of Event
2023	Complete the current feasibility study of the Great Atlantic Salt deposit and advance towards development	Engineering and mine development work, permitting and approvals. Please see the “Use of Available Funds” section below for a further breakdown.

USE OF AVAILABLE FUNDS

What will our available funds be upon the closing of the offering?

		Assuming 100% of offering
A	Amount to be raised by this offering	\$10,000,000
B	Selling commissions and fees	\$700,000
C	Estimated offering costs (e.g., regulatory/exchange, legal, accounting, audit,)	\$65,000
D	Net proceeds of offering: $D = A - (B+C)$	\$9,235,000
E	Adjusted working capital as at December 31, 2022 (estimate only)	\$8,915,000
F	Additional sources of funding	\$0
G	Total available funds: $G = D+E+F$	\$18,150,000

How will we use the available funds?

Description of intended use of available funds listed in order of priority	Assuming 100% of offering
Complete Feasibility Study of Great Atlantic salt including all related engineering, geotechnical and analytical work	\$1,300,000
Post feasibility project permitting including environmental and ESG work for both underground workings and surface facilities	\$1,900,000
Initiate pre-production development, surface, storage	\$8,200,000

and transportation installations and related procurement	
Technical Advisors , re development work and product marketing	\$900,000
General and Administrative	\$2,200,000
Corporate relations, communications and further project financing	\$1,500,000
Unallocated Working Capital	\$2,150,000
Total: Equal to G in the available funds in the previous table	\$18,150,000

Atlas Salt is engaged in mineral exploration and development on industrial properties in Newfoundland and Labrador. Currently, the Company is producing gypsum from its Ace Gypsum mine and is also undergoing a feasibility analysis of its Great Atlantic Salt Deposit. Atlas Salt's mining operations are in the ramp up phase and have not yet attained positive cash flow such that a portion of the available funds have been allocated as a reserve against future operating losses from Atlas Salt's mining operations in Newfoundland and Labrador as well as its corporate head office G&A expenses.

The above-noted allocation and anticipated timing represents Atlas Salt's current intentions with respect to its use of available funds based on current knowledge, planning and expectations of Atlas Salt's management. Although Atlas Salt intends to expend the net proceeds from the offering and available funds as set forth above, there may be circumstances where, for sound business reasons, a reallocation of funds may be deemed prudent or necessary and may vary materially from that set forth above, as the amounts actually allocated and spent will depend on a number of factors, including Atlas Salt's ability to execute on its business plan.

Atlas Salt carries out exploration on mineral licences in Newfoundland and Labrador. The Company's only immediate revenue stream is from the production of gypsum, the magnitude of which is uncertain at this time, given the early stage of the mining operation.. The offering is intended to enable Atlas Salt to supplement cash flow from production, carry out certain capital improvements, complete its feasibility study of Great Atlantic Salt including all related engineering, geotechnical and analytical work towards development.

How have we used the other funds we have raised in the past 12 months?

The Company has not undertaken any equity financing within the 12 months prior to the date of this document.

FEES AND COMMISSIONS

Who are the dealers or finders that we have engaged in connection with this offering, if any, and what are their fees?

The Company may pay certain eligible finders, a finder's fee comprising a cash commission of up to 7% of the gross proceeds of the Offering and non-transferable finder's warrants of up to 7% of the number of

Common Shares. Such finder's warrants shall entitle the holder to acquire one common share of the Company at a price of \$2.40 for a period of 24 months from the Closing Date.

Do the Finders have a conflict of interest?

To the knowledge of Atlas Salt, it is not and will not be a "related issuer" or connected issuer", as such terms are defined in National Instrument 33-105 - Underwriting Conflicts, to any Finder engaged by the Issuer in connection with the offering.

PURCHASERS' RIGHTS

Rights of Action in the Event of a Misrepresentation

If there is a misrepresentation in this offering document, you have a right

- a) to rescind your purchase of these securities with the Company, or
- b) to damages against the Company and may, in certain jurisdictions, have a statutory right to damages from other persons.

These rights are available to you whether or not you relied on the misrepresentation. However, there are various circumstances that limit your rights. In particular, your rights might be limited if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in paragraph (a) or (b) above, you must do so within strict time limitations.

You should refer to any applicable provisions of the securities legislation of your province or territory for the particulars of these rights or consult with a legal adviser.

ADDITIONAL INFORMATION

Where can you find more information about us?

A security holder can access the Company's continuous disclosure filings at www.sedar.com. In addition, further information about the Company is available at www.atlassalt.com/

DATE AND CERTIFICATE

This offering document, together with any document filed under Canadian securities legislation on or after January 12, 2022, contains disclosure of all material facts about the securities being distributed and does not contain a misrepresentation.

January 12, 2023

By: (s) "Patrick Laracy"

Name: Patrick Laracy

Title: Chief Executive Officer & Director

By: (s) "Gillian Russell"

Name: Gillian Russell

Title: Chief Financial Officer