



ATLAS SALT INC.

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

For the years ended December 31, 2025, and 2024

April 28, 2026

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 April 28, 2026. This MD&A should be read in conjunction with the audited financial statements for the year ended December 31, 2025.

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 Atlas Salt's ownership position (14.4% ownership), the Company concluded that it no longer exercises significant influence over Triple Point. The investment is therefore accounted for in accordance with IFRS 9 Financial Instruments and is measured at Fair Value Through Profit or Loss (FVPL).

Atlas Salt recognizes environmental, social and governance ("ESG") best practices as key components to a responsible mineral exploration and mining sector. The Company's 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 \$3,712,415 for the year ended December 31, 2025 (December 31, 2024 - \$3,675,923). A comparable net loss in 2025 to 2024 resulted primarily from decreased share-based compensation and the gain on derecognition of associate, 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 year ended December 31, 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 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 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.

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.

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.

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.

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

Atlas Salt Inc.
2 School Road
St. George’s, NL, A0N 1Z0

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.
2. Mineral Resources are constrained within Mineable Shape Optimizer (MSO) volumes demonstrating reasonable prospects for eventual economic extraction.
3. MSO parameters include minimum mining height of 5 m, minimum width of 20 m, minimum length of 40 m, minimum grade of 90% NaCl, and 5 m pillar separation.
4. Bulk density of 2.16 t/m³ has been applied.
5. Mineral Resources are inclusive of Mineral Reserves.
6. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
7. Grades exceed ASTM D632-12 specification of 95% NaCl ($\pm 0.5\%$).
8. Totals may not sum 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

The Mineral Reserve estimate has been updated in the NI 43-101 and supersedes the previously disclosed July 31, 2023 estimate.

Mining is based on a fully electric, mechanized room-and-pillar operation utilizing continuous miners, with crushed and screened salt conveyed to surface via an underground and overland conveyor system to the Turf Point port.

The updated Mineral Reserve estimate, effective September 30, 2025, is summarized below:

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. Mineral Reserves are estimated at a cut-off grade of 90% NaCl.
3. 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 D632-12.
4. A minimum mining height of 5.0 m and width of 17.0 m were used for production rooms.
5. Sterilization zone 8.0 m below the top of salt and 5.0 m above the bottom of salt have been applied.

6. A mining extraction factor of 100% was applied to all excavations.
7. Bulk density is 2.16 t/m³.
8. Planned process recovery is 95%.
9. Numbers may not add due to rounding.

The 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 economic analysis presented in the UFS is based on a 4.0 Mtpa production scenario and reflects updated capital costs, operating costs, and market assumptions.

Summary of Economic Outcomes – Updated Feasibility Study Case (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	2,758,831
Pre-tax NPV at 8% discounting	C\$ '000	1,682,806
Pre-tax NPV at 10% discounting	C\$ '000	1,219,722
Post-Tax Payback Period	yrs	4.2
Post-tax IRR	%	21.3
Post-tax NPV at 5% discounting	C\$ '000	1,574,169
Post-tax NPV at 8% discounting	C\$ '000	920,433
Post-tax NPV at 10% discounting	C\$ '000	609,418

Notes:

1. Economic results are based on a discounted cash flow model using a real discount rate of 8%.
2. The project includes an initial capital development period of approximately four years.
3. Payback period is measured from the commencement of commercial production.
4. The analysis incorporates updated operating costs, capital costs, and salt pricing assumptions consistent with current market conditions and logistics via Turf Point.
5. The economic model reflects a fully integrated mine, processing, and port operation.

Gypsum Properties:

Three kilometers southwest of the Great Atlantic Salt deposit is the location for the Ace Gypsum deposit, part of the Flat Bay Gypsum Project. As outlined in the Ace mine's development plan, The Company's internal estimates, based on the evaluation of historical drilling data and Atlas's field investigations, shows the Ace mining lease area has the potential to contain 3 to 5 million tonnes of gypsum/anhydrite of commercial grade at \$2.00 per tonne net of cost to produce. 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 retained an external engineering firm to prepare a mine

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

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

development plan which was submitted to the Department of Natural Resources (DNR) on April 6, 2018. On July 19, 2018 the mine development plan was approved by DNR. The Company initiated production operations on July 20, 2018 including removal of overburden. A contract mining distribution and marketing arrangement was entered into with Vinland Materials Inc. (and subsequent to Vinland, with Turf Point Resources). The Company has recorded sales of \$2,112,861 (account 13101) to date. This figure is reflected as net proceeds from sales of the Ace gypsum mine to December 31, 2025. In March 2025, a development plan for ACE gypsum was approved by the Newfoundland and Labrador government. The cash flows generated in accordance with the mine are not in excess of the carrying value of the exploration and evaluation asset associated with this project. Atlas Salt Inc. subcontracted a vendor to mine and sell the material in this quarry and collected a royalty per tonne.

An amount of \$8,750 was spent, and an amount of \$122,500 restricted for the property in 2025. In anticipation of future demands for gypsum, the Company has been evaluating further development opportunities in the historic Flat Bay mines. This includes the possible extraction of saleable gypsum from the tailings waste piles left over from historic operations. It is internally estimated, based on drone surveys and site visits, that the tailings pile contains approximately one million tonnes of gypsum tailings. The tailings were never processed with chemicals and as such are not toxic. The Company continues to evaluate the opportunity and is working with the Province of Newfoundland and Labrador with respect to permitting.

An agreement with Turf Point Resources is currently in place that will see anhydrite and/or gypsum mined from the Flat Bay Gypsum Project and exported by Turf Point Resources in 2026. Atlas Salt would realize a royalty for the gypsum mined and management has determined that the funds generated will be more than the funds spent on this property.

Black Bay Nepheline Property:

An amount of \$15,078 was spent on the Black Bay Nepheline project in southern Labrador. Testing in 2016 carried out on this property indicated that the chemistry of the syenite material has the potential to meet the specifications for industrial uses. Nepheline is an industrial mineral used in the manufacture of glass, ceramics, extenders and fillers. In 2017, the Company obtained, through surface channel sampling, in excess of three tonnes of material to scale up the 2016 analysis. In 2018, Atlas announced that it had received final results from its Phase 3 metallurgical study, conducted on a bulk composite of previously collected rock samples. These results allow Atlas to commence focused marketing of the project in conjunction with detailed planning for Phase 4, which will include 3D characterization of the nepheline body through diamond drilling. Metallurgy test results are encouraging, demonstrating positive mineralogy and excellent concentration results, with a final product of magnetic separation testing being very low-iron (0.16% Fe₂O₃), high-aluminum (22.4% Al₂O₃) concentrate. In 2026, the Company has intentions to complete additional work on this property.

Bay St. George:

Bay St. George General is also a project which captures ongoing work in the Bay St. George Area. These licences have gypsum and salt exploration potential but are unrelated to other properties. Costs incurred to date are \$48,239 and there was \$nil spent during 2025.

As noted above, licenses and claims remained generally the same. Through the normal course of land management, it is the company's process to allow licenses to lapse to focus their exploration interest. As current property acquisition costs relating to current licenses held by Atlas Salt and are in Good Standing with the Department of Natural Resources, management contend no impairment of these amounts exist. Any amounts relating to licenses which have lapsed or expired have been removed from the Balance Sheet.

Financing

On October 21, 2025, the Company closed a brokered private placement (the "Offering"), raising gross proceeds of \$8,554,400 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 Great Atlantic Salt Project towards development and for general and working capital purposes

The Company is continuing to progress the following objectives for the Project in 2026:

- 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 December 31, 2025, are as follows:

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

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

Acquisition costs – licenses	\$ 1,227,067
Mineral licenses and license renewals	\$ 96,621
Asset retirement obligation	\$ 348,977
Drilling, geological, geophysical & related costs	\$ 12,264,008
Share-based compensation	\$ 1,294,998
Feasibility Study	\$ 4,257,522
Gypsum sales	\$ (2,112,861)
Government grants	\$ (682,542)
Balance	\$ 16,693,790

RESULTS OF OPERATIONS

Three and twelve months ended December 31, 2025, compared to 2024.

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2025	2024	2025	2024
Marketing and communications	(405,439)	(404)	(407,329)	(32,751)
Share-based compensation	(325,937)	(190,041)	(169,003)	(1,375,010)
Office, consulting fees, and other	(967,927)	(167,267)	(1,492,893)	(440,135)
Salaries and benefits	(108,139)	(99,391)	(459,696)	(367,288)
Public company expenses	(127,248)	(193,402)	(194,489)	(301,265)
Management and subcontractor fees	(83,031)	(158,588)	(1,162,971)	(646,723)
Investor relations	140,743	-	(3,750)	(13,268)
Conferences and travel	(211,751)	(29,665)	(316,866)	(193,341)
Directors' fees	-	-	(50,000)	(60,000)
Right of use amortization	(4,237)	-	(16,948)	(15,536)
Depreciation	(10,921)	(8,438)	(35,952)	(26,915)
Total Expenses	(2,103,888)	(847,197)	(4,309,897)	(3,472,231)
Interest income	27,422	111,185	47,287	400,161
Interest on lease liability	(60)	-	(589)	(1,267)
Interest on long term debt	(3,265)	-	(10,723)	(614)
Gain (loss) on dilution	-	107,173	-	107,173
Loss from investment in associate	-	(370,086)	(215,137)	(709,145)
Gain on derecognition of associate	-	-	776,644	-
Total Income	24,097	(151,728)	597,482	(203,692)
Net and Comprehensive (Loss) Income	(2,079,791)	(998,924)	(3,712,415)	(3,675,923)

Details of the expenses and other items are as follows:

Marketing and communications: The increase in marketing and communications expenses in 2025 is related to more work being completed in this area by the Company's new management.

Share-based compensation: Share-based compensation in the year ended December 31, 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, consulting fees and other: Office, consulting fees and other expenses increased significantly in the year ended December 31, 2025, as compared to the same period in 2024. Nearly \$800,000 of this increase includes the Company's financing expense. Additionally, there was 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 year ended December 31, 2025, is primarily due to a termination payment made to a previous executive.

Conference and Travel: As projected, the costs increase in the fourth quarter of 2025 and year over year there was due to an increase in conferences and travel activity by the new management team.

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.

Gain on derecognition: 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 accounting for the remaining investment at fair value through profit or loss (FVTPL) to value the Company's investment.

SUMMARY OF ANNUAL RESULTS FOR LAST THREE YEARS

Year 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
31-Dec-25	597,482	(3,712,415)	(0.037)	(0.037)	26,306,828	1,091,524	5,965,954
31-Dec-24	507,334	(3,675,923)	(0.038)	(0.038)	21,965,299	216,550	8,032,910
31-Dec-23	933,844	(4,838,013)	(0.052)	(0.052)	22,374,049	136,931	12,192,483

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
31-Dec-25	24,096	(2,079,792)	(0.020)	(0.020)	26,306,828	1,091,524	5,965,954
30-Sep-25	752,072	92,066	0.001	0.001	19,629,293	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

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.

LIQUIDITY, CAPITAL RESOURCES, AND GOING CONCERN

The Company had total assets of \$26,306,828 as at December 31, 2025, including cash of \$5,965,954, accounts receivable of \$463,880, prepaid expenses of \$747,750 and short-term investment of \$175,562. The Company had current liabilities in the amount of \$722,085 resulting in positive working capital of \$6,631,061 (December 31, 2024 - \$7,129,606).

The Company completed an equity financing in October 2025 for gross proceeds of \$8,554,400.

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 5.52% and as such is not sensitive to interest rate fluctuations. The loan matures on June 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 December 31, 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
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	\$40,900	The total is \$40,900 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 \$6 million, the Company has the capacity to maintain its current licences in addition to being able to work on its 2026 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. owned 27.02% of the Company's common shares at December 31, 2025 (December 31, 2024 – 29.79%), giving it significant influence over the Company. The following transactions were carried out with Vulcan Minerals Inc.:

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

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

Paid/payable (reimbursements and other) to Vulcan Minerals Inc. on behalf of the Company:	December 31, 2025	December 31, 2024
Mineral exploration and evaluation assets	8,911	26,857
Royalty	3,684	-
General and administrative expenses	815	31,914
Rent paid to a corporation which is controlled by a director of the Company	-	12,000
	13,410	70,771

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

Paid/payable to members of key management and directors:	December 31, 2025	December 31, 2024
Directors' fees	50,000	60,000
Management and subcontractor fees	1,230,244	747,525
Compensation capitalized as mineral exploration and evaluation assets	111,044	185,393
Share-based compensation:		
General and administrative expenses	159,621	1,300,187
Mineral exploration and evaluation assets	(272,615)	564,294
	1,278,294	2,857,399

Trade payables and accrued liabilities include \$14,375 owing to related parties as at December 31, 2025 (December 31, 2024 – \$72,362).

SHARE CAPITAL

The Company has issued and outstanding common shares of 110,667,906 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 \$0.40 to \$2.35, 700,000 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 December 31, 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 twelve months ended December 31, 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 and cash equivalents, accounts receivable, short-term investments, investments and trade payables, accrued liabilities, debt

and conditionally repayable 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. For the year ended December 31, 2025, the Company had a cash balance of \$5,965,954 and a positive working capital of \$6,631,061.

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 February 12, 2026, 2,600,000 stock options were exercised by directors of Atlas Salt.

On February 12, 2026, Atlas granted 3,150,000 options at a grant price of \$0.98 per share. This was made up of 1,600,000 to directors, 1,150,000 to direct consultants and employees and 400,000 to a financial consultant.

The number of outstanding shares as of the date hereof is 110,667,906.

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.