



**Atlas Salt Inc.**  
**(Previously Red Moon Resources Inc.)**

**Interim Condensed Financial Statements**

For the Three Months Ended March 31, 2022 and 2021

## **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. (PREVIOUSLY RED MOON RESOURCES INC.)**

March 31, 2022

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**ATLAS SALT INC. (PREVIOUSLY RED MOON RESOURCES INC.)**  
**Condensed Balance Sheets**  
**(Unaudited)**  
**As at**

(in Canadian dollars)	March 31 2022	December 31 2021
	\$	\$
<b>Assets</b>		
Current assets		
Cash	8,513,884	8,804,146
Accounts receivable	260,645	236,788
Prepaid expenses	11,701	18,313
	<b>8,786,230</b>	<b>9,059,247</b>
Capital assets	7,190	7,773
Mineral exploration and evaluation (Note 4)	2,912,779	2,186,182
<b>Total Assets</b>	<b>11,706,199</b>	<b>11,253,202</b>
<b>Liabilities</b>		
Current liabilities		
Accounts payable and accrued liabilities (Note 8)	314,482	203,882
Flow through premium liability (Note 6)	7,395	79,410
	<b>321,877</b>	<b>283,292</b>
Asset retirement obligations (Note 5)	145,812	140,665
<b>Total Liabilities</b>	<b>467,689</b>	<b>423,957</b>
<b>Shareholders' Equity</b>		
Share capital (Note 6)	12,746,153	11,770,439
Warrants (Note 6)	862,918	1,278,448
Contributed surplus	1,754,388	1,520,467
Deficit	(4,124,949)	(3,740,109)
<b>Total Shareholders' Equity</b>	<b>11,238,510</b>	<b>10,829,245</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>11,706,199</b>	<b>11,253,202</b>
Nature of operations (Note 1)		
Approved on behalf of the Board of Directors		
Patrick J. Laracy _____	<b>Director</b>	
Carson Noel _____	<b>Director</b>	

See accompanying notes to the condensed financial statements

**ATLAS SALT INC. (PREVIOUSLY RED MOON RESOURCES INC.)**  
**Condensed Statements of Loss and Comprehensive Loss**  
**(Unaudited)**  
**Three Months Ended March 31**

(in Canadian dollars)	2022	2021
	\$	\$
<b>Income (Expenses)</b>		
Interest	9,236	349
Other income	72,015	-
Share-based compensation (Note 7)	(227,080)	(16,156)
Marketing and communications	(58,077)	(188,527)
Office and other (Note 8)	(24,138)	(9,985)
Management and subcontract fees (Note 8)	(79,413)	(5,850)
Investor relations	(28,500)	-
Transfer agent, regulatory and professional fees	(41,123)	(11,561)
Depreciation	(583)	(350)
Conferences and travel	(7,177)	-
<b>Net and comprehensive loss</b>	<b>(384,840)</b>	<b>(232,080)</b>
Net loss per share - basic and diluted	\$ (0.005)	\$ (0.003)
Weighted-average number of common shares outstanding - basic and diluted	78,897,973	67,799,948

See accompanying notes to the condensed financial statements

**ATLAS SALT INC. (PREVIOUSLY RED MOON RESOURCES INC.)**  
**Condensed Statements of Changes in Equity**  
**(Unaudited)**

(in Canadian dollars)

	(Note 6)	(Note 6)	Contributed Surplus	Deficit	Total Shareholders' Equity
	Share Capital	Warrants			
	\$	\$	\$	\$	\$
<b>Balance, December 31, 2020</b>	<b>2,839,083</b>	<b>36,121</b>	<b>505,756</b>	<b>(1,568,119)</b>	<b>1,812,841</b>
Net and comprehensive loss					
January 1, 2021 - March 31, 2021	-	-	-	(232,080)	(232,080)
Issuance of shares and warrants pursuant to private placement	2,909,551	1,290,429	-	-	4,199,980
Issuance of broker warrants pursuant to private placement	(177,257)	177,257	-	-	-
Share issuance costs	(225,522)	-	-	-	(225,522)
Exercise of options	16,660	-	(6,660)	-	10,000
Exercise of warrants	27,830	(2,830)	-	-	25,000
Share-based compensation	-	-	16,156	-	16,156
<b>Balance, March 31, 2021</b>	<b>5,390,345</b>	<b>1,500,977</b>	<b>515,252</b>	<b>(1,800,199)</b>	<b>5,606,375</b>
Net and comprehensive loss					
April 1, 2021 - December 31, 2021	-	-	-	(1,939,910)	(1,939,910)
Issuance of shares and warrants pursuant to private placement	2,929,601	1,187,073	-	-	4,116,674
Issuance of broker warrants pursuant to private placement	(187,134)	187,134	-	-	-
Share issuance costs	(228,623)	-	-	-	(228,623)
Exercise of warrants	3,866,250	(1,596,736)	-	-	2,269,514
Share-based compensation	-	-	1,005,215	-	1,005,215
<b>Balance, December 31, 2021</b>	<b>11,770,439</b>	<b>1,278,448</b>	<b>1,520,467</b>	<b>(3,740,109)</b>	<b>10,829,245</b>
Net and comprehensive loss					
January 1, 2022 - March 31, 2022	-	-	-	(384,840)	(384,840)
Exercise of warrants	975,714	(415,530)	-	-	560,184
Share-based compensation	-	-	233,921	-	233,921
<b>Balance, March 31, 2022</b>	<b>12,746,153</b>	<b>862,918</b>	<b>1,754,388</b>	<b>(4,124,949)</b>	<b>11,238,510</b>

See accompanying notes to the condensed financial statements

**ATLAS SALT INC. (PREVIOUSLY RED MOON RESOURCES INC.)**  
**Condensed Statements of Cash Flows**  
**(Unaudited)**  
**Period Ended**

(in Canadian dollars)	March 31 2022	December 31 2021
	\$	\$
<b>Operating Activities</b>		
Net loss	(384,840)	(2,171,990)
Adjustment for non-cash item:		
Depreciation	583	1,402
Share-based compensation	227,080	986,461
	(157,177)	(1,184,127)
Changes in non-cash working capital		
Accounts receivable	(23,857)	(57,579)
Prepaid expenses	6,612	(11,629)
Accounts payable and accrued liabilities	110,600	74,489
Flow-through share premium	(72,015)	79,410
	(135,837)	(1,099,436)
<b>Financing Activities</b>		
Issuance of common shares and warrants	-	8,449,988
Share issuance costs	-	(587,479)
Exercise of options	-	10,000
Exercise of warrants	560,184	2,294,514
	560,184	10,167,023
<b>Investing Activities</b>		
Purchase of capital assets	-	(9,000)
Mineral exploration and evaluation assets	(714,609)	(892,412)
Incidental revenue	-	354,885
Deposits refunded	-	2,700
	(714,609)	(543,827)
Net change in cash for the period	(290,262)	8,523,760
Cash, beginning of period	8,804,146	280,386
<b>Cash, end of period</b>	<b>8,513,884</b>	<b>8,804,146</b>

See accompanying notes to the condensed financial statements

**ATLAS SALT INC. (PREVIOUSLY RED MOON RESOURCES INC.)**  
**Notes to the Condensed Financial Statements**  
**March 31, 2022**

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**1. NATURE OF OPERATIONS**

Atlas Salt Inc. (previously Red Moon Resources Inc.) (the “Company”) is a junior minerals exploration company engaged in the acquisition, evaluation, and exploration of mineral properties in Newfoundland and Labrador. The Company’s immediate objectives are to define and develop a high-quality industrial mineral project. The Company plans to ultimately develop properties as joint ventures, bring them into production, option, or lease properties to third parties, or sell the properties outright. As commercial viability of the Company’s projects has not yet been established, the Company is considered to be in the exploration stage.

The Company was formed on June 15, 2011 under the Alberta Business Corporations Act and was listed on the TSX Venture Exchange on August 17, 2012. Prior to its listing on the TSX Venture Exchange, the Company was inactive. Its registered address is 333 Duckworth Street, St. John’s, NL A1C 1G9. On September 1, 2021 the company changed its name from Red Moon Resources Inc. to Atlas Salt Inc. Atlas Salt Inc. reflects the company’s core business anchored by the Great Atlantic Salt Project in western Newfoundland. The Company’s common shares commenced trading under the new stock symbol “SALT” on September 1, 2021.

On July 30, 2021 the Company held its annual general meeting whereby approval was gained for the corporate continuance of the Company from the Province of Alberta to the Province of British Columbia. Regulatory approval of this continuance to British Columbia was obtained on August 10, 2021.

On March 11, 2020, the World Health Organization declared a pandemic following the emergence and rapid spread of a novel strain of coronavirus (“COVID-19”). The continued spread of COVID-19 and the actions being taken by governments, businesses and individuals may adversely impact the Company’s operations and its financial results. This has resulted in significant economic uncertainty, of which the potential impact on the Company’s future financial results is difficult to reliably measure.

**2. BASIS OF PRESENTATION**

The Company prepares its financial statements 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 International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

These unaudited interim condensed financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim



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financial statements, including IAS 34, Interim Financial Reporting. The accounting policies used in preparing these unaudited interim condensed financial statements are consistent with those used in the preparation of the Company's annual financial statements. A summary of the Company's significant accounting policies under IFRS is presented in Note 4 to the year end financial statements.

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

The functional and presentation currency of the financial statements is Canadian dollars.

These condensed financial statements were approved and authorized for issuance by the Board of Directors on May 30, 2022.

### **3. NEW OR AMENDMENTS TO ACCOUNTING STANDARDS NOT YET ADOPTED**

For the period ended March 31, 2022, there have been no accounting pronouncements by the IASB that would have a material impact on the Company's financial results or position.

Amendments to IAS 16, Property, Plant and Equipment, will be effective for years beginning on or after January 1, 2023. The amendments discuss the proceeds before intended use.

Amendments to IAS 1, Presentation of Financial Statements, will be effective for years beginning with January 1, 2023. The amendments clarify how an entity classifies debt and other financial liabilities as current or non-current in particular circumstances.

The Company is assessing whether there could be a material impact on its financial statements in the year of application.

### **4. MINERAL EXPLORATION AND EVALUATION ASSETS**

The Company has 30 mineral licences (December 31, 2021 – 30) which consist of 869 claims (December 31, 2021 – 869 claims), which are active and in good standing with the Department of Natural Resources 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 Natural Resources in the Province of Newfoundland and Labrador on mineral licences 022132M, 027059M and 027060M situated near St. George's, western Newfoundland.

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

	<b>March 31, 2022</b>				
	<b>Balance, Beginning of Year</b>	<b>Additions</b>	<b>Refunds</b>	<b>Incidental Revenue</b>	<b>Balance, End of Period</b>
	\$	\$	\$	\$	\$
Property acquisition costs	1,150,922	-	-	-	1,150,922
Exploration costs	1,035,260	726,597	-	-	1,761,857
	<b>2,186,182</b>	<b>726,597</b>	<b>-</b>	<b>-</b>	<b>2,912,779</b>

	<b>December 31, 2021</b>				
	<b>Balance, Beginning of Year</b>	<b>Additions</b>	<b>Refunds</b>	<b>Incidental Revenue</b>	<b>Balance, End of Year</b>
	\$	\$	\$	\$	\$
Property acquisition costs	1,101,135	52,487	(2,700)	-	1,150,922
Exploration costs	595,288	886,070	-	(446,098)	1,035,260
	<b>1,696,423</b>	<b>938,557</b>	<b>(2,700)</b>	<b>(446,098)</b>	<b>2,186,182</b>

Incidental revenue includes proceeds from the sale of gypsum from the Ace Gypsum mine. Current year additions to mineral exploration costs include share-based compensation of \$6,841 (December 31, 2021 – \$34,909).

## **5. 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 premises to their original condition.

The total discounted cash flows estimated to settle its asset retirement obligations as at March 31, 2022 was \$145,812 (December 31, 2021 – \$140,665). The estimated future cash flows have been discounted using a risk-free rate of 2.17% (December 31, 2021 – 0.91%) and an inflation rate of 6.7% (December 31, 2021 – 4.8%). As at March 31, 2022, the Company had entered an agreement with an insurance company to provide a surety bond to the Newfoundland and Labrador government in compliance with its requirements under the approved site development plan, as submitted and reviewed by the government of Newfoundland and Labrador. As additional work and reclamation is completed on the

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property, the Company will increase or decrease this bond as required by the Newfoundland and Labrador government.

A reconciliation of the asset retirement obligation is provided below:

	<b>March 31, 2022</b>	<b>December 31, 2021</b>
	<b>\$</b>	<b>\$</b>
Balance, beginning of the year	<b>140,665</b>	129,430
Provisions incurred	<b>5,147</b>	11,235
<b>Balance, end of the period</b>	<b>145,812</b>	140,665

## 6. SHARE CAPITAL

### Authorized

Unlimited number of voting common shares  
 Unlimited number of preferred shares, issuable in series

### Issued and Outstanding

	<b>March 31, 2022</b>		<b>December 31, 2021</b>	
	<b>Number</b>	<b>Share Capital</b>	<b>Number</b>	<b>Share Capital</b>
<b>Common Shares</b>		<b>\$</b>		<b>\$</b>
Balance, beginning of the year	<b>78,517,434</b>	<b>11,770,439</b>	50,600,004	2,839,083
Issued pursuant to private placements	-	-	23,076,870	5,839,152
Share issuance cost	-	-	-	(454,145)
Broker warrants	-	-	-	(364,391)
Exercise of stock options	-	-	100,000	16,660
Exercise of warrants	<b>945,437</b>	<b>975,714</b>	4,740,560	3,894,080
<b>Balance, end of period</b>	<b>79,462,871</b>	<b>12,746,153</b>	78,517,434	11,770,439

### Private Placements

Pursuant to a private placement dated February 8, 2021 the company issued 7,000,000 units at a price of \$0.10 per unit for aggregate proceeds of \$700,000 (less \$141,570 attributed to the fair value of the warrants). Each unit consisted of one common share and one-half common share purchase warrant. Each whole common share purchase warrant entitles the holder to purchase one common share of the Company at a price of \$0.17 for a period of two years subject to an acceleration clause. This acceleration clause states that in the event the closing price of the Company's Shares on the TSX Venture

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Exchange is \$0.30 or greater per share during any ten (10) consecutive trading day period at any time subsequent to four months and one day after the closing date, the warrants will expire at 4pm (Newfoundland Time) on the 30th day after the date on which the Company provides notice of such accelerated expiry to the holders of the warrants.

Pursuant to a private placement dated March 25, 2021 the company issued 9,999,944 units at a price of \$0.35 per unit for aggregate proceeds of \$3,499,980 (less \$1,012,790 attributed to the fair value of the warrants). Each unit consisted of one common share and one-half common share purchase warrant. Each whole warrant to be exercisable at a price of \$0.55 per common share for a period of two years subject to an acceleration clause. This acceleration clause states that in the event the closing price of the company's shares on the TSX Venture Exchange is \$0.85 or greater per share during any ten consecutive trading day period at any time subsequent to four months and one day after the closing date, the warrants will expire at 4pm (Newfoundland Time) on the 30th day after the date on which the Company provides notice of such accelerated expiry to the holders of the warrants.

Pursuant to a private placement dated May 28, 2021 the company issued 3,461,538 units at a price of \$0.65 per unit and 1,333,335 flow-through units at a price of \$0.75 per flow-through unit for aggregate proceeds of \$3,250,000 (less \$957,304 attributed to the fair value of the warrants). Each unit consisted of one common share and one-half common share purchase warrant. Each whole common share purchase warrant entitles the holder to purchase one common share of the Company at a price of \$0.90 for a period of two years subject to an acceleration clause. This acceleration clause states that in the event the closing price of the Company's Shares on the TSX Venture Exchange is \$1.25 or greater per share during any ten (10) consecutive trading day period at any time subsequent to four months and one day after the closing date, the warrants will expire at 4pm (Newfoundland Time) of such accelerated expiry to the holders of the warrants. An amount of \$133,334 was allocated to the flow-through premium liability representing the obligation to deliver the tax deduction to the subscriber. As of December 31, 2021, the related obligation for the flow-through premium was fulfilled for shareholders. As of March 31, 2022, the Company incurred \$944,536 (December 31, 2021 - \$404,425) and the remaining expenses to be incurred in year 2 and renounced under the look-back rule are \$55,465 (December 31, 2021 - \$595,576) for a total of \$1,000,001. The flow through premium liability as of March 31, 2022 was \$7,395 (December 31, 2021 - \$79,410).

Pursuant to a private placement dated June 29, 2021 the company issued 1,282,053 units at a price of \$0.78 per unit for aggregate proceeds of \$1,000,000 (less \$365,838 attributed to the fair value of the warrants). Each unit consisted of one common share and one common share purchase warrant. Each whole common share purchase warrant entitles the holder to purchase one common share of the Company at a price of \$1.05 for a period of two years subject to an acceleration clause. This acceleration clause states that in the event the closing price of the Company's Shares on the TSX Venture Exchange is \$1.50 or greater per share during any ten (10) consecutive trading day period at any time

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subsequent to four months and one day after the closing date, the warrants will expire at 4pm (Newfoundland Time) on the 30th day after the date on which the Company provides notice of such accelerated expiry to the holders of the warrants.

**Warrants**

A summary of warrants outstanding is as follows:

	<b>March 31, 2022</b>		<b>December 31, 2021</b>	
	<b>Number of Warrants</b>	<b>Weighted-Average Exercise Price</b>	<b>Number of Warrants</b>	<b>Weighted-Average Exercise Price</b>
		<b>\$</b>		<b>\$</b>
Outstanding, beginning of the year	<b>9,480,929</b>	<b>0.57</b>	1,275,000	0.25
Issued – Private Placement	-	-	12,946,489	0.57
Exercised	<b>(945,437)</b>	<b>0.59</b>	(4,740,560)	0.48
Expired	-	-	-	-
<b>Outstanding, end of the period</b>	<b>8,535,492</b>	<b>0.57</b>	<b>9,480,929</b>	<b>0.57</b>

	<b>March 31, 2022</b>	<b>December 31, 2021</b>
	<b>\$</b>	<b>\$</b>
Balance, beginning of the year	<b>1,278,448</b>	36,121
Fair value of warrants issued due to private placement	-	2,477,502
Brokers warrants issued due to private placement	-	364,391
Transferred to share capital upon exercise of warrants	<b>(415,530)</b>	(1,599,566)
<b>Balance, end of the period</b>	<b>862,918</b>	<b>1,278,448</b>

The weighted average fair value of the warrants issued during 2022 were estimated on the dates of issuance to be \$nil (2021 - \$0.4150) using the Black-Scholes fair value option pricing model and the following weighted average assumptions:

	<b>2022</b>	<b>2021</b>
Expected volatility (%)	-	175
Risk-free interest rate (%)	-	0.26
Weighted-average expected life (years)	-	1.44
Dividend yield (%)	-	-

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**7. 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 years, 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**

A summary of stock options outstanding and exercisable is as follows:

	<b>March 31, 2022</b>		<b>December 31, 2021</b>	
	<b>Number of Options</b>	<b>Weighted- Average Exercise Price</b>	<b>Number of Options</b>	<b>Weighted- Average Exercise Price</b>
		<b>\$</b>		<b>\$</b>
Outstanding, beginning of the year	<b>6,800,000</b>	<b>0.30</b>	5,000,000	0.10
Granted	-	-	2,400,000	0.66
Exercised	-	-	(100,000)	0.10
Expired	-	-	(500,000)	0.10
<b>Outstanding, end of the period</b>	<b>6,800,000</b>	<b>0.30</b>	6,800,000	0.30
<b>Outstanding and exercisable, end of the period</b>	<b>5,700,000</b>	<b>0.22</b>	5,500,000	0.18

On April 9, 2021, the Company granted 1,700,000 stock options to Directors with each option entitling the holder to purchase one common share at \$0.50 per share for a period of five years. 850,000 options vested on the date of grant and the remaining 850,000 options vest on July 1, 2022.

On April 19, 2021, the Company granted 200,000 stock options to a consultant with each option entitling the holder to purchase one common share at \$0.60 per share for a period

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of two years. These options vest quarterly on July 19, 2021, October 19, 2021, January 19, 2022, and April 19, 2022.

On June 15, 2021, the Company granted 200,000 stock options to a consultant with each option entitling the holder to purchase one common share at \$0.80 per share for a period of two years. These options vest quarterly on September 15, 2021, December 15, 2021, March 15, 2022, and June 15, 2022.

On November 16, 2021, the Company granted 100,000 stock options to an advisory committee member with each option entitling the holder to purchase one common share at \$1.30 per share for a period of five years. 50,000 options vested on the date of grant and the remaining 50,000 vest on November 1, 2022.

On December 15, 2021, the Company granted 200,000 stock options to a consultant with each option entitling the holder to purchase one common share at \$1.65 per share for a period of two years. These options vest quarterly on March 15, 2022, June 15, 2022, September 15, 2022 and December 15, 2022.

The weighted average remaining contractual life of outstanding options is 2.90 years (December 31, 2021 – 3.15 years). The weighted average remaining contractual life of exercisable options is 2.77 years (December 31, 2021 – 3.02 years). The weighted average fair value of stock options granted in the year was estimated on the dates of the grants to be \$nil (December 31, 2021 – \$0.59) using the Black-Scholes fair value option pricing model and the following weighted average assumptions:

	<b>March 31, 2022</b>	<b>December 31, 2021</b>
Expected volatility (%)	-	166
Risk free interest rate (%)	-	0.40
Weighted-average expected life (years)	-	4.25
Dividend yield (%)	-	-

The Company expensed share-based compensation in the amount of \$227,080 in the period ended March 31, 2022 (December 31, 2021 - \$986,462) and \$6,841 was capitalized to mineral exploration and evaluation assets (December 31, 2021 - \$34,909).

## **8. RELATED PARTY TRANSACTIONS**

Vulcan Minerals Inc., which owns 36.36% (December 31, 2021 – 36.80%) of the Company's common shares, has significant influence over Atlas Salt Inc. since October

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31, 2021 (before this date Vulcan Minerals had control over Atlas Salt). The following transactions were carried out with related parties:

	<b>March 31 2022</b>	<b>March 31 2021</b>
	<b>\$</b>	<b>\$</b>
Expenditures paid/payable to Vulcan Minerals Inc., associate of the Company reflected as:		
Mineral exploration and evaluation assets as parent	-	16,289
Mineral exploration and evaluation assets as associate	<b>37,634</b>	-
General and administrative expenses as parent	-	6,368
General and administrative expenses as associate	<b>17,463</b>	-
Rent paid to a corporation which is controlled by the CEO of the Company	<b>3,000</b>	3,000
	<b>58,097</b>	25,657

A 3% Net Production Royalty of \$nil as of March 31, 2022 (December 31, 2021 - \$15,539) due to Vulcan Minerals on net proceeds from the Ace Gypsum mine production was incurred in the period.

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

	<b>March 31, 2022</b>	<b>March 31, 2021</b>
	<b>\$</b>	<b>\$</b>
Management fees, salaries, and benefits for key management personnel paid/payable to parent and included in Note 8 above, and reflected as the following:		
General and administrative expenses as parent	-	5,850
General and administrative expenses as associate	<b>87,023</b>	-
Capitalized as mineral and exploration and evaluation assets as parent	-	15,289
Capitalized as mineral and exploration and evaluation assets as associate	<b>14,450</b>	-
Share-based compensation		
General and administrative expenses as parent	-	16,155
General and administrative expenses as associate	<b>98,224</b>	-
Mineral exploration and evaluation assets as associate	<b>5,128</b>	-
	<b>204,825</b>	37,294

Accounts payable and accrued liabilities include \$53,870 owing to a related company, Vulcan Minerals Inc. as at March 31, 2022 (December 31, 2021 - \$86,790) and \$15,813



**ATLAS SALT INC. (PREVIOUSLY RED MOON RESOURCES INC.)**  
**Notes to the Condensed Financial Statements**  
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owing to a corporation which is controlled by the CEO of the Company (December 31, 2021 - \$5,750). Included in expenses as of March 31, 2022 are costs of \$17,463 (December 31, 2020 - \$110,376) incurred by Vulcan Minerals and reimbursed by the Company.

**9. SUBSEQUENT EVENTS**

**Share Position**

Between April 1 and May 30, 2022, 340,000 warrants were exercised for aggregate proceeds of \$173,300.

# **CORPORATE INFORMATION**

## **OFFICERS AND MANAGEMENT**

Patrick J. Laracy  
Chief Executive Officer and Chairman

Timothy Rowland Howe  
President

Gillian Russell  
Chief Financial Officer and Corporate  
Secretary

## **BOARD OF DIRECTORS**

Patrick J. Laracy

Fraser Edison

Carson Noel

Timothy Rowland Howe

John Anderson

## **EXCHANGE LISTING**

TSX Venture – “SALT” (previously  
“RMK”)

## **LEGAL COUNSEL**

Morris McManus, Calgary, AB  
Morton Law, Vancouver, BC  
Cox & Palmer, St. John’s, NL

## **REGISTRAR AND TRANSFER AGENT**

Computershare Trust Company of  
Canada

## **AUDITORS**

PricewaterhouseCoopers LLP

## **BANKERS**

Scotiabank

## **HEAD OFFICE**

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