



## Atlas Salt Inc.

### Interim Condensed Financial Statements

For the Three and Six Months Ended  
June 30, 2024 and 2023

## **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)**

<b>As At</b>	<b>Jun 30, 2024</b>	<b>Dec 31, 2023</b>
(in Canadian Dollars)	\$	\$
<b>Assets</b>		
Current Assets		
Cash	10,410,821	12,192,483
Accounts receivable	124,075	175,238
Prepaid expenses	54,665	44,831
	<u>10,589,560</u>	<u>12,412,552</u>
Right of use asset	26,834	-
Capital assets (Note 5)	411,177	386,089
Assets under construction	12,350	-
Investment in associate (Note 4)	1,177,110	1,413,113
Mineral exploration and evaluation (Note 6)	9,732,022	8,162,295
<b>Total Assets</b>	<u><u>21,949,054</u></u>	<u><u>22,374,049</u></u>
<b>Liabilities</b>		
Current liabilities		
Trade payables (Note 10)	437,368	354,115
Accrued and other liabilities (Note 1)	83,932	106,858
	<u>521,300</u>	<u>460,972</u>
Asset retirement obligations (Note 7)	124,845	136,931
<b>Total Liabilities</b>	<u>646,145</u>	<u>597,902</u>
<b>Shareholders' Equity</b>		
Share capital (Note 8)	25,617,154	25,591,855
Warrants (Note 8)	2,678,079	2,678,787
Contributed surplus	6,367,774	5,011,628
Deficit	(13,360,099)	(11,506,123)
<b>Total Shareholders' Equity</b>	<u>21,302,909</u>	<u>21,776,147</u>
<b>Total Liabilities and Shareholders' Equity</b>	<u><u>21,949,054</u></u>	<u><u>22,374,049</u></u>
Nature of operations (Note 1)		
Approved on behalf of the Board of Directors		
<b>Richard LaBelle</b>		Director, Chief Executive Officer
<b>Carson Noel</b>		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		6 Months Ending	
	June 30		June 30	
	2024	2023	2024	2023
	\$ CAD	\$ CAD	\$ CAD	\$ CAD
<b>Expenses</b>				
Management and subcontractor fees	169,143	98,656	338,585	157,566
Director's fees	60,000	50,000	60,000	50,000
Marketing and communications	10,834	1,504,193	25,296	1,654,462
Investor relations	-	105,000	-	176,500
Public company expenses	26,684	72,242	65,986	140,969
Office and other (Note 10)	123,986	168,929	216,049	236,493
Salaries and benefits	104,056	216,395	190,900	257,550
Conferences and travel	22,105	13,768	62,397	39,786
Share-based compensation (Note 9)	481,444	264,448	825,444	946,064
Depreciation (Note 5)	10,539	859	23,474	1,718
	<b>1,008,792</b>	<b>2,494,491</b>	<b>1,808,130</b>	<b>3,661,107</b>
<b>Other Income (Expenses)</b>				
Interest income	73,547	162,172	190,158	309,056
Gypsum revenue	-	31,882	-	31,882
Other income (loss)	-	(69,830)	-	(69,830)
Loss from investment in associate (Note 4)	(139,261)	(56,816)	(236,003)	(111,837)
Gain on dilution (Note 4)	-	99,638	-	156,651
	<b>(65,714)</b>	<b>167,045</b>	<b>(45,845)</b>	<b>315,921</b>
<b>Net and Comprehensive Loss</b>	<b>(1,074,506)</b>	<b>(2,327,446)</b>	<b>(1,853,975)</b>	<b>(3,345,186)</b>
Net Loss per share (basic and diluted)	<b>(0.011)</b>	<b>(0.025)</b>	<b>(0.019)</b>	<b>(0.036)</b>
Weighted average number of common shares outstanding - basic and diluted	<b>95,216,047</b>	<b>94,462,693</b>	<b>95,216,047</b>	<b>92,875,699</b>

**Atlas Salt Inc.**

**Condensed Statement of Changes in Equity**

**(Unaudited)**

(in Canadian Dollars)

	Share Capital	Warrants	Contributed Surplus	Deficit	Total Shareholders' Equity
<b>Balance, December 31, 2022</b>	<b>18,124,018</b>	<b>251,047</b>	<b>3,104,680</b>	<b>(6,668,110)</b>	<b>14,811,635</b>
Net and comprehensive loss					
January 1, 2023 - June 30, 2023	-	-	-	(3,345,186)	(3,345,186)
Issuance of shares and warrants pursuant to private placement	7,249,243	2,750,757	-	-	10,000,000
Issuance of broker warrants pursuant to private placement	(568,423)	568,423	-	-	-
Return of common shares to treasury	(219,760)	-	-	-	(219,760)
Share issuance costs	(777,893)	-	-	-	(777,893)
Exercise of options	395,245	-	(170,245)	-	225,000
Exercise of warrants	732,612	(175,650)	-	-	556,962
Expiry of warrants	-	(74,617)	74,617	-	-
Share-based compensation	-	-	1,019,315	-	1,019,315
<b>Balance, June 30, 2023</b>	<b>24,935,042</b>	<b>3,319,960</b>	<b>4,028,367</b>	<b>(10,013,296)</b>	<b>22,270,073</b>
Net and comprehensive loss					
July 1, 2023 - December 31, 2023				(1,492,827)	(1,492,827)
Issuance of shares and warrants pursuant to private placement	506,283	(506,283)	-	-	-
Issuance of broker warrants pursuant to private placement	134,890	(134,890)	-	-	-
Return of common shares to treasury	-	-	(69,830)	-	(69,830)
Share issuance costs	-	-	-	-	-
Exercise of options	15,640	-	(5,640)	-	10,000
Exercise of warrants	-	-	-	-	-
Expiration of warrants	-	-	-	-	-
Share-based compensation	-	-	1,058,731	-	1,058,731
<b>Balance, December 31, 2023</b>	<b>25,591,855</b>	<b>2,678,787</b>	<b>5,011,628</b>	<b>(11,506,123)</b>	<b>21,776,147</b>
Net and comprehensive loss					
January 1, 2024 - June 30, 2024	-	-	-	(1,853,975)	(1,853,975)
Return of common shares to treasury	(78,183)	-	-	-	(78,183)
Exercise of options	96,525	-	(41,525)	-	55,000
Exercise of warrants	6,958	(708)	-	-	6,250
Share-based compensation	-	-	1,397,671	-	1,397,671
<b>Balance, June 30, 2024</b>	<b>25,617,154</b>	<b>2,678,079</b>	<b>6,367,774</b>	<b>(13,360,099)</b>	<b>21,302,909</b>

**Atlas Salt Inc.**

**Condensed Statement of Cash Flows**

**(Unaudited)**

(in Canadian Dollars)

<b>Period ended</b>	<b>Jun 30, 2024</b>	<b>Dec 31, 2023</b>
	<b>\$</b>	<b>\$</b>
<b>Operating Activities</b>		
Net loss	(1,853,975)	(4,838,013)
Adjustment for non-cash items:		
Depreciation (Note 5)	23,474	12,908
Acquisition of right of use asset	(33,896)	-
Loss on investment in associate (Note 4)	236,003	587,631
Dilution gain (Note 4)	-	(365,182)
Share-based compensation (Note 9)	825,444	1,478,892
	<u>(802,950)</u>	<u>(3,123,764)</u>
Changes in non-cash working capital		
Accounts receivable	51,163	304,057
Prepaid expenses	(9,834)	(16,644)
Accounts payable and accrued liabilities	60,328	(629,468)
	<u>(701,293)</u>	<u>(3,465,819)</u>
<b>Financing Activities</b>		
Issuance of common shares and warrants (Note 8)	-	10,000,000
Share issuance costs (Note 8)	-	(777,893)
Return of common shares to treasury	(78,183)	(289,590)
Exercise of options	55,000	235,000
Exercise of warrants	6,250	556,962
	<u>(16,934)</u>	<u>9,724,479</u>
<b>Investing Activities</b>		
Purchase of capital assets (Note 5)	(41,499)	(387,545)
Work in Process Assets	(12,350)	
Mineral exploration and evaluation assets	(1,009,587)	(3,345,999)
Incidental revenue (Note 6)	-	397,579
	<u>(1,063,436)</u>	<u>(3,335,965)</u>
Net change in cash and cash equivalents for the period	(1,781,662)	2,922,695
Cash and cash equivalents, beginning of the period	12,192,483	9,269,788
<b>Cash and cash equivalents, end of the period</b>	<b>10,410,821</b>	<b>12,192,483</b>

## 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 Basin of western Newfoundland.

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 (TSX-V stock symbol “SALT”). Its business address is 100 New Gower Street, Suite 910, St. John’s, NL, A1C 6K3. 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. In 2021 approval was gained for the corporate continuance of the Company from the Province of Alberta to the Province of British Columbia. The Company was listed on the OTCQB on June 30, 2022, trading under the stock symbol “REMRF”.

## 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”), and interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”).

These unaudited interim condensed financial statements have been prepared in accordance with IFRS, as issued by the IASB applicable to the preparation of interim financial statements, including IAS34, 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 material 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. All the Company’s assets are located in Canada.

These financial statements were approved and authorized for issuance by the Board of Directors on August 19, 2024.



### 3. NEW AND AMENDED IFRS STANDARDS AND INTERPRETATIONS

Effective for the period ending June 30, 2024, there are no accounting pronouncements by the IASB that would have a material impact on the Company's financial results or position.

### 4. INVESTMENT IN ASSOCIATE

	June 30, 2024 \$CAD	December 31, 2023 \$CAD
Investment in Triple Point Resources Ltd.	1,177,110	1,413,113
	1,177,110	1,413,113

#### Triple Point Resources Ltd. ("Triple Point")

Triple Point was incorporated on April 1, 2022 under the laws of the Province of British Columbia. Triple Point's head office is in St. John's, Newfoundland and Labrador.

On September 22, 2022, Atlas Salt closed the Triple Point spin-out through a Plan of Arrangement. As of June 30, 2024, the Company's ownership was 27.33%.

Management has determined that its investment in the common shares of Triple Point along with one common director, gives it significant influence over Triple Point. As a result, the Company applied the equity method of accounting for its investment in Triple Point.

The continuity of the Company's investment in Triple Point common shares is as follows:

	June 30, 2024 \$CAD	December 31, 2023 \$CAD
Balance beginning of the year	1,413,113	1,635,562
Share of net loss can comprehensive income	(236,003)	(587,631)
Dilution gain	-	365,182
<b>Investment in Triple Point</b>	<b>1,177,110</b>	<b>1,413,113</b>

The following summarized financial information of Triple Point as at June 30, 2024, and December 31, 2023 and for the period ended June 30, 2024 and 2023 is as follows:

	June 30, 2024 \$CAD	December 31, 2023 \$CAD
<b>Statement of Financial Position</b>		
Cash and cash equivalents	1,875,886	3,665,487
Other current assets	465,412	351,064
Non-current assets	2,306,797	1,376,621
Current liabilities	260,439	222,390
Equity	4,307,214	5,170,782
<b>Net loss and comprehensive loss</b>	<b>Jan 1 – Jun 30, 2024</b>	<b>Jan 1 – Jun 30, 2023</b>
Interest Income	164,946	-
Net loss and comprehensive loss	(509,575)	(409,218)

Triple Point had depreciation of \$13,492 at June 30, 2024 (June 30, 2023 – \$nil). There was \$nil interest expense (June 30, 2023 - \$nil) and \$nil income tax expense at June 30, 2024 (June 30, 2023 – \$nil).

As of the period ending June 30, 2024, the Company did not identify any indications of impairment on this investment.

## 5. CAPITAL ASSETS

June 30, 2024

	Opening Cost	Additions	Opening Depreciation	Depreciation	Net Book Value
	\$ CAD	\$ CAD	\$ CAD	\$ CAD	\$ CAD
<b>Buildings</b>	286,740	-	5,735	5,620	275,385
<b>Land</b>	71,685	-	-	-	71,685
<b>Office Furniture</b>	12,617	-	1,262	1,136	10,220
<b>IT Hardware &amp; Software</b>	23,575	41,499	5,340	5,848	53,886
<b>Website</b>	11,500	-	7,691	3,809	-
<b>Totals</b>	406,117	41,499	20,028	16,412	411,177

December 31, 2023

	Opening Cost	Additions	Opening Depreciation	Depreciation	Net Book Value
	\$ CAD	\$ CAD	\$ CAD	\$ CAD	\$ CAD
<b>Buildings</b>	-	286,740	-	5,735	281,005
<b>Land</b>	-	71,685	-	-	71,685
<b>Office Furniture</b>	-	12,617	-	1,262	11,355
<b>IT Hardware &amp; Software</b>	7,072	-	1,061	1,803	4,208
<b>Website</b>	11,500	16,503	6,059	4,108	17,836
<b>Totals</b>	18,572	387,545	7,120	12,908	386,089

## 6. MINERAL EXPLORATION AND EVALUATION ASSETS

The Company has 20 mineral licences (December 31, 2023 – 20) which consist of 321 claims (December 31, 2023 – 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 027060M situated near St. George's, western Newfoundland.

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

June 30, 2024

	Balance, beginning of the year	Additions	Refunds	Incidental Revenue	Balance, end of the period
	\$ CAD	\$ CAD	\$ CAD	\$ CAD	\$ CAD
<b>Mineral Exploration and Evaluation Assets</b>	8,162,295	1,569,727	-	-	9,732,022

December 31, 2023

	Balance, beginning of the year	Additions	Refunds	Incidental Revenue	Balance, end of the year
	\$ CAD	\$ CAD	\$ CAD	\$ CAD	\$ CAD
<b>Mineral Exploration and Evaluation Assets</b>	4,622,510	3,937,364	-	(397,579)	8,162,295

Incidental revenue includes proceeds from the sale of gypsum from the Ace Gypsum mine which were netted against mineral exploration and evaluation assets. Current period ending June 30, 2024, additions to mineral exploration costs include share-based compensation of \$1,053,671 (December 31, 2023 – \$599,154 ).

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

## 7. 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 its asset retirement obligations as at June 30, 2024 was \$124,845 (December 31, 2023 – \$136,931 ). The estimated future cash flows have been discounted using a risk-free rate of 4.02% (December 31, 2023 – 3.91%) and an inflation rate of 2.7% (December 31, 2023 – 3.4%). As of June 30, 2024, 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 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:

	June 30, 2024 \$ CAD	December 31, 2023 \$ CAD
Balance, beginning of the year	136,931	144,720
Provision Adjustment	(12,087)	(7,789)
<b>Balance, end of the period</b>	<b>124,845</b>	136,931

## 8. SHARE CAPITAL

Unlimited number of voting common shares.

Unlimited number of preferred shares, issuable in series.

Issued and Outstanding	June 30, 2024		December 31, 2023	
	Number of Common Shares	Share Capital \$ CAD	Number of Common Shares	Share Capital \$ CAD
<b>Common Shares</b>				
<b>Balance, beginning of the year</b>	<b>94,768,785</b>	<b>25,591,855</b>	87,615,638	18,124,018
Issued pursuant to private placements	-	-	5,000,000	7,755,526
Share issuance cost	-	-	-	(777,893)
Broker warrants	-	-	-	(433,533)
Return of common shares to treasury	(127,738)	(78,183)	(205,383)	(219,760)
Exercise of stock options	550,000	96,525	1,750,000	410,885
Exercise of warrants	25,000	6,958	608,530	732,612
<b>Balance, end of the period</b>	<b>95,216,047</b>	<b>25,617,154</b>	94,768,785	25,591,855

For the period ended June 30, 2024, there were 550,000 (2023 –1,700,000) options exercised by related parties and nil (2023 – nil) warrants exercised by related parties. The return of common shares was a related party transaction in 2024. (December 31, 2023 –219,760).

### Private Placement

Pursuant to a private placement dated January 17, 2023, the Company issued 5,000,000 units at a price of \$2.00 per unit for aggregate proceeds of \$10,000,000 (less \$2,750,757 attributed to the fair value of 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 \$2.40 for a period of two years.

The Company paid eligible finders a finder's fee comprising of a cash commission of 7% of the gross proceeds of the offering (\$700,000) and non-transferable finder's warrants of 7% of the number of common shares (350,000 warrants). The finder's warrants entitle the holder to acquire one common share of the Company at a price of \$2.40 for a period of two years.

### Warrants

Issued and Outstanding	June 30, 2024		December 31, 2023	
	Number of Warrants	Weighted Average Exercise Price \$	Number of Warrants	Weighted Average Exercise Price \$
<b>Warrants</b>				
<b>Balance, beginning of the year</b>	<b>2,875,000</b>	<b>2.38</b>	832,725	0.88
Issued – Private Placement	-	-	2,500,000	2.40
Issued – Finders Warrants	-	-	350,000	2.40
Expired	-	-	(199,195)	0.86
Exercised	(25,000)	0.25	(608,530)	0.92

<b>Balance, end of the period</b>	<b>2,850,000</b>	<b>2.40</b>	2,875,000	2.38
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	<b>June 30, 2024 \$ CAD</b>	<b>December 31, 2023 \$ CAD</b>
Balance, beginning of the period	<b>2,678,787</b>	251,047
Fair value of warrants issued due to private placement	-	2,244,474
Brokers warrants issued due to private placement	-	433,533
Transferred to share capital upon exercise of warrants	<b>(708)</b>	(175,650)
Expiry of warrants	-	(74,617)
<b>Balance, end of the period</b>	<b>2,678,080</b>	2,678,787

The weighted average fair value of the warrants issued during 2024 were estimated on the dates of issuance to be \$nil (2023 – \$1.24) using the Black-Scholes fair value option pricing model and the following weighted average assumptions:

	<b>2024</b>	<b>2023</b>
Expected volatility (%)	-	116
Risk-free interest rate (%)	-	3.72
Weighted-average expected life (years)	-	2.00
Fair value of share price on issue date	-	2.14
Dividend yield (%)	-	-

## 9. 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

Summary of Stock Options Outstanding and Exercisable	June 30, 2024		December 31, 2023	
	Number of Options	Weighted Avg Exercise Price \$	Number of Options	Weighted Avg Exercise Price \$
Outstanding, beginning of the year	5,825,000	0.77	8,250,000	0.74
Granted	-	-	-	-
Expired	(802,738)	-	(675,000)	(2.12)
Exercised	(422,262)	(0.11)	(1,750,000)	(0.13)
<b>Outstanding, end of the period</b>	<b>4,600,000</b>	<b>0.70</b>	5,825,000	0.77
<b>Outstanding and exercisable, end of the period</b>	<b>4,600,000</b>	<b>0.70</b>	5,825,000	0.77

The weighted average of the share price on the date of exercise of options in 2024 was \$0.70 (\$0.70 - 2023).

The weighted average remaining contractual life of outstanding options is 2.86 years (December 31, 2023 – 3.30 years). The weighted average remaining contractual life of exercisable options is 2.86 years (December 31, 2023 – 3.30 years). There has been no stock options granted to date in 2024 or 2023 and therefore the weighted average fair value of stock options granted is estimated to be \$nil. (December 31, 2023 – \$nil).

The Company expensed share-based compensation related to options in the amount of \$nil in the period ending June 30, 2024 (June 30, 2023 – \$946,064) and \$nil was capitalized to mineral exploration and evaluation assets (December 31, 2023 – \$41,021).

## 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)	June 30, 2024		December 31, 2023	
	Number of DSUs	Weighted Average Price at Date of Grant \$	Number of DSUs	Weighted Average Price at Date of Grant \$
Outstanding, beginning of the year	-	-	-	-
Granted	150,000	0.70	-	-
<b>Outstanding, end of the period</b>	<b>150,000</b>	<b>0.70</b>	-	-
<b>Outstanding and vested, end of the period</b>	-	-	-	-

On January 5, 2024, the Company granted 150,000 DSUs to a director. 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.

The Company expensed share-based compensation related to DSUs in the amount of \$18,958 for the period ending June 30, 2024 (June 30, 2023 – \$nil). None of these expenses were capitalized to mineral exploration and evaluation assets.

### Restricted Share Units (RSUs)

Summary of restricted share units (RSUs)	June 30, 2024		December 31, 2023	
	Number of RSUs	Weighted Average Price at Date of Grant \$	Number of RSUs	Weighted Average Price at Date of Grant \$
Outstanding, beginning of the year	987,500	1.31	-	-
Granted	72,000	0.70	1,059,500	1.29
Forfeited	-	-	(72,000)	(1.01)
<b>Outstanding, end of the period</b>	<b>1,059,500</b>	<b>1.27</b>	987,500	1.31
<b>Outstanding and vested, end of the period</b>	-	-	-	-



On July 26, 2023, the Company granted 800,000 RSUs to an officer. 600,000 vesting July 26, 2024, and 200,000 vesting January 26, 2025. The stock price on the date of the grant was \$1.30.

On August 28, 2023, the Company granted 90,000 RSUs to a consultant. 50,000 vesting August 28, 2024, 20,000 vesting February 28, 2025 and 20,000 vesting August 28, 2025. The stock price on the date of the grant was \$1.26.

On October 1, 2023, the Company granted 72,000 RSUs to a former officer. 40,000 vesting October 1, 2024, 16,000 vesting April 1, 2025 and 16,000 vesting October 1, 2025. 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 25,500 RSUs to a consultant. 14,000 vesting October 6, 2024, 5,750 vesting April 6, 2025 and 5,750 vesting October 6, 2025. The stock price on the date of the grant was \$0.92.

On October 10, 2023, the Company granted 72,000 RSUs to an officer. 40,000 vesting October 10, 2024, 16,000 vesting April 10, 2025 and 16,000 vesting October 10, 2025. The stock price on the date of the grant was \$0.95.

On January 5, 2024, the Company granted 72,000 RSUs to an officer. 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.

The Company expensed share-based compensation related to RSUs in the amount of \$203,449 for the period ending June 30, 2024 (June 30, 2023 – \$nil) and \$97,947 was capitalized to mineral exploration and evaluation assets (December 31, 2023 – \$252,016).

### Performance Share Units (PSUs)

Summary of performance share units (PSUs)	June 30, 2024		December 31, 2023	
	Number of PSUs	Weighted Average Price at Date of Grant \$	Number of PSUs	Weighted Average Price at Date of Grant \$
Outstanding, beginning of the year	1,737,500	1.31	-	-
Granted	128,000	0.70	1,865,500	1.29
Forfeited	-	-	(128,000)	(1.01)
<b>Outstanding, end of the period</b>	<b>1,865,500</b>	<b>1.27</b>	<b>1,737,500</b>	<b>1.31</b>
<b>Outstanding and vested, end of the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

On July 26, 2023, the Company granted 1,400,000 PSUs to an officer. These PSUs are based on performance indicators achieved and cannot vest prior to July 26, 2024. The stock price on the date of the grant was \$1.36.

On August 28, 2023, the Company granted 160,000 PSUs to a consultant. These PSUs are based on performance indicators achieved and cannot vest prior to August 28, 2024. The stock price on the date of grant was \$1.26.

On October 1, 2023, the Company granted 128,000 PSUs to an officer. These PSUs are based on performance indicators achieved and cannot vest prior to October 1, 2024. The stock price on the date of the grant was \$1.01. These PSUs 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 cannot 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 an officer. These PSUs are based on performance indicators achieved and cannot vest prior to October 10, 2024. The stock price on the date of the grant was \$0.95.

On January 5, 2024, the Company granted 128,000 PSUs to an officer. 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.

The Company expensed share-based compensation related to PSUs in the amount of \$259,036 for the period ending June 30, 2024 (June 30, 2023 – \$nil) and \$119,445 was capitalized to mineral exploration and evaluation assets (December 31, 2023 – \$306,117).

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

## 10. RELATED PARTY TRANSACTIONS

Vulcan Minerals Inc., which owns 30.34% (December 31, 2024 – 30.49%) of the Company's common shares, has significant influence over Atlas Salt Inc. The following transactions were carried out with related parties:

Expenditures paid/payable to Vulcan Minerals Inc., associate of the Company reflected as:	June 30, 2024 \$ CAD	June 30, 2023 \$ CAD
Mineral exploration and evaluation assets	22,953	175,422
Royalty	-	819
General and administrative expenses	31,914	66,710
Rent paid to a corporation which is controlled by a Director of the Company	-	12,000
	12,000	12,000
	<b>66,867</b>	254,951

Compensation for key management personnel, which includes financial consulting and Directors, is as follows:

Management fees, salaries, and benefits for key management personnel paid/payable to associate and included in above is reflected as the following:	June 30, 2024 CAD \$	June 30, 2023 CAD \$
General and administrative expenses	31,914	157,566
Capitalized as mineral exploration and evaluation assets	-	94,389
Share-based compensation:		
General and administrative expenses	-	946,064
Mineral exploration and evaluation assets	-	73,252
	<b>31,914</b>	1,271,271

Accounts payable and accrued liabilities include \$22,324 owing to Vulcan Minerals Inc. as at June 30, 2024 (December 31, 2023 – \$34,911).

## 11. 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 activities.

## 12. FINANCIAL INSTRUMENTS AND RELATED RISK MANAGEMENT

### Fair Values of Financial Instruments

The carrying amount of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, approximate their fair value due to their short-term nature. 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 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

Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due. As of June 30, 2024 the Company had a cash balance of \$10,410,821 and a positive working capital of \$10,068,260 .

#### 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 base metals 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.

### **13. COMPARATIVE FIGURES**

Certain comparative figures have been reclassified to conform to the current period's presentation.

### **14. SUBSEQUENT EVENT**

On July 23, 2024, the Company announced the granting of 850,000 Deferred Share Units (DSUs) to Board Members.

Number of outstanding shares as of August 19, 2024 is 95,216,047.

## **CORPORATE INFORMATION**

### **OFFICERS AND MANAGEMENT**

Richard LaBelle  
Chief Executive Officer

Michael Psihogios  
Chief Financial Officer

Alasdair Federico  
VP Corporate Affairs

### **BOARD OF DIRECTORS**

Patrick J. Laracy, Chairman

Richard LaBelle

Marc Boissonneault

Timothy Rowland Howe

Fraser Edison

Carson Noel

### **EXCHANGE LISTING**

TSX Venture – “SALT”

### **LEGAL COUNSEL**

DLA Piper, Calgary, AB  
Cox & Palmer, St. John's, NL

### **REGISTRAR AND TRANSFER AGENT**

Computershare Trust Company of  
Canada

### **AUDITORS**

MNP LLP

### **BANKERS**

Scotiabank

### **HEAD OFFICE**

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