



Atlas Salt Inc.

Interim Condensed Financial Statements

For the Three and Nine Months Ended
September 30, 2024 and 2023

Notice of No Auditor Review of Interim Financial Statements

Under National Instrument 51-102, "Continuous Disclosure Obligations", part 4 subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The Corporation's external auditors have not performed a review of these financial statements.

ATLAS SALT INC.

Table of Contents

Condensed Statement of Financial Position	4
Condensed Statements of Net Loss and Comprehensive Loss	5
Condensed Statements of Changes in Equity	6
Condensed Statements of Cash Flows	7
Notes to the Condensed Financial Statements	8

Atlas Salt Inc.

Condensed Statement of Financial Position

(Unaudited)

As At	Sep 30, 2024	Dec 31, 2023
(in Canadian Dollars)	\$	\$
Assets		
Current Assets		
Cash	8,949,812	12,192,483
Accounts receivable	296,236	175,238
Prepaid expenses	68,108	44,831
	<u>9,314,156</u>	<u>12,412,552</u>
Right of use asset	22,597	-
Capital assets (Note 5)	584,875	386,089
Assets under construction	49,051	-
Investment in associate (Note 4)	1,074,055	1,413,113
Mineral exploration and evaluation (Note 6)	10,505,933	8,162,295
Total Assets	<u><u>21,550,668</u></u>	<u><u>22,374,049</u></u>
Liabilities		
Current liabilities		
Trade payables (Note 10)	334,932	354,115
Accrued and other liabilities (Note 1)	49,439	106,858
	<u>384,371</u>	<u>460,972</u>
Asset retirement obligations (Note 7)	124,762	136,931
Total Liabilities	<u>509,133</u>	<u>597,902</u>
Shareholders' Equity		
Share capital (Note 8)	26,287,154	25,591,855
Warrants (Note 8)	2,678,079	2,678,787
Contributed surplus	6,257,543	5,011,628
Deficit	(14,181,241)	(11,506,123)
Total Shareholders' Equity	<u>21,041,535</u>	<u>21,776,147</u>
Total Liabilities and Shareholders' Equity	<u><u>21,550,668</u></u>	<u><u>22,374,049</u></u>
Nature of operations (Note 1)		
Approved on behalf of the Board of Directors		
Richard LaBelle		Director, Chief Executive Officer
Carson Noel		Director, Chair of Audit Committee

Atlas Salt Inc.

Condensed Statements of Net Loss and Comprehensive Loss

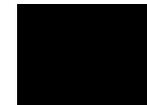
(Unaudited)

For the period (in Canadian Dollars)	3 Months Ending		9 Months Ending	
	September 30		September 30	
	2024	2023	2024	2023
	\$ CAD	\$ CAD	\$ CAD	\$ CAD
Expenses				
Management and subcontractor fees	149,550	146,623	488,135	304,189
Director's fees	-	-	60,000	50,000
Marketing and communications	7,052	60,865	32,347	1,715,327
Investor relations	13,268	87,000	13,268	263,500
Public company expenses	41,877	48,010	107,863	188,979
Office and other (Note 10)	56,819	96,204	272,868	332,697
Salaries and benefits	76,997	41,704	267,897	299,254
Conferences and travel	101,279	51,539	163,675	91,325
Share-based compensation (Note 9)	359,525	17,825	1,184,969	963,889
Depreciation (Note 5)	10,539	977	34,012	2,695
	816,904	550,747	2,625,035	4,211,856
Other Income (Expenses)				
Interest income	98,817	137,152	288,976	446,208
Gypsum revenue	-	266,940	-	298,822
Other income (loss)	-	-	-	(69,830)
Loss from investment in associate (Note 4)	(103,055)	(116,167)	(339,058)	(228,003)
Gain on dilution (Note 4)	-	(97,385)	-	59,266
	(4,238)	190,540	(50,083)	506,463
Net and Comprehensive Loss	(821,142)	(360,207)	(2,675,117)	(3,705,393)
Net Loss per share (basic and diluted)	(0.009)	(0.004)	(0.028)	(0.040)
Weighted average number of common shares outstanding - basic and diluted	96,216,047	94,668,785	96,216,047	93,479,963

Atlas Salt Inc.
Condensed Statement of Changes in Equity
(Unaudited)

(in Canadian Dollars)

	Share Capital	Warrants	Contributed Surplus	Deficit	Total Shareholders' Equity
	\$	\$	\$	\$	\$
Balance, December 31, 2022	18,124,018	251,047	3,104,680	(6,668,110)	14,811,635
Net and comprehensive loss					
January 1, 2023 - June 30, 2023	-	-	-	(3,705,393)	(3,705,393)
Issuance of shares and warrants pursuant to private placement	7,249,243	2,750,757	-	-	10,000,000
Issuance of broker warrants pursuant to private placement	(568,423)	568,423	-	-	-
Return of common shares to treasury	(219,760)	-	-	-	(219,760)
Share issuance costs	(777,893)	-	-	-	(777,893)
Exercise of options	395,245	-	(170,245)	-	225,000
Exercise of warrants	732,612	(175,650)	-	-	556,962
Expiry of warrants	-	(74,617)	74,617	-	-
Share-based compensation	-	-	1,004,910	-	1,004,910
Balance, September 30, 2023	24,935,042	3,319,960	4,013,962	(10,373,503)	21,895,461
Net and comprehensive loss					
October 1, 2023 - December 31, 2023				(1,132,620)	(1,132,620)
Issuance of shares and warrants pursuant to private placement	506,283	(506,283)	-	-	-
Issuance of broker warrants pursuant to private placement	134,890	(134,890)	-	-	-
Share issuance costs	-	-	-	-	-
Exercise of options	15,640	-	(5,640)	-	10,000
Share-based compensation	-	-	1,073,136	-	1,073,136
Balance, December 31, 2023	25,591,855	2,678,787	5,011,628	(11,506,123)	21,776,147
Net and comprehensive loss					
January 1, 2024 - September 30, 2024	-	-	-	(2,675,117)	(2,675,117)
Issuance of Share Units	670,000	-	(670,000)	-	-
Return of common shares to treasury	(78,183)	-	-	-	(78,183)
Exercise of options	96,525	-	(41,525)	-	55,000
Exercise of warrants	6,958	(708)	-	-	6,250
Share-based compensation	-	-	1,957,440	-	1,957,440
Balance, September 30, 2024	26,287,154	2,678,079	6,257,543	(14,181,241)	21,041,535



Atlas Salt Inc.

Condensed Statement of Cash Flows

(Unaudited)

(in Canadian Dollars)

Period ended	Sep 30, 2024	Dec 31, 2023
	\$	\$
Operating Activities		
Net loss	(2,675,117)	(4,838,013)
Adjustment for non-cash items:		
Depreciation (Note 5)	34,012	12,908
Acquisition of right of use asset	(33,896)	-
Loss on investment in associate (Note 4)	339,058	587,631
Dilution gain (Note 4)	-	(365,182)
Share-based compensation (Note 9)	1,184,969	1,478,892
	<u>(1,150,974)</u>	<u>(3,123,764)</u>
Changes in non-cash working capital		
Accounts receivable	(120,998)	304,057
Prepaid expenses	(23,278)	(16,644)
Accounts payable and accrued liabilities	(76,602)	(629,468)
	<u>(1,371,851)</u>	<u>(3,465,819)</u>
Financing Activities		
Issuance of common shares and warrants (Note 8)	-	10,000,000
Share issuance costs (Note 8)	-	(777,893)
Return of common shares to treasury	(78,183)	(289,590)
Exercise of options	55,000	235,000
Exercise of warrants	6,250	556,962
	<u>(16,934)</u>	<u>9,724,479</u>
Investing Activities		
Purchase of capital assets (Note 5)	(221,499)	(387,545)
Work in process assets	(49,051)	
Mineral exploration and evaluation assets	(1,583,337)	(3,345,999)
Incidental revenue (Note 6)	-	397,579
	<u>(1,853,887)</u>	<u>(3,335,965)</u>
Net change in cash and cash equivalents for the period	(3,242,671)	2,922,695
Cash and cash equivalents, beginning of the period	12,192,483	9,269,788
Cash and cash equivalents, end of the period	8,949,812	12,192,483

1. NATURE OF OPERATIONS

Atlas Salt Inc. (the “Company”) is a mineral exploration company engaged in the evaluation and exploration of mineral properties in Newfoundland and Labrador. The Company’s principal asset is the Great Atlantic salt deposit project (the “Great Atlantic Salt Project”), located in the St. George’s Bay basin of western Newfoundland.

The Company was formed on June 15, 2011, under the Alberta Business Corporations Act and was listed on the TSX Venture Exchange on August 17, 2012 (TSX-V stock symbol “SALT”). Its business address is 100 New Gower Street, Suite 910, St. John’s, NL, A1C 6K3. In 2021 approval was gained for the corporate continuance of the Company from the Province of Alberta to the Province of British Columbia. On August 24, 2021, the company changed its name from Red Moon Resources Inc. to Atlas Salt Inc. to reflect the company’s core business anchored by the Great Atlantic Salt Project in western Newfoundland. The Company was listed on the OTCQB on June 30, 2022, trading under the stock symbol “REMRF”.

2. BASIS OF PRESENTATION

The Company prepares its financial statements with Canadian generally accepted accounting principles (“GAAP”) as set out in the Canadian Professional Accountants of Canada Handbook – Accounting – Part I (“CPA Canada Handbook”) which incorporates International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), and interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”).

These unaudited interim condensed financial statements have been prepared in accordance with IFRS, as issued by the IASB applicable to the preparation of interim financial statements, including IAS34, Interim Financial Reporting. The accounting policies used in preparing these unaudited interim condensed financial statements are consistent with those used in the preparation of the Company’s annual financial statements. A summary of the Company’s material accounting policies under IFRS is presented in Note 4 to the year end financial statements.

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

The functional and presentation currency of the financial statements is Canadian dollars. All the Company’s assets are located in Canada.

These financial statements were approved and authorized for issuance by the Board of Directors on November 25, 2024.

3. NEW AND AMENDED IFRS STANDARDS AND INTERPRETATIONS

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

4. INVESTMENT IN ASSOCIATE

	September 30, 2024 \$CAD	December 31, 2023 \$CAD
Investment in Triple Point Resources Ltd.	1,074,055	1,413,113
	1,074,055	1,413,113

Triple Point Resources Ltd. ("Triple Point")

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

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

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

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

	September 30, 2024 \$CAD	December 31, 2023 \$CAD
Balance beginning of the year	1,413,113	1,635,562
Share of net loss can comprehensive income	(339,058)	(587,631)
Dilution gain	-	365,182
Investment in Triple Point	1,074,055	1,413,113

Summarized financial information of Triple Point as at September 30, 2024, and December 31, 2023, and for the period ended September 30, 2024 and 2023 is as follows:

	September 30, 2024 \$CAD	December 31, 2023 \$CAD
Statement of Financial Position		
Cash and cash equivalents	1,129,959	3,665,487
Other current assets	473,357	351,064
Non-current assets	2,306,797	1,376,621
Current liabilities	218,824	222,390
Equity	3,471,630	5,170,782
Net loss and comprehensive loss		
	Jan 1 – Jun 30, 2024	Jan 1 – Sep 30, 2023
Interest Income	15,149	-
Net loss and comprehensive loss	(377,094)	(1,953,297)

Triple Point Resources had depreciation of \$21,806 at September 30, 2024 (September 30, 2023 – \$nil). There was \$nil interest expense (September 30, 2023 - \$nil) and \$nil income tax expense at September 30, 2024 (September 30, 2023 – \$nil).

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

5. CAPITAL ASSETS

September 30, 2024

	Opening Cost \$ CAD	Additions \$ CAD	Opening Depreciation \$ CAD	Depreciation \$ CAD	Net Book Value \$ CAD
Buildings	286,740	-	5,735	8,430	272,575
Land	71,685	180,000	-	-	251,685
Office Furniture	12,617	-	1,262	1,703	9,652
IT Hardware & Software	23,575	41,499	5,340	8,772	50,963
Website	11,500	-	7,691	3,809	-
Totals	406,117	221,499	20,028	22,714	584,875

December 31, 2023

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

6. MINERAL EXPLORATION AND EVALUATION ASSETS

The Company has 20 mineral licences (December 31, 2023 – 20) which consist of 321 claims (December 31, 2023 – 321 claims), which are active and in good standing with the Department of Industry, Energy and Technology in the Province of Newfoundland and Labrador. These licences are in the exploration and evaluation stage. The Company has 3 mining leases (Ace Mining Lease #239, and Gypsum Waste Reclamation Mining Leases #241 and #242) registered with the Department of Department of Industry, Energy and Technology in the Province of Newfoundland and Labrador on mineral licences 022132M, 027059M and 027060M situated near St. George's, western Newfoundland.

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

September 30, 2024

	Balance, beginning of the year	Additions	Refunds	Incidental Revenue	Balance, end of the period
	\$ CAD	\$ CAD	\$ CAD	\$ CAD	\$ CAD
Mineral Exploration and Evaluation Assets	8,162,295	2,343,638	-	-	10,505,933

December 31, 2023

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

Incidental revenue includes proceeds from the sale of gypsum from the Ace Gypsum mine which were netted against mineral exploration and evaluation assets. Current period ending

September 30, 2024, additions to mineral exploration costs include share-based compensation of \$200,244 (December 31, 2023 – \$599,154).

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

7. ASSET RETIREMENT OBLIGATIONS

Upon termination of the Company’s Ace Gypsum mine, the Company is required to satisfy certain asset retirement obligations including the removal of any equipment and the restoration of the land and premisses to their original condition. The total discounted cash flows estimated to settle its asset retirement obligations as at September 30, 2024, was \$124,762 (December 31, 2023 – \$136,931). The estimated future cash flows have been discounted using a risk-free rate of 2.94% (December 31, 2023 – 3.91%) and an inflation rate of 1.6% (December 31, 2023 – 3.4%). As of September 30, 2024, the Company had entered an agreement with an insurance company to provide a surety bond to the Newfoundland and Labrador government in compliance with its requirements under the approved site development plan, as submitted and reviewed by the government of Newfoundland and Labrador. As additional work and reclamation is completed on the property, the Company will increase or decrease this bond as required by the Newfoundland and Labrador government.

A reconciliation of the asset retirement obligation is provided below:

	September 30, 2024 \$ CAD	December 31, 2023 \$ CAD
Balance, beginning of the year	136,931	144,720
Provision Adjustment	(12,170)	(7,789)
Balance, end of the period	124,762	136,931

8. SHARE CAPITAL

Unlimited number of voting common shares.

Unlimited number of preferred shares, issuable in series.

Issued and Outstanding	September 30, 2024		December 31, 2023	
	Number of Common Shares	Share Capital \$ CAD	Number of Common Shares	Share Capital \$ CAD
Common Shares				
Balance, beginning of the year	94,768,785	25,591,855	87,615,638	18,124,018
Issued pursuant to private placements	-	-	5,000,000	7,755,526
Issuance of Share Units	1,000,000	670,000	-	-
Share issuance cost	-	-	-	(777,893)
Broker warrants	-	-	-	(433,533)
Return of common shares to treasury	(127,738)	(78,183)	(205,383)	(219,760)
Exercise of stock options	550,000	96,525	1,750,000	410,885
Exercise of warrants	25,000	6,958	608,530	732,612
Balance, end of the period	96,216,047	26,287,154	94,768,785	25,591,855

For the period ended September 30, 2024, there were 1,000,000 share units issued (2023 – nil), 550,000 options exercised by related parties (2023 - 1,700,000) and nil warrants exercised by related parties (2023 – nil). The return of 127,738 common shares was a related party transaction in 2024. (December 31, 2023 – 219,760).

Private Placement

Pursuant to a private placement dated January 17, 2023, the Company issued 5,000,000 units at a price of \$2.00 per unit for aggregate proceeds of \$10,000,000 (less \$2,750,757 attributed to the fair value of warrants). Each unit consisted of one common share and one-half common share purchase warrant. Each whole common share purchase warrant entitles the holder to purchase one common share of the Company at a price of \$2.40 for a period of two years.

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

Warrants

Issued and Outstanding	September 30, 2024		December 31, 2023	
	Number of Warrants	Weighted Average Exercise Price \$	Number of Warrants	Weighted Average Exercise Price \$
Balance, beginning of the year	2,875,000	2.38	832,725	0.88
Issued – Private Placement	-	-	2,500,000	2.40
Issued – Finders Warrants	-	-	350,000	2.40
Expired	-	-	(199,195)	0.86
Exercised	(25,000)	0.25	(608,530)	0.92
Balance, end of the period	2,850,000	2.40	2,875,000	2.38

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

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

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

9. SHARE-BASED COMPENSATION

Stock Option Plan

The Company has a stock option plan under which directors, officers, management, consultants, and employees of the Company are eligible to receive stock options. The aggregate number of shares to be issued upon exercise of all options granted under the plan shall not exceed 10% of the issued shares of the Company at the time of granting the options.

The number of shares which may be reserved for issuance in any 12-month period to any one individual may not exceed 5% of the issued shares or 2% if the optionee is a consultant, and the number of shares which may be reserved for issuance in any 12-month period to all optionees engaged in investor relations activities may not exceed 2% in the aggregate of the issued shares on a yearly basis. Options may be exercisable over periods of up to ten years, as determined by the Board of Directors of the Company and are required to have an exercise price no less than the closing market price of the Company's shares prevailing on the day that the option is granted less a discount of up to 25%, with the amount of the discount varying with market price in accordance with the policies of the TSXV.

Stock Options

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

The weighted average of the share price on the date of exercise of options in 2024 was \$0.67 (2023 – \$1.02).

The weighted average remaining contractual life of outstanding options is 2.61 years (December 31, 2023 – 3.30 years). The weighted average remaining contractual life of exercisable options is 2.61 years (December 31, 2023 – 3.30 years). There has been no stock options granted to date in 2024 or 2023 and therefore the weighted average fair value of stock options granted is estimated to be \$nil. (December 31, 2023 – \$nil).

The Company expensed share-based compensation related to options in the amount of \$nil in the period ending September 30, 2024 (September 30, 2023 – \$963,889) and \$nil was capitalized to mineral exploration and evaluation assets (December 31, 2023 – \$41,021).

Equity Incentive Plan

The Company has an equity incentive plan to provide the Company with a share-related mechanism to attract, retain and motivate qualified directors, employees, and consultants of the Company. The total number of shares reserved and available for grant and issuance, together with all the Company's other Security Based Compensation Arrangements, shall not exceed 10% (in aggregate) of the issued and outstanding shares of the Company. The aggregate number of awards granted to any one Participant in a 12-month period must not exceed 5% of the issued and outstanding shares or 2% for Consultants, calculated on the date an award is granted or issued to the participant, less the aggregate number of shares reserved for issuance to such person. The grant to Insiders (as a group), within a 12-month period of an aggregate number of awards must not exceed 10% of the issued and outstanding shares. Investor relations service providers may not receive any security-based compensation other than stock options.

Deferred Share Units (DSUs)

Summary of deferred share units (DSUs)	September 30, 2024		December 31, 2023	
	Number of DSUs	Weighted Average Price at Date of Grant \$	Number of DSUs	Weighted Average Price at Date of Grant \$
Outstanding, beginning of the year	-	-	-	-
Granted	1,000,000	0.72		
Outstanding, end of the period	1,000,000	0.72		
Outstanding and vested, end of the period	-	-	-	-

On January 5, 2024, the Company granted 150,000 DSUs to a director, with 50,000 vesting January 5, 2025, 50,000 vesting July 5, 2025 and 50,000 vesting January 5, 2026. The stock price on the date of the grant was \$0.70.

On July 16, 2024, the Company granted 850,000 DSUs to the directors, with 425,000 vesting July 16, 2025, and 425,000 vesting January 16, 2026. The stock price on the date of grant was \$0.72.

The Company expensed share-based compensation related to DSUs in the amount of \$114,958 for the period ending September 30, 2024 (September 30, 2023 – \$nil). None of these expenses were capitalized to mineral exploration and evaluation assets.

Restricted Share Units (RSUs)

Summary of restricted share units (RSUs)	September 30, 2024		December 31, 2023	
	Number of RSUs	Weighted Average Price at Date of Grant \$	Number of RSUs	Weighted Average Price at Date of Grant \$
Outstanding, beginning of the year	987,500	1.31		
Granted	72,000	0.70	1,059,500	1.29
Forfeited	-	-	(72,000)	(1.01)
Exercised	(600,000)	(0.67)		
Outstanding, end of the period	459,500	0.89	987,500	1.31
Outstanding and vested, end of the period	-	-	-	-

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

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

On October 1, 2023, the Company granted 72,000 RSUs to a former officer, with 40,000 vesting October 1, 2024, 16,000 vesting April 1, 2025, and 16,000 vesting October 1, 2025. The stock price on the date of the grant was \$1.01. These RSUs were forfeited on December 18, 2023.

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

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

On January 5, 2024, the Company granted 72,000 RSUs to an officer, with 40,000 vesting January 5, 2025, 16,000 vesting July 5, 2025, and 16,000 vesting January 5, 2026. The stock price on the date of the grant was \$0.70.

The Company expensed share-based compensation related to RSUs in the amount of \$85,368 for the period ending September 30, 2024 (September 30, 2023 – \$nil) and \$74,778 was capitalized to mineral exploration and evaluation assets (December 31, 2023 – \$252,016).

Performance Share Units (PSUs)

Summary of performance share units (PSUs)	September 30, 2024		December 31, 2023	
	Number of PSUs	Weighted Average Price at Date of Grant \$	Number of PSUs	Weighted Average Price at Date of Grant \$
Outstanding, beginning of the year	1,737,500	1.31	-	-
Granted	128,000	0.70	1,865,500	1.29
Forfeited	-	-	(128,000)	(1.01)
Exercised	(400,000)	(0.67)		
Outstanding, end of the period	1,465,500	1.12	1,737,500	1.31
Outstanding and vested, end of the period	-	-	-	-

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

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

On October 1, 2023, the Company granted 128,000 PSUs to an officer. These PSUs are based on performance indicators achieved and could not vest prior to October 1, 2024. The stock price on the date of the grant was \$1.01. These PSUs were forfeited on December 18, 2023.

On October 6, 2023, the Company granted 49,500 PSUs to a consultant. These PSUs are based on performance indicators achieved and could not vest prior to October 6, 2024. The stock price on the date of grant was \$0.92.

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

On January 5, 2024, the Company granted 128,000 PSUs to an officer. These PSUs are based on performance indicators achieved and cannot vest prior to January 5, 2025. The stock price on the date of the grant was \$0.70.

The Company expensed share-based compensation related to PSUs in the amount of \$159,198 for the period ending September 30, 2024 (September 30, 2023 – \$nil) and \$125,466 was capitalized to mineral exploration and evaluation assets (December 31, 2023 – \$306,117).

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

10. RELATED PARTY TRANSACTIONS

Vulcan Minerals Inc., which owns 30.03% (September 30, 2023 – 30.52%) of the Company's common shares, has significant influence over Atlas Salt Inc. The following transactions were carried out with related parties:

Expenditures paid/payable to Vulcan Minerals Inc., associate of the Company reflected as:	September 30, 2024 \$ CAD	September 30, 2024 \$ CAD
Mineral exploration and evaluation assets	26,857	150,866
Royalty	-	8,827
General and administrative expenses	31,914	95,828
Rent paid to a corporation which is controlled by a Director of the Company	12,000	18,000
	70,771	273,521

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

Management fees, salaries, and benefits for key management personnel paid/payable to associate and included in above is reflected as the following:	September 30, 2024 CAD \$	September 30, 2024 CAD \$
General and administrative expenses	31,914	58,024
Capitalized as mineral exploration and evaluation assets	-	62,159
Share-based compensation:		
General and administrative expenses	-	527,889
Mineral exploration and evaluation assets	-	41,021
	31,914	689,093

Accounts payable and accrued liabilities include \$3,904 owing to Vulcan Minerals Inc. as at September 30, 2024 (September 23, 2023 – \$42,338).

11. CAPITAL MANAGEMENT

The capital structure of the Company consists of equity comprising share capital, contributed surplus, warrants, and deficit. The Company's objective when managing capital is to safeguard its accumulated capital in order to maintain its ability to continue as a going concern and to fund exploration activities.

12. FINANCIAL INSTRUMENTS AND RELATED RISK MANAGEMENT

Fair Values of Financial Instruments

The carrying amount of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, approximate their fair value due to their short-term nature. The Company does not have any other financial assets or liabilities.

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

Credit Risk

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

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due. As of September 30, 2024 the Company had a cash balance of \$8,949,812 and a positive working capital of \$8,929,786 .

Market Risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates, and commodity prices will affect the Company's net loss or the value of its financial instruments.

Commodity Price Risk

The recoverability of the Company's mineral exploration and evaluation assets is partially related to the market price of minerals and commodities. The Company does not hedge this exposure to fluctuations in commodity prices. The Company's ability to continue with its exploration programs is also indirectly subject to commodity prices.

13. COMPARATIVE FIGURES

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

14. SUBSEQUENT EVENT

On October 15, 2024, Mr. Alasdair Federico replaced Mr. Michael Psihogios at the position of Chief Financial Officer (CFO).

Number of outstanding shares as of November 25, 2024 is 96,216,047 .

CORPORATE INFORMATION

OFFICERS AND MANAGEMENT

Richard LaBelle
Chief Executive Officer

Alasdair Federico
Chief Financial Officer

EXCHANGE LISTING
TSX Venture – “SALT”

REGISTRAR AND TRANSFER AGENT

Computershare Trust Company of
Canada

BANKERS
Scotiabank

BOARD OF DIRECTORS

Patrick J. Laracy, Chairman

Richard LaBelle

Marc Boissonneault

Timothy Rowland Howe

Fraser Edison

Carson Noel

LEGAL COUNSEL

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

AUDITORS
MNP LLP

HEAD OFFICE

100 New Gower Street, Suite 910
St. John's, NL, A1C 6K3
Tel: (709) 739-9545
Website: www.atlassalt.com