ATLAS SALT INC.

Management's DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

For the three and six months ended June 30, 2026, and 2025

August 27, 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.

The following Management’s Discussion and Analysis (“**MD&A**”) of the financial condition and results of operations of Atlas Salt constitutes management’s review of the factors that affected the Company’s financial and operating performance for the three and six months ended June 30, 2026, and 2025.

All information in this MD&A is given as of the three and six months ended June 30, 2026, and 2025, unless otherwise indicated.

This MD&A is dated as of August **27**, 2026. All dollar figures are stated in Canadian dollars, unless otherwise indicated. This MD&A should be read in conjunction with the interim condensed financial statements for the three and six months ended June 30, 2026, and 2025 and the audited financial statements for the year ended December 31, 2025.

NON-GAAP AND OTHER FINANCIAL MEASURES

Management has included certain financial performance measures that are not recognized or defined under IFRS (“**non-GAAP measures**”). There are no standardized methods of calculating these non-GAAP measures, management’s methods may differ from those used by others, and accordingly, these measures may not be directly comparable to similarly titled measures used by other issuers. Accordingly, these measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Measure	Definition	Comparability	Utility
Working Capital	Working capital is defined as total current assets minus total current liabilities for the corresponding period ended as at that date.	Working capital is a non-GAAP financial measure that has no standardized definitions under IFRS, and, accordingly, may not be comparable to similar measures used by other issuers.	Management believes that working capital is an important liquidity measure and allows investors and analysts to assess the Company’s financial position.

GENERAL BUSINESS

Atlas Salt Inc. is a mineral exploration company engaged in the exploration and evaluation 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 “**GAS 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 (14.14% 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 (FVTPL).

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 in the exploration and evaluation stage and does not have revenue from operations. The Company recorded net loss of $1,948,321 and $3,810,142 for the three and six months ended June 30, 2026, compared to $840,761 and $1,915,690 in the same period of 2025. The increase in net loss in 2026 compared to 2025 resulted primarily from the primarily from the increase in share-based compensation, marketing & communication, consulting fees and conferences and travel. There was negative share-based compensation in the six month period ended June 30, 2025, reflecting the cancellation of restricted and performance share units granted to former executives, following the termination of those contracts.

QUARTERLY DEVELOPMENTS

Management Transition

On June 22, 2026, the Company announced the departure of Jeff Kilborn as Chief Financial Officer of the Company for personal reasons. Subsequent to quarter end, on August 4, 2026, the Company announced the appointment of Mr. Mark Stewart, CPA, CA to the positions of Chief Financial Officer and Corporate Secretary. The Company also announced the promotion and appointment of Robert Booth, P.Eng, PMP to the position of Chief Operating Officer; and the promotion of Andrew Smith, P.Eng, ICD.D to the position of Director of Project Strategy and Execution.

$15 Million Upsized Bought Deal LIFE Offering

On June 11, 2026, the Company announced the closing of a bought deal offering, which was initially announced on May 31, 2026, at approximately $10 million and subsequently upsized on June 1, 2026, raising aggregate gross proceeds of $15,153,600 through the issuance of 12,628,000 common shares at $1.20 per share, which included the partial exercise of the underwriters' option for an additional 128,000 common shares. The offering was conducted pursuant to the terms of an underwriting agreement entered into among the Company and Ventum Financial Corp. and Raymond James Ltd., as co-lead underwriters and co-lead bookrunners (collectively, the "**Underwriters**"). The offering was completed pursuant to the listed issuer financing exemption under *National Instrument 45-106 – Prospectus Exemptions*, and the common shares are not subject to a hold period under applicable Canadian securities laws. As consideration for their services, the Company paid the Underwriters an aggregate cash consideration totaling $929,216. The net proceeds are anticipated to be used for early works and site preparation activities, detailed engineering and mine development planning, advancement of permitting and environmental workstreams, procurement planning and equipment studies, and advancement of project financing initiatives in connection with the GAS Project, as well as for general corporate and working capital purposes.

$1.25 Million Flow-Through Financing

On May 15, 2026, the Company announced a non-brokered private placement of 961,539 flow-through Common Shares at $1.30 per share for gross proceeds of $1,250,001. Proceeds will be used to fund maiden drilling at the Black Bay Property in Southern Labrador, where a nepheline syenite discovery located six kilometers from tidewater was announced to have shown early-stage potential for processing into a high-value product. The Company also confirmed receipt of provincial funding support through the Junior Exploration Assistance 2026 program. The Company completed the offering on May 20, 2026.

Mineral Properties – Background

Great Atlantic Salt 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.

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/m^3 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 (±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

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 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 (+-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%.

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:

The Ace Gypsum deposit is situated approximately three km southwest of the Great Atlantic Salt deposit.. 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, indicates that the Ace mining lease area has the potential to contain 3 to 5 million tonnes of gypsum/anhydrite of commercial grade. . 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 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 $2,147,321 to date. This figure is reflected as net proceeds from sales of the Ace gypsum mine to June 30, 2026. In March 2025, an updated 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. subcontracts a vendor to mine and sell the material from this mine and collects a tonnage fee.

In 2025 costs of $8,750 were incurred, no amounts were incurred to date in 2026. 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 for 2026 allowing production and sale of anhydrite and/or gypsum from the Ace Project. . Atlas Salt will realize a tonnage fee for the gypsum mined. Management has determined that the funds generated will be more than the funds spent on this property.

Black Bay Nepheline Property:

$15,078 was spent to December 31, 2025, with no amount incurred to date in 2026 on the Black Bay Nepheline project in Southern Labrador. Geochemical testing in 2016 carried out on this property indicated that the chemistry of the nepheline 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 detailed planning for Phase 4 consisting of 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 from magnetic separation beneficiation being very low iniron (0.16% Fe_2O_3) and high inaluminum (22.4% Al_2O_3). In 2026, the Company intends to complete additional work on this property utilizing flow through funds raised earlier in the year.

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 2026 and 2025.

Through the normal course of land management, the Companyallows licenses to lapse in order to focus its exploration efforts. As current property acquisition costs relating to the current licenses held by the Company and are in good standing with the Department of Natural Resources, management contends there is no impairment. Any amounts relating to licenses which have lapsed or expired have been removed from the Balance Sheet.

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.

Financings

The Company does not anticipate mining revenues from the sale of mineral production in the near future. The Company's operations consist of the exploration and evaluation of mining properties and, as such, the Company's financial success will be dependent on the extent to which it can discover new mineral deposits.

The Company has sought equity investment from time to time to fund its activities. The Company has completed the financings set out below during the Fiscal 2025 and Fiscal 2026 with no material variance between projected use of proceeds and actual use of proceeds, other than as disclosed herein.

On October 21, 2025, the Company closed a brokered private placement (the "**October 2025 Offering**"), raising gross proceeds of $8,554,400 by issuing 10,880,500 common shares at $0.80 per share. In connection with the October 2025 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. Net proceeds of the October 2025 Offering are anticipated to be used to start early works and advance the GAS Project towards development, and for general and working capital purposes.

On May 20, 2026, the Company completed a non-brokered private placement of 961,539 flow-through common shares at $1.30 per share for gross proceeds of $1,250,001 (the "**Flow-Through Offering**"). Proceeds of the Flow-Through Offering are restricted to eligible Canadian exploration expenditures and will be used to fund maiden drilling at the Black Bay Property in Southern Labrador.

On June 11, 2026, the Company closed an upsized bought deal offering (the "**Bought Deal Offering**"), raising aggregate gross proceeds of $15,153,600 through the issuance of 12,628,000 common shares at $1.20 per share. Net proceeds of the Bought Deal Offering are anticipated to be used for early works and site preparation activities, detailed engineering and mine development planning, advancement of permitting and environmental workstreams, procurement planning and equipment studies, and advancement of project financing initiatives in connection with the GAS Project, as well as for general corporate and working capital purposes.

The following table summarizes the Company's use of proceeds from these financings and any variances from the previously disclosed intended use.

Date	Financing	Funding (Gross)	Funding (Net)	Use of Proceeds	Variance
October 2025	Brokered LIFE offering common shares at $0.80	$8,554,400	$7,923,173	Civil engineering work related to advancing the GAS Project towards development, and general and working capital purposes	See below.
May 2026	Non-brokered private placement of flow-through common shares at $1.30	$1,250,001	$1,250,001	Canadian exploration expenditures on the nepheline discovery at the Black Bay Property, Southern Labrador	Nil.
June 2026	Bought deal offering of common shares at $1.20	$15,153,600	$14,074,976	Early works and site preparation, detailed engineering and mine development planning, permitting and environmental workstreams, procurement planning and equipment studies, advancement of project financing initiatives, and general corporate and working capital purposes	Nil.

October 2025 LIFE Financing Use of Proceeds

Intended Use of Proceeds	Intended	Actual	Variance	Explanation of Variance and Impact on Business Objectives
Civil engineering work related to advancing the GAS Project towards development	5,099,228	722,711	4,376,517	Expenditures were deferred in order to preserve cash balances. No impact on business objectives, as the work is required to commence no later than December 2026.
General and administrative expenses	2,200,000	3,106,432	(906,432)	Increased costs related to project financing due diligence and stakeholder engagement. The additional expenditure was necessary to advance project financing and did not adversely affect the Company's business objectives or milestones.
Unallocated working capital	515,000	3,985,085	(3,470,085)	Reflects the deferral of civil engineering expenditures described above. Funds remain available and allocated to the GAS Project.
TOTAL	**7,814,228**	**7,814,228**	**NIL**	

MINERAL EXPLORATION AND EVALUATION ASSETS

The major components of the cumulative mineral exploration and evaluation assets on June 30, 2026, are as follows:

Mineral Exploration and Evaluation Assets		As at June 30, 2026
Acquisition costs – licenses	$	1,234,311
Mineral licenses and license renewals		102,996
Asset retirement obligation		1,114,122
Drilling, geological, geophysical & related costs		13,334,364
Share-based compensation		1,410,388
Feasibility Study		4,282,441
Gypsum sales		(2,147,321)
Government grants		(682,542)
Balance	**$**	**18,648,759**

RESULTS OF OPERATIONS

Three months ended June 30, 2026 and 2025

Results of Operations		Three-month periods ended June 30, 2026		June 30, 2025
Marketing and communications	**$**	**(414,369)**	$	(506)
Share-based compensation		**(516,446)**		(62,123)
Office, consulting fees, and other		**(529,778)**		(355,079)
Salaries and benefits		**(127,467)**		(114,914)
Public company expenses		**(122,728)**		(30,067)
Management and subcontract fees		**(86,317)**		(69,628)
Investor relations		**-**		(5,170)
Conferences and travel		**(153,911)**		(25,501)
Directors' fees		**-**		(50,000)
Right of use amortization		**-**		(4,237)
Depreciation		**(14,666)**		(7,084)
Total Expenses	**$**	**(1,965,682)**	$	(724,309)
Interest income		**30,442**		6,711
Interest on lease liability		**-**		(262)
Interest on long term debt		**(13,081)**		(4,022)
Loss from investment in associate		**-**		(118,879)
Loss from investment re-evaluation		**-**		-
Total Income	**$**	**17,361**	$	(116,452)
Net and Comprehensive (Loss) Income	**$**	**(1,948,321)**	$	(840,761)

The following is an overview of the main variances in the Company's results of operations for the three-month periods ended June 30, 2026, and 2025.

- **Marketing and communications expenses** was $414,369 for the three-month period ending June 30, 2026 an increase of $413,863 compared to the same period in 2025. This increase was related to more work being completed in this area by the Company's new management. During the quarter the Company continued a strategic investor outreach program to enhance market awareness and broaden its shareholder base. These initiatives were designed to enhance the awareness of Atlas Salt following the recent revised 41-101 Technical Report. These activities were done through attending and presenting at investor conferences and added social media programs.

- **Office consulting fees and other** was $529,778 for the three-month period ending June 30, 2026 an increase of $174,699 compared to the same period in 2025 primarily related to procuring project financing and an increase in third party professional fees.

- **Share-based compensation** was $516,446 in the three month period ended June 30, 2026, an increase of $454,323 compared to the same period in 2025. The 2025 expense was offset by the 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.

- **Conferences and travel** increased by $128,410 to $153,911 for the three-month period ended June 30, 2026, from $25,501 in the same period in 2025, primarily due to increased conference attendance and travel by the new management team.

- **Directors' fees** decreased by $50,000 as a result of a board approved change to the timing of directors' fees to be paid, effective January 1, 2026.

Six months ended June 30, 2026 and 2025

Results of Operations		Six-month periods ended June 30, 2026		June 30, 2025
Marketing and communications	**$**	**(822,753)**	$	(985)
Share-based compensation		**(896,217)**		305,003
Office, consulting fees, and other		**(878,341)**		(610,227)
Salaries and benefits		**(240,165)**		(223,829)
Public company expenses		**(185,617)**		(60,538)
Management and subcontract fees		**(167,956)**		(1,015,815)
Investor relations		**(480)**		(5,170)
Conferences and travel		**(345,501)**		(53,038)
Directors' fees		**(84,000)**		(50,000)
Right of use amortization		**(1,412)**		(8,474)
Depreciation		**(28,019)**		(13,931)
Total Expenses	**$**	**(3,650,461)**	$	(1,737,004)
Interest income		**57,430**		13,159
Interest on lease liability		**(7)**		(408)
Interest on long term debt		**(26,104)**		(4,022)
Loss on dilution		**-**		(187,415)
Loss on investment in associate		**(191,000)**		-
Total Income	**$**	**(159,681)**	$	(178,686)
Net and Comprehensive (Loss) Income	**$**	**(3,810,142)**	$	(1,915,690)

The following is an overview of the main variances in the Company's results of operations for the six-month periods ended June 30, 2026, and 2025.

- **Marketing and communications expenses** increased by $821,768 to 822,753 in the year-to-date period of 2026 from $985 in the same period in 2025, related to more work being completed in this area by the Company's new management, as discussed above.

- **Share-based compensation** was $896,217 in the period ended June 30, 2026, an increase of $1,201,220 compared to the same period in 2025. The 2025 expense was offset by the 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.

- **Office consulting fees and other** was $878,341 for the six-month period ending June 30, 2026 an increase of $268,114 compared to the same period in 2025 the focus continues to be procuring project financing and an increase in third party professional fees.

- **Management and subcontractor fees** decreased by $847,859 to $167,956 for the period ended June 30, 2026, from $1,015,815 in the same period in 2025, primarily due to a termination payment made to a former executive in the first quarter of 2025.

- **Conference and travel costs** increased by $292,463 to $345,501 from $53,038 in the same period in 2025, due to an increase in conferences and travel activity by the new management team to promote awareness of Atlas Salt’s revised 41-101 Technical report.

- **Loss on investment in an associate** was $191,000 for the period ended June 30, 2026, compared to a loss of nil in the same period in 2025. In the absence of a recent observable financing transaction, management estimated the fair value of the investment using an asset-based approach based on the change in Triple Point's net asset value since the most recent financing transaction. This resulted in a decrease in the estimated fair value of the Company's investment of approximately $191,000 based on its 14.14% ownership interest.

SUMMARY OF QUARTERLY RESULTS

The table below presents selected quarterly financial information for the last eight fiscal quarters:

	Total Income [(1)]	Net Income (Loss)	Net Income (loss) Per Share	Net Income (loss) Per Share - Diluted
Quarter Ended	**$**	**$**	**$**	**$**
June 30, 2026	**17,361**	**(1,948,321)**	**(0.017)**	**(0.017)**
March 31, 2026	(177,042)	(1,861,821)	(0.017)	(0.017)
December 31, 2025	24,096	(1,888,791)	(0.020)	(0.020)
September 30, 2025	752,072	92,066	0.001	0.001
June 30, 2025	(116,452)	(840,761)	(0.009)	(0.009)
March 31, 2025	(62,234)	(1,074,929)	(0.011)	(0.011)
December 31, 2024[(2)]	(151,728)	(1,000,806)	(0.010)	(0.010)
September 30, 2024	(4,238)	(821,142)	(0.009)	(0.009)

Notes

(1) Income for each quarter is comprised of other income and expenses.
(2) For the quarter ending December 31, 2024, income also includes a dilution gain on the Company's investment in Triple Point.

Atlas Salt Inc. is a mineral exploration company with no revenue from operations. Quarterly results are determined by the timing of expenditures rather than by sales, and comparisons of net loss from one quarter to the next are of limited use in assessing operating performance. The Company capitalizes all costs directly associated with the acquisition, exploration and evaluation of its mineral properties and expenses its general and administrative costs, which are included in the net loss for each quarter. Incidental revenue and cost recoveries, including proceeds from gypsum sales and government grants, are applied against the carrying value of the related exploration and evaluation asset rather than recognized in income. The Company's treasury, in part, determines the level of exploration undertaken.

Quarter-over-quarter variations in net loss were caused by various factors including the following:

- share-based compensation, which moves with the timing of grants, vesting and forfeitures under the Company's stock option and equity incentive plans, and which can be negative in a quarter in which vested awards are forfeited and previously recognized expense is reversed;
- the level of corporate activity in a given quarter, particularly costs associated with financings, exchange listings and management transitions, as the case may be;
- interest income, which tracks the cash balance and declines as capital is deployed into the Great Atlantic Salt Project until replenished by a financing;
- the Company's investment in Triple Point Resources Ltd., which was accounted for using the equity method through August 10, 2025, giving rise to equity losses in each quarter to that date and to a non-recurring gain on derecognition of $776,644 in the third quarter of 2025, and which has since been measured at fair value through profit or loss, with changes in fair value recognized in net loss.

Quarter-over-quarter variations in additions to mineral exploration and evaluation assets, which are capitalized and therefore do not affect net loss, were caused by various factors including the following:

- the Company's treasury position, which determines the scale and timing of exploration programs undertaken;
- the timing of government grant proceeds and incidental gypsum sales from the Ace Mining Lease, which are applied against the carrying value of the asset;
- revisions to the asset retirement obligation, which are capitalized to the asset;
- the portion of share-based compensation capitalized to the asset based on time spent on mining projects, which reversed in periods where awards were forfeited.

CASH FLOW ANALYSIS

	Three-month periods ended		Six-month periods ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Cash used in operating activities	**$ (905,302)**	$(1,088,121)	**$(2,388,907)**	$(2,848,811)
Cash from(used in) financing activities	**15,373,780**	(4,843)	**15,742,738**	(9,437)
Cash used in investing activities	**(603,776)**	(1,130,225)	**(1,625,377)**	(2,487,323)

Operating activities

For the six-month period ended June 30, 2026, cash used in operating activities totaled $2,388,907, compared to $2,848,811 in the same period of the prior year. These items relate primarily to compensation of employees, marketing and communication, consulting, other corporate company costs, for the six-month period ending June 30, 2026 and was impacted by the timing of cash receipts of $246,661 (2025- $(378,771)) and settlement of payables of $(169,044) (2025 - $(540,356)).

Financing activities

For the six -month period ended June 30, 2026, cash generated from financing activities totaled $15,742,738, compared to $(9,437) in the same period of the prior year. Inflows consisted primarily of a private placement, which raised $15,153,600 before share issuance costs of $1,078,624, along with $1,250,001 from the issuance of flow-through shares, $850,000 from the exercise of options, and $56,793 from the exercise of warrants, partially offset by $471,750 for the return of common shares to treasury and $17,282 of long-term debt and lease payments.

Investing activities

For the six -month period ended June 30, 2026, cash used in investing activities totaled $1,625,377, compared to $2,487,323 in the same period of the prior year. Expenditures consisted of the purchase of a short term investment of $508,101, $1,054,776 of additions to mineral exploration and evaluation assets and $62,500 for the purchase of capital assets compared to $2,404,283 and 83,041 in the same period last year.

LIQUIDITY, CAPITAL RESOURCES, AND GOING CONCERN

The Company had total assets of $39,866,794 as at June 30, 2026, including cash of $17,694,408 accounts receivable of $217,219, prepaid expenses of $520,787 and short-term investment of $683,663. The Company had current liabilities in the amount of $557,898 resulting in positive working capital of $18,558,179.

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.

In June 2025, the Company financed a light duty vehicle through Scotiabank bearing interest at 5.52%. Combined principal and interest payments total $1,429 monthly. The loan matures on June 16, 2032.

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 June 30, 2026, representing approximately 8,025 hectares in the Bay St. George region of Western Newfoundland and in Black Bay, Labrador.

All of the Company's current mineral licenses are in good standing with respect to ongoing work obligations. The estimated expenditure requirements over the next five years to maintain licenses in good standing total approximately $40,900, consisting of approximately $200 in 2026, $31,000 in 2027, $2,800 in 2028, and $6,900 in 2029. With a cash balance of approximately $17.7 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.

Reconciliation of working capital

Working capital is a non-IFRS Measure and can be reconciled with total current assets and total current liabilities, the most directly comparable IFRS financial measures, as detailed below.

Reconciliation of working capital		As at June 30, 2026	As at December 31, 2025
Total current assets	**$**	**19,116,077**	$7,353,146
Total current liabilities		**557,898**	722,085
Working capital*	**$**	**18,558,179**	$6,631,061

***Non-IFRS financial measure**

OFF-BALANCE SHEET ARRANGEMENTS

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

RELATED PARTY TRANSACTIONS

Vulcan Minerals Inc., which owns 23.61% (December 31, 2025 – 27.02%) of the Company's common shares, has significant influence over Atlas Salt Inc. During the six months ended June 30, 2026, the Company reimbursed Vulcan $7,537 (June 30, 2025 – $6,675) for mineral exploration and evaluation expenditures incurred on the Company's behalf.

Compensation for key management personnel, which includes the Current CEO, the former President and Chief Executive Officer, former Chief Financial Officer and Directors, was comprised of the following:

Paid/payable to members of key management and directors:	Three-month periods ended		Six-month periods ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Directors' fees	**-**	50,000	**84,000**	50,000
Management and subcontractor fees	**128,100**	55,435	**264,160**	1,020,715
Compensation capitalized as mineral exploration and evaluation assets	**3,900**	15,127	**8,840**	63,294
Share-based compensation:				
General and administrative expenses	**434,158**	143,392	**764,119**	(234,887)
Mineral exploration and evaluation assets	**6,498**	(14,221)	**20,763**	(337,939)
	572,656	249,733	**1,141,882**	561,183

Trade payables and accrued liabilities include $7,537 owing to related parties as at June 30, 2026 (December 31, 2025 – $14,375).

SHARE CAPITAL

The Company has issued and outstanding common shares of 124,840,429 as at the date of this MD&A. The Company's share capital consists of an unlimited number of common shares without par value and without special rights or restrictions attached, and an unlimited number of preferred shares of which there are nil outstanding.

Securities Outstanding	As at August 27, 2026	As at June 30, 2026	As at December 31, 2025
Common Shares	124,840,429	124,320,937	108,614,011
Warrants	581,838	581,838	652,830
Stock Options (1)	5,250,000	5,300,000	4,650,000
Restricted Share Units	650,000	700,000	700,000
Performance Share Units	697,400	972,430	972,430
Deferred Share Units	1,400,000	1,400,000	1,400,000

Notes

(1) The exercise prices of the share options range from $0.49 to $2.35.

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 June 30, 2026, 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 three months ended June 30, 2026, 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, trade payables and accrued liabilities, debt and conditionally repayable debt. The carrying amount of cash and cash equivalents, short-term investment, accounts receivable, and trade payables and accrued liabilities approximate their fair values due to their short-term nature. The Company's debt is recorded at its carrying amount which is reflective of fair value since the debt was assumed and there have been no material changes in market interest rates.

Investment in Triple Point:
The fair value of financial assets and liabilities not traded in active markets that are based on unobservable inputs are classified as Level 3. The Company's Level 3 assets consist of the investment in Triple Point. The process of estimating the fair value of the investment inherently involves measurement uncertainty and is based on techniques and assumptions that include both qualitative and quantitative information and analysis. Fair value inputs primarily consist of the price of recent transactions adjusted as deemed necessary for subsequent performance of the investee compared to available evidence such as internally developed projections or other indicators of impairment or value creation. A change of +/- 10% in the fair value of the investment will result in a corresponding change of +/- $118,165 (2025 - $137,265) in the total fair value of the

investment.

RISKS AND UNCERTAINTIES

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

Going Concern Risk

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

Environmental and Permitting Risk

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

The Company believes that it is in compliance with all material laws and regulations which currently apply to its activities. There can be no absolute assurance, however, that all permits which the Company may require for development activities and land use will be obtainable on reasonable terms or on a timely basis, or that such laws and regulations will not have an adverse effect on any exploration projects that the Company may undertake.

Business Risks

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

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

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

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

Financial Risk Factors

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

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

Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due. As of June 30, 2026 the Company had a cash balance of $17,694,408 and a positive working capital of $18,558,179.

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 EVENTS

On July 6, 2026, 150,000 RSU's, 175,000 PSU's and 400,000 stock options were forfeited following the resignation of an officer of the Company.

On July 17, 2026, 400,000 stock options were exercised for gross proceeds of $200,000.

On July 17, 2026 and August 12 2026, 150,000 RSUs and 100,000 PSUs were settled resulting in the issuance of 119,492 common shares to directors and officers of the company.

On July 23, 2026, the Company announced it had received a Letter of Interest from Export Development Canada stating its interest in providing long term debt financing of up to C$150,000,000, as Mandated Lead Arranger, for the Great Atlantic Salt Project.

On August 4, 2026, the Company granted 750,000 options at an exercise price of $1.39 per option and 250,000 RSU's.

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 GAS 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.

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