

A copy of this preliminary prospectus has been filed with the securities regulatory authorities in the provinces of British Columbia and Alberta, but has not yet become final. Information contained in this preliminary prospectus may not be complete and may have to be amended.

No securities regulatory authority has expressed an opinion about any information contained herein and it is an offence to claim otherwise.

These securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States (as such term is defined in Regulation S under the U.S. Securities Act) and may not be offered, sold or delivered, directly or indirectly, in the United States, except pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. This prospectus does not constitute an offer to sell or solicitation of an offer to buy any of these securities in the United States.

This Prospectus does not constitute a public offering of securities.

PRELIMINARY PROSPECTUS

Non-Offering Prospectus

December 21, 2022

ATHA ENERGY CORP.

This preliminary prospectus (the "**Prospectus**") is being filed with the securities regulatory authorities in the provinces of Alberta and British Columbia (collectively, the "**Qualifying Jurisdictions**") to enable Atha Energy Corp. (the "**Company**") to develop an organized market for the Common Shares (as defined herein) of the Company. Since no securities are being offered pursuant to this Prospectus, no proceeds will be raised, and all expenses incurred in connection with the preparation and filing of this Prospectus will be paid by the Company from its general corporate funds.

The Subscription Receipts described herein are not available for purchase pursuant to this Prospectus and, except for release of the Escrowed Funds (as defined herein) no additional funds are to be received by the Company from the distribution of securities under this Prospectus. The Common Shares (as defined herein) issuable upon the exchange of the Subscription Receipts are being qualified by this Prospectus.

Pursuant to a non-brokered private placement that closed in two tranches on October 24, 2022 and November 8, 2022 respectively (the "**Subscription Receipt Offering**"), the Company issued an aggregate of 33,725,000 Subscription Receipts (as defined herein) pursuant to the Subscription Receipt Agreement (as defined herein) at a price of \$1.00 per Subscription Receipt for aggregate gross proceeds of \$33,725,000. The gross proceeds from the sale of the Subscription Receipts (the "**Escrowed Funds**") were placed into escrow at closing of the Subscription Receipt Offering.

In the event that the Company receives conditional approval for the listing of the Company's common shares (the "**Common Shares**") from a recognized Canadian stock exchange (the "**Release Condition**") prior to the Deadline (as defined herein) each Subscription Receipt will be automatically exchanged, without further payment, into one (1) Common Share and the Escrowed Funds will be released from escrow to the Company. In the event that the Release Condition does not occur on or prior to the Deadline, or if the Company otherwise notifies the Escrow Agent that it does not intend to proceed as provided in the Subscription Receipt Agreement, the Escrowed Funds will be returned to the subscribers, the Subscription Receipts will be cancelled, and no party shall have any further obligations thereunder.

There is no market through which the securities of the Company may be sold, and purchasers may not be able to resell securities. This may affect the pricing of the Company's securities in the secondary markets, the transparency and availability of trading prices, the liquidity of the Company's securities and the extent of issuer regulation. Investors should carefully consider the risk factors described under "*Risk Factors*".

As of the date of this Prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities and does not intend to apply to list or quote any of its securities on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc).

The Company has applied to list the Common Shares on the Canadian Securities Exchange (the "CSE"), including the Common Shares issuable on the conversion of the Subscription Receipts, under the symbol "SASK". Listing is subject to approval by the CSE of the Company's listing application and the Company fulfilling all of the requirements and conditions of the CSE.

No underwriter or selling agents have been involved in the preparation of this Prospectus or performed any review or independent due diligence of the contents of this Prospectus.

An investment in securities of the Company is speculative and involves a high degree of risk. In reviewing this Prospectus, you should carefully consider the matters described under the heading "*Risk Factors*".

Prospective investors are advised to consult their own tax advisors regarding the application of Canadian federal income tax laws to their particular circumstances, as well as any other provincial, foreign and other tax consequences of acquiring, holding, or disposing of Common Shares.

Prospective investors should rely only on the information contained in this Prospectus. Readers should assume that the information appearing in this Prospectus is accurate only as of its date, regardless of its time of delivery. The Company's business, financial condition, results of operations and prospects may have changed since that date.

Atha Energy Corp.
1250-1066 Hastings Street West
Vancouver, British Columbia, V6E 3X1
Phone: 778-839-6579

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CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements and forward-looking information within the meaning of applicable securities legislation about the Company and the development of its business. The use of any of the words "may", "will", "should", "expect", "anticipate", "continue", "plan", "estimate", "believe", "intend", "project", "forecast", and other similar expressions is intended to identify forward-looking statements or information. These forward-looking statements include statements regarding:

- The completion of the Transaction, including the listing of the Common Shares on the CSE;
- the Company's expectations, strategies and plans for its mineral properties and rights, including its planned exploration activities;
- the Company's expectations regarding its revenue, expenses, and operations;
- the Company's anticipated cash needs and its needs for additional financing;
- the Company's intention to grow the business and its operations;
- development of the Company's assets, including future exploration and drilling and estimated completion dates for certain milestones, as well as acquisitions of interests in producing mineral properties;
- the expected need for specialized skills and knowledge through various stages of the Company's development;
- the effect of government regulation;
- the effect of mineral price fluctuations;
- the grant and impact of any license or supplemental license to conduct activities;
- mineral exploration and development risks;
- environmental health and safety regulations;
- competitive conditions;
- operational matters and risks; and
- other risks and uncertainties described in this Prospectus.

The forward-looking statements and information contained in this Prospectus are based on certain key expectations and assumptions made by the Company, including expectations and assumptions relating to (i) obtaining the necessary regulatory approvals; (ii) that regulatory requirements will be maintained; (iii) general business and economic conditions; (iv) the Company's ability to successfully execute its plans and intentions; (v) the Company's production capacity and supply chain; (vi) the price of services and materials; (vii) the availability of financing on reasonable terms; (viii) the Company's ability to attract and retain skilled staff; (ix) market competition; (x) the activities of the Company's competitors, (xi) general economic and financial market conditions; (xii) operating costs; and (xiii) that the Company's relationships with its service providers and other third parties will be maintained. These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including the risks in the section entitled "Risk Factors", which may cause the Company's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements.

Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such 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 forward-looking statements and information contained in this Prospectus are made as of the date hereof and, unless so required by applicable law, the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information future events or otherwise. The forward-looking statements and information contained in this Prospectus are expressly qualified by this cautionary statement.

MARKET AND INDUSTRY DATA

This Prospectus includes market and industry data that has been obtained from third party sources, including industry publications. The Company believes that the industry data is accurate and that its estimates and assumptions are reasonable, but there is no assurance as to the accuracy or completeness of this data. Third party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there is no assurance as to the accuracy or completeness of included information. Although the data is believed to be reliable, the Company has not independently verified any of the data from third party sources referred to in this Prospectus or ascertained the underlying economic assumptions relied upon by such sources.

Unless otherwise indicated, information contained in this Prospectus concerning the Company's industry and the markets in which it operates, including general expectations and market position, market opportunities and market share, is based on information from independent industry organizations, other third-party sources (including industry publications, surveys and forecasts) and management studies and estimates.

The Company's estimates are derived from publicly available information released by independent industry analysts and third-party sources as well as data from the Company's internal research, and knowledge of the mining industry, and include assumptions made by the Company which management believes to be reasonable based on their knowledge of the Company's industry and markets. The Company's internal research and assumptions have not been verified by any independent source, and it has not independently verified any third-party information. While the Company believes the market position, market opportunity and market share information included in this Prospectus is generally reliable, such information is inherently imprecise. In addition, projections, assumptions and estimates of the Company's future performance and the future performance of the industry and markets in which it operates are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described under the headings "*Forward-Looking Statements*" and "*Risk Factors*".

SCIENTIFIC AND TECHNICAL INFORMATION

The scientific and technical information relating to the Golden Rose Gold Property set forth in this Prospectus has been derived from or is based on the technical report entitled "*Golden Rose Gold Project, Afton Township, Province of Ontario, Canada*" prepared by Paul Nagerl M.Sc., P.Geo. (the "**Qualified Person**"), dated July 12, 2022 with an effective date of July 8, 2022 (the "**Golden Rose Technical Report**"). The Golden Rose Technical Report has been filed with applicable Canadian securities regulatory authorities and is available for review under the Company's profile on SEDAR at www.sedar.com.

CONVENTIONS

Certain terms used herein are defined in the "Glossary of Technical Terms" and the "Glossary of Non-Technical Terms". Unless otherwise indicated, references to \$ are to Canadian dollars and USD\$ are to U.S. dollars. All financial information with respect to the Company have been presented in Canadian dollars in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretation Committee.

GLOSSARY OF TERMS

The following is a glossary of certain defined terms used throughout this Prospectus. This is not an exhaustive list of defined terms used in this Prospectus and additional terms are defined throughout. Terms and abbreviations used in the financial statements of the Company are defined separately and the terms and abbreviations defined below are not used therein, except where otherwise indicated. Words importing the singular, where the context requires, include the plural and vice versa, and words importing any gender include all genders.

"\$" means Canadian dollars.

"**Affiliate**" means a company that is affiliated with another company as described below:

A company is an "**Affiliate**" of another company if:

- (a) one of them is the subsidiary of the other; or
- (b) each of them is controlled by the same Person;

A company is "**controlled**" by a Person if:

- (a) voting securities of the company are held, other than by way of security only, by or for the benefit of that Person; and
- (b) the voting securities, if voted, entitle the Person to elect a majority of the directors of the company;

A Person beneficially owns securities that are beneficially owned by:

- (c) a Company controlled by that Person, or
- (d) an Affiliate of that Person, or
- (e) an Affiliate of any Company controlled by that Person.

"**Audit Committee**" means the audit committee of the Company.

"**Audit Committee Charter**" means the Audit Committee's Charter, attached hereto as Schedule C.

"**BCBCA**" means the *Business Corporations Act* (British Columbia).

"**BCSC**" means the British Columbia Securities Commission.

"**Board**" or "**Board of Directors**" means the board of directors of the Company.

"**Business Day**" means a day other than Saturday, Sunday or a statutory holiday in British Columbia, Canada.

"**CEO**" means Chief Executive Officer.

"**CFO**" means Chief Financial Officer.

"**Common Shares**" means the common shares in the capital of the Company.

"**Company**" means Atha Energy Corp., a company existing under the BCBCA.

"**Company Financial Statements**" means the audited financial statements of the Company for the period from incorporation on January 14, 2021 to December 31, 2021 and the unaudited condensed interim financial statements of the Company for the nine months ended September 30, 2022, in each case, together with the notes thereto and the auditors' report thereon, as applicable, attached hereto at Schedule A.

"**Company MD&A**" means the management's discussion and analysis of the Company for the period from incorporation on January 14, 2021 to December 31, 2021 and for the nine months ended September 30, 2022, attached hereto at Schedule B.

"**Company Shareholders**" means the holders of Common Shares.

"**Conquest**" means Conquest Resources Limited.

"**Deadline**" means January 31, 2023.

"**DSU**" means a deferred share unit issued pursuant to the Equity Incentive Plan.

"**ECC**" means ECC Diversified Inc., a predecessor entity of the Company.

"**Equity Incentive Plan**" means the Company's omnibus equity incentive plan. See "*Options to Purchase Securities*".

"**Exchange**" or the "**CSE**" means the Canadian Securities Exchange.

"**Escrow Agreement**" means the escrow agreement to be entered into among the Company, the Transfer Agent and certain shareholders, pursuant to which the Escrowed Shares will be held in escrow.

"**Escrowed Shares**" means the Common Shares and that are to be held in escrow pursuant to the Escrow Agreement.

"**Golden Rose Gold Property**" or the "**Property**" means the Golden Rose Gold Property located in northeastern Ontario and underlying the Property Option Agreement.

"**IFRS**" means the International Financial Reporting Standards as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretation Committee.

"**Insider**" means:

- (a) a director or senior officer of the Company;
- (b) a director or senior officer of a company that is an Insider or subsidiary of the Company;
- (c) a Person that beneficially owns or controls, directly or indirectly, shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the Company; or
- (d) the Company itself if it holds any of its own securities.

"**Listing**" means the listing of the Common Shares for trading on the Exchange.

"**MD&A**" means management discussion and analysis.

"**Named Executive Officer**" or "**NEO**" means:

- (a) the CEO, or comparable position;
- (b) the CFO, or comparable position;
- (c) each of the issuer's three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed financial year and whose total salary and bonus, individually, exceeds CAD\$150,000 per year; or
- (d) any additional individuals for whom disclosure would have been provided under (c) except that the individual was not serving as an officer of the issuer at the end of the most recently completed financial year.

"**NI 41-101**" means National Instrument 41-101 – *General Prospectus Requirements* of the Canadian Securities Administrators.

"**NI 45-102**" means National Instrument 45-102 – *Resale of Securities* of the Canadian Securities Administrators.

"**NI 52-110**" means National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators.

"**NP 46-201**" means National Policy 46-201 – *Escrow for Initial Public Offerings* of the Canadian Securities Administrators.

"**NSS**" means the New Saskatchewan Syndicate, an unincorporated joint venture comprising Matthew J. Mason and Timothy A. Young.

"**Options**" means the stock options issued pursuant to the Equity Incentive Plan.

"Person", unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.

"Promoter" means (a) a person or company who, acting alone or in conjunction with one or more other persons, companies or a combination thereof, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of an issuer, or (b) a person or company who, in connection with the founding, organizing or substantial reorganizing of the business of an issuer, directly or indirectly, receives in consideration of services or property, or both services and property, 10% or more of any class of securities of the issuer or 10% or more of the proceeds from the sale of any class of securities of a particular issue, but a person or company who receives such securities or proceeds either solely as underwriting commissions or solely in consideration of property shall not be deemed a promoter within the meaning of this definition if such person or company does not otherwise take part in founding, organizing, or substantially reorganizing the business.

"Property Option Agreement" means the property option agreement dated July 19, 2022 between the Company and Conquest with respect to the Golden Rose Gold Property.

"Prospectus" means this Preliminary Prospectus.

"PSU" means a performance share unit issued pursuant to the Equity Incentive Plan.

"Release Condition" means the receipt by the Company of conditional approval from the CSE or any other recognized Canadian stock exchange for the listing of the Common Shares on the CSE or any other recognized Canadian stock exchange.

"RSU" means a restricted share unit issued pursuant to the Equity Incentive Plan.

"Sale and Purchase Agreement" means the Sale and Purchase Agreement dated September 20, 2022 between the Company and the NSS, as amended from time to time.

"SEDAR" means the System for Electronic Document Analysis and Retrieval.

"Subscription Receipt" has the meaning set forth under the heading "*Description of the Business – History*".

"Subscription Receipt Offering" has the meaning set forth under the heading "*Description of the Business – History*".

"Subscription Receipt Agent" means Odyssey Trust Company.

"Subscription Receipt Agreement" means the subscription receipt agreement between the Company and the Subscription Receipt Agent dated October 24, 2022, as amended from time to time.

"Subscription Receipt Offering Escrow Release Conditions" means the escrow release conditions governing the deemed exercise of the Subscription Receipts issued in connection with the Subscription Receipt Offering as set forth in the Subscription Receipt Agreement.

"Transaction" means the transactions contemplated by, or in relation to, the Sale and Purchase Agreement including the Subscription Receipt Offering and the listing of the Common Shares on the CSE.

"Transfer Agent" means Odyssey Trust Company, the Company's transfer agent and registrar.

SUMMARY OF PROSPECTUS

The following is a summary of the principal features of the Common Shares and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus.

Principal Business

The Company

The Company's full corporate name is "Atha Energy Corp.". The Company is governed by the BCBCA. The Company's head registered and records office address is 1250-1066 Hastings Street West, Vancouver, British Columbia, V6E 3X1. See "*Corporate Structure*".

The Company was incorporated under the BCBCA on January 14, 2021 under the name "Inglenook Ventures Ltd.". On March 22, 2021, ECC completed a strategic reorganization of its assets in which it spun out certain assets into the Company. The transaction was carried out by way of statutory plan of arrangement pursuant to the BCBCA. Under the terms of the arrangement, shareholders of ECC received one Common Share for every common share of ECC they held as of March 22, 2021. On March 8, 2022, the Company completed a consolidation of its issued and outstanding Common Shares on a 1.388:1 basis. On May 30, 2022, the Company changed its name to "Atha Energy Corp.". See "*Description of the Business*".

Property Option Agreement

On July 19, 2022, the Company signed the Property Option Agreement with respect to its option to acquire a 100% interest in the Golden Rose Gold Property, located in the Sudbury Mining District in the Province of Ontario. To fully exercise the option, the Company must pay Conquest an aggregate of \$1,010,000 and issue Conquest an aggregate of 1,500,000 Common Shares over a period of 36 months. The Company has also agreed to grant Conquest a 1.0% net smelter return on the Golden Rose Project. The Golden Rose Technical Report recommends that the Company conduct a two-phased work program on the Golden Rose Property with an estimated budget of \$1.25 million.

See "*Description of the Business – History*".

Sale and Purchase Agreement

On September 20, 2022, the Company entered into the Sale and Purchase Agreement with the NSS whereby the Company agreed to acquire a diversified portfolio of mineral properties in Alberta and Saskatchewan, comprised of: (i) a 10% carried interest in certain properties owned and operated by NexGen Energy Ltd. and Isoenergy Ltd. (collectively, the "**Carried Interests**") and (b) 100% of majority interests in a substantial acreage prospective for uranium discovery (collectively, the "**NSS Properties**"). As consideration for the Carried Interests and NSS Properties, the Company agreed to pay the NSS aggregate cash consideration of \$2,000,000 and to issue the NSS (or their nominees) such number of Common Shares as equals 30% of the total issued and outstanding Common Shares (on a fully diluted basis) following completion of the Transaction. The Company has also agreed to grant the NSS a 2% net smelter returns royalty and a 10% carried interest in and to the NSS Properties and to make available to the NSS \$3,000,000 (the "**Acquisitions Advance**"), which funds will be used by the NSS to acquire additional prospective uranium exploration properties on behalf of and for the benefit of the Company.

See "*Description of the Business – History*".

Management, Directors & Officers

Mike Castanho	Chief Executive Officer, Chief Financial Officer, Corporate Secretary and Director
Jeffrey Barber	Director
Morgan Tincher	Director

See "Executive Officers and Directors".

No Proceeds Raised

No securities are being offered pursuant to this Prospectus. This Prospectus is being filed with the BCSC for the purpose of enabling the Company to develop an organized market for the Common Shares. Since no securities are being offered pursuant to this Prospectus, no proceeds will be raised and all expenses incurred in connection with the preparation and filing of this Prospectus will be paid by the Company from its general corporate funds (including out of proceeds of the Subscription Receipt Offering if the Transaction is completed).

The Listing

It is a condition to the completion of the transactions contemplated in the Sale and Purchase Agreement that the Common Shares be listed on the CSE or another recognized Canadian stock exchange. The Company has applied to list the Common Shares on the CSE under the symbol "SASK". Listing will be subject to the Company fulfilling all of the listing requirements of the CSE, including, without limitation, obtaining a final receipt for the (final) prospectus, obtaining distribution of the Common Shares to a minimum number of public shareholders and the Company meeting all other minimum listing requirements.

Funds Available

The Company has used, or intends to use, the proceeds of the Subscription Receipt Offering and its other available funds as follows:

Item	Funds Allocated
Available Funds	
Funds from Subscription Receipt Offering	\$33,725,000
Working Capital of the Company as at November 30, 2022	\$7,075,688
Total Available Funds	40,800,688
Use of Available Funds	
Transaction Costs ⁽¹⁾	\$4,110,500
Acquisitions Advance	\$3,000,000
General and administrative expenses ⁽²⁾	\$880,000
Exploration and development expenses ⁽³⁾	\$3,000,000
Unallocated working capital	\$29,810,188
Total Funds Used	\$40,800,688

Notes:

- (1) Includes estimated legal fees of \$150,000; auditors fees of \$20,000; fees payable to the securities commission and Exchange fees of \$15,500; advisor fees of \$2,949,100 and fees payable to the NSS of \$1,000,000.
- (2) The estimate of general and administrative expenses for the next 12 months includes: salaries, benefits and consulting fees of \$440,000; rent and utilities of \$80,000; office expenses of \$80,000; legal, tax, audit and professional fees of \$140,000; investor relations fees of \$120,000; and insurance expenses of \$20,000.
- (3) Exploration and development expenses are expected to include exploration expenses and permit costs of \$3,000,000.

The Company anticipates that it will have negative cash flow from operations during the exploration phase of its business.

While the Company currently intends to use the available funds for the purposes set out herein, it will have discretion in the actual application of the available funds, and may elect to use the net proceeds differently than as described herein, if the Company believes it is in its best interests to do so. See “*Use of Available Funds*”, “*Risk Factors*” and “*Cautionary Note Regarding Forward-Looking Information*”.

Risk Factors

An investment in the Company involves a substantial degree of risk and should be regarded as highly speculative due to the nature of the business of the Company.

The risks, uncertainties and other factors, many of which are beyond the control of the Company that could influence actual results include, but are not limited to: Market risk for Securities; Speculative Nature of Investment Risk; Liquidity and Future Financing Risk; Global Economy Risk; Dividend Risk; Limited Prior Operating History; Dilution; Speculative Nature of Mineral Exploration; No History of Production; Environmental Regulation and Risks; Requirement for Permits and Licenses; Reliance on Estimates; No Assurance of Title or Boundaries, or of Access; Volatility of Mineral Prices; Negative Operating Cash Flow; Premiums for Interests in Mineral Properties; Portfolio Volatility Due to Investment Concentration; Illiquidity of Mining Property Investments; Operational Risks; Key Personnel; Conflicts of Interest; Public Health Crisis; Limited Geographic Area; Market Risks; Additional Funding Requirements; Uninsurable Risks; Issuance of Debt; Government Regulations; Climate Change; Social and Environmental Activism; Indigenous Claims and Consultation; Competition from Larger Mining Companies; Failure to Viably Develop Mineral Properties; Risk of Litigation; Barriers to Marketing Minerals; and Internal Controls.

For a detailed description of certain risk factors relating to the Shares, which should be carefully considered before making an investment decision, see “*Risk Factors*” for further details.

Summary of Financial Information

The following tables sets out certain selected financial information of the Company for the periods and as at the dates indicated. This information has been derived from the audited and unaudited financial statements and related notes thereto included in this Prospectus. The Company prepares its financial statements in accordance with IFRS. Investors should read the following information in conjunction with those financial statements and related notes thereto, along with the MD&A.

The Company

	As at December 31, 2021 (audited)	As at September 30, 2022 (unaudited)
Current assets	18,339	7,238,718
Total assets	23,561	8,348,718
Current liabilities	109,178	129,560
Total liabilities	109,178	129,560

See “*Selected Financial Information*”

CORPORATE STRUCTURE

Name, Address and Incorporation of Company

The Company's full corporate name is "Atha Energy Corp.". The Company is governed by the BCBCA. The Company's head, registered and records office address 1250-1066 Hastings Street West, Vancouver, British Columbia, V6E 3X1.

DESCRIPTION OF THE BUSINESS

The Company was incorporated under the BCBCA on January 14, 2021 under the name "Inglenook Ventures Ltd.". On March 22, 2021, ECC completed a strategic reorganization of its assets in which it spun out certain assets into the Company. The transaction was carried out by way of statutory plan of arrangement pursuant to the BCBCA. Under the terms of the arrangement, shareholders of ECC received one Common Share for every common share of ECC they held as of March 22, 2021. On March 8, 2022, the Company completed a consolidation of its issued and outstanding Common Shares on a 1.388:1 basis. On May 30, 2022, the Company changed its name to "Atha Energy Corp".

General

Business of the Company

The Company is a mineral exploration and production company with a primary focus in northeastern Ontario and the Athabasca Basin in northern Saskatchewan. As of the date of this Prospectus, the Company has not yet commenced exploration or production activities and management of the Company has concentrated its efforts on sourcing and performing due diligence on areas of geologic interest, which has culminated in the signing of the Property Option Agreement and the Sale and Purchase Agreement.

History

Since incorporation the Company has not conducted any material business other than seeking to identify and evaluate opportunities for the acquisition of an interest in suitable businesses and, once identified and evaluated, to negotiate an acquisition subject to applicable corporate and securities laws, so as to complete a transaction.

On July 19, 2022, the Company signed the Property Option Agreement with respect to its option to acquire a 100% interest in the Golden Rose Gold Property, located in the Sudbury Mining District in the Province of Ontario. To fully exercise the option, the Company must pay Conquest an aggregate of \$1,010,000 and issue Conquest an aggregate of 1,500,000 Common Shares over a period of 36 months. The Company has also agreed to grant Conquest a 1.0% net smelter return on the Golden Rose Project. A copy of the Property Option Agreement is available under the Company's profile on the SEDAR website at www.sedar.com. The Golden Rose Technical Report recommends that the Company conduct a two-phase work program on the Golden Rose Property with an estimated budget of \$1.25 million.

On July 21, 2022, the Company completed a non-brokered private placement of 12,050,000 Common Shares at a price of \$0.10 per common share for aggregate proceeds of \$1,205,000 (the "**July Private Placement**").

On August 23, 2022, the Company completed a non-brokered private placement of 14,400,000 Common Shares at a price of \$0.50 per common share for aggregate proceeds of \$7,200,000 (the "**August Private Placement**").

On September 20, 2022, the Company entered into the Sale and Purchase Agreement with the NSS whereby the Company agreed to acquire a diversified portfolio of mineral properties in Alberta and Saskatchewan, comprised of: the Carried Interests and the NSS Properties. As consideration for the Carried Interests and NSS Properties, the Company agreed to pay the NSS aggregate cash consideration of \$2,000,000 and to issue the NSS (or their nominees) such number of Common Shares as is equal to 30% of the total issued and outstanding Common Shares (on a fully diluted basis) following completion of the Transaction. It is currently anticipated that the Company will issue the NSS an aggregate of 38,040,000 Common Shares. The Company has also agreed to grant the NSS a 2% net smelter returns royalty and a 10% carried interest in and to the NSS Properties and to make available to the NSS the Acquisitions Advance, which funds will be used by the Vendors to acquire additional prospective uranium exploration

properties on behalf of, and for the benefit of, the Company. A copy of the Sale and Purchase Agreement is available under the Company's profile on the SEDAR website at www.sedar.com.

Closing of the Transaction is subject to, among other things: (i) receipt of all required governmental, regulatory, shareholder and third-party approvals; (ii) the Common Shares being approved for listing on the CSE; (iii) all representations and warranties of each party under the Sale and Purchase Agreement being true and correct as of closing; and (iv) all conditions set forth in the Sale and Purchase Agreement are satisfied or waived

The Company has agreed to issue an aggregate of one million Common Shares to an arm's length party upon the completion of the Transaction for introducing the NSS to the Company and facilitating the transactions contemplated by the Sale and Purchase Agreement.

On October 24, 2022 and November 8, 2022, the Company completed a two-tranche non-brokered private placement of subscription receipts of the Company (the "**Subscription Receipts**") for aggregate gross proceeds of \$33,725,000 (the "**Subscription Receipt Offering**"). The Subscription Receipts were offered at a price of \$1.00 per Subscription Receipt and are governed in accordance with the terms and conditions of the Subscription Receipt Agreement.

In the event that the Company satisfies the Release Condition prior to the Deadline: (i) each Subscription Receipt will be automatically exchanged, without further payment, into one (1) Common Share; (ii) the Escrowed Funds will be released from escrow to the Company; and (iii) the Subscription Receipts shall be cancelled. The Common Shares issuable upon the exchange of the Subscription Receipts are being qualified by this Prospectus.

In the event that the Release Condition does not occur on or prior to the Deadline, or if the Company otherwise notifies the Escrow Agent that it does not intend to proceed as provided in the Subscription Receipt Agreement, the Escrowed Funds will be returned to the subscribers, the Subscription Receipts will be cancelled, and no party shall have any further obligations thereunder.

The Company has also agreed to: (i) issue an aggregate of two million Common Shares to an arm's length party and (ii) pay an aggregate of \$1,625,000 in cash fees to two arm's length parties upon the completion of the Transaction in consideration of capital markets advisory services provided to the Company in connection with the Transaction and the Company's application for a listing on the Exchange.

Competitive Conditions

The mining business is a competitive business. The Company competes with numerous other companies and individuals in the search for and the acquisition of mineral properties that are economic under current and foreseeable metals prices, as well as available for investment funds. The success of the Company will depend not only on its ability to operate and develop its properties but also on its ability to select and acquire suitable properties or prospects for development or mineral exploration. Competition is also high for the recruitment of qualified personnel and equipment. See "*Risk Factors – Competition from Larger Mining Companies*".

Employees

As of the date of this Prospectus, the Company had no full time employees and two (2) consultants. The operations of the Company are managed by its directors and officers. The Company engages reputable consulting firms from time to time for technical and environmental services as required to assist in evaluating its interests and recommending and conducting work programs. See "*Risk Factors - Key Personnel*".

Specialized Skills and Knowledge

The Company expects that it will hire, retain, and utilize specialized skills and knowledge in its initial stages as required. In the exploration stage, geoscientists are employed to analyze seismic, pre-existing well data and other information to identify potential areas to explore for minerals. Once targets are identified and captured, third party

drilling and completion firms are hired to provide the rigs, equipment, and expertise to safely drill and complete wells and to test for minerals. If and when minerals are discovered, third party Engineering, Procurement and Construction (EPC) firms will be engaged to design and construct the gathering system and processing facility. Field operators will be hired to operate the facility. Marketing expertise will be required to secure customers both short and long term and to ensure we maximize the price received for our product. All of the necessary skills and knowledge mentioned are readily available within the oil and natural gas sector. In addition, health safety and environment, governance, strategy, finance, marketing, and risk management expertise is required throughout all of these stages. The management team and Board members have extensive experience in all areas as well as established relationships to engage third parties where needed. See "*Executive Officers and Directors*".

Government Regulation

The Company's operations are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions of spills, releases or emissions of various substances related to mining industry operations, which could result in environmental pollution. A breach of such legislation may result in imposition of fines and penalties. In addition, certain types of operations require submissions to and approval of environmental impact assessments. Environmental legislation is evolving, which means stricter standards and enforcement, and fines and penalties for non-compliance are becoming more stringent. Environmental assessment of proposed projects carries a heightened degree of responsibility for companies and directors, officers and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations, including its capital expenditures and competitive position. See "*Risk Factors – Environmental Regulation and Risks*".

Mineral Properties

The following represents information summarized from the Golden Rose Technical Report. The figures and tables contained in the Golden Rose Technical Report have not been reproduced in their entirety in this Prospectus. Those that have been included and form part of this Prospectus, are presented with the same reference numbers contained in the Golden Rose Technical Report. The remaining figures are contained in the Golden Rose Technical Report which is available under the Company's profile on the SEDAR website at www.sedar.com. The following information regarding the Golden Rose Gold Property is qualified in its entirety by the Golden Rose Technical Report and in most cases, is a direct extract thereof. The disclosure in this Prospectus has been included with the consent of the Qualified Person.

Property Description and Location

Pursuant to the Property Option Agreement, the Company has acquired an option over the Golden Rose Gold Property. The Golden Rose Gold Property is located in the northeastern part of the Province of Ontario, Canada centered approximately 70 kilometers northeast of Sudbury and 90 kilometers northwest of North Bay, in a direct line. The Property extends for a maximum length of 2,300 meters in an east to west direction and maximum 900 meters in a north to south direction. The Golden Rose gold deposit is located at western portion of the Property, extending east from the shore of Emerald Lake.

The historic Golden Rose gold deposits form the principal target within the project area. The Golden Rose gold deposit was discovered in the early 1900s. It is a high-grade gold deposit associated with quartz carbonate veining hosted in an iron formation. The Golden Rose gold deposit remains "open" at depth with potential undiscovered parallel adjacent ore shoots.

The Golden Rose gold deposit was in production for three brief periods in 1915-1916, 1937-1943, and 1987-1988. The deposit was developed from a vertical shaft and decline ramp to seven levels and four sublevels. The underground workings are currently flooded and capped. The project area is comprised of four mining leases in a single contiguous block totaling 124 hectares in area.

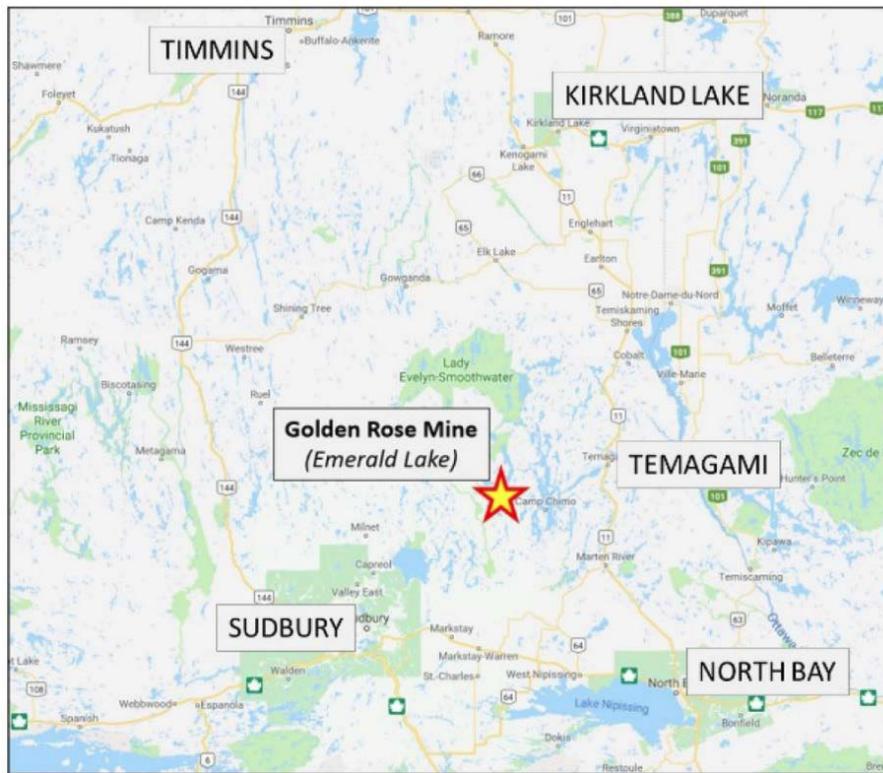


Figure 4.1. Location of the Golden Rose Gold Project in the Province of Ontario, Canada.

Conquest acquired 100% interest in the Golden Rose Gold Property in December 2017 through the acquisition Northern Nickel Mining Inc. The acquisition included a larger area of mining claims adjacent and surrounding the mining leases. The additional property extended into the surrounding townships. On June 19, 2022, the Company entered into the Property Option Agreement with Conquest to earn a 100% interest in four mining leases including the historic Golden Rose gold deposit. Pursuant to the Property Option Agreement, the Company is required to make aggregate cash payments totaling \$1,010,000, and issue of 1,500,000 Common Shares within 36 months of the effective date of the agreement. The Property Option Agreement is subject to a 1.0% Net Smelter Royalty subject to a \$1 million buy-back.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

Access to the Property

The Golden Rose gold project area and Property is accessible in all seasons, most readily from the south off the TransCanada Highway 101 onto provincial highways and secondary roads. The Property can be readily reached off the TransCanada Highway east from the city of Sudbury Province of Ontario or west from the city of North Bay Province of Ontario, equidistantly approximately 130 kilometers along the roads. From Sudbury the route to the Property continues east along the TransCanada Highway to highway 539 north to the town of River Valley and highway 539A. North on highway 539A onto highway 805 through the town of Glen Afton onto the project area approximately 4 kilometers south of Obabika Lodge. From North Bay the route to the Property continues west along the TransCanada Highway through the town of Verner to the junction with highway 575. North on highway 575 to the town of River Valley continuing on the same route as the Sudbury option. Highway 805 transects the property. Highway 805 is a well-maintained gravel road not maintained during the summer months only by the Ministry of Transportation. The local cottager's association maintains this highway during the winter months.

Climate

The climate of the project area is described as modified or humid continental with cold dry winters and warm summers (based on the Köppen climate classification, source [www//weatherbase.com](http://www.weatherbase.com)). It is characterized by four distinct seasons; spring summer, fall and winter. This region has warm and often hot, humid summers with long, cold and snowy winters. It is situated north of the Great Lakes, making it prone to arctic air masses. Monthly precipitation is approximately equal year-round, with snow cover expected six months of the year.

Climate data presented for the project area was obtained from the greater Sudbury region based on weather reports collected during 1985–2015 showing the maximum and minimum monthly norms for temperature and precipitation. The Property is located approximately 70 kilometers northeast of Sudbury and may experience slight differences to those averages presented due to the more northerly location.

For practical purposes it is important to note, due to the extreme temperature range experienced at the project area, it undergoes a period of freeze up and break up where the lake is no longer navigable by boat or by snow machine respectively without intervention. Ice thickness on Emerald Lake can vary significantly due to local currents. Operations at the project area can take place year-round with the exception of surface mapping and sampling which requires the absence of snow cover.

Local Resources and Infrastructure

The project area is favourably located in close proximity to urban centers and transportation corridors that can provide resources and infrastructure support for its continued development. Nearby industrial centers of Sudbury and North Bay provide a full range of services and supplies required for the development of the Golden Rose gold project and nearest commercial airports. The town of Temagami to the northeast is also a potential location for services and supplies. The nearest community is the village of River Valley located 40 kilometers south of the Property. The nearest railway corridor is accessed from Sudbury. The availability of water for the project is excellent.

The Golden Rose gold deposit is the site of historic mining activity on the Property. The surface remnants of this previous operation manifest as foundation and tailing site. Underground development is flooded.

Physiography

Ecozone information characterizes the project as mixed boreal forest. The area is affected by extensive logging with second to third order tree growth over a large part of the area. The immediate area of the Golden Rose gold deposit is now largely overgrown with vegetation. Pleistocene glacial and glaciolacustrine sediments (sand, gravel and clay combinations) cover the project area with local protruding bedrock outcroppings indicative of the underlying undulating bedrock topography. Overburden thickness information as obtained from available drill hole logs varies considerable over the Property.

The topography of the project region is described as rugged with small steep cliffs and swamp. Locally the topography can be described as gently rolling reflecting the underlying bedrock changes in elevation with swamps in low lying poorly drained areas. The Property borders onto the shores of Emerald Lake. The mean elevations are approximately 315-353 meters above sea level with local topographic relief under 20 meters, however, the greater part of the project area is essentially flat. Outcrop is variable, commonly 5% to 10% over the property, primarily as weathering resistant cherty iron formation.

History

The history of the Golden Rose gold project centers on the development and mining of the Golden Rose gold deposit. The Golden Rose gold deposit was discovered following the identification of gold grains among the sands on the shore of Emerald Lake in 1900. Exploration activities ensued and continued intermittently to the present including three brief mining periods. Initial production of gold and silver began in 1915 with the final period ending in 1987. Development of the deposit culminated in 7 underground levels with 4 sublevels, an adit level, ramp decline, and vertical shaft. The deposit is only partially mined.

This historic work comprises resource development and metallurgical, environmental, and economic studies, and large amounts of diamond drilling from surface and underground. The work included noncompliant resource estimations. Collectively the historic work provides the basis for, and strong encouragement to, the continued development of the project's existing deposit towards production and continued investigation of the project area for additional similar deposits.

Conquest acquired the Golden Rose gold deposits and surrounding mining leases through the acquisition of Northern Nickel Mining Inc. in 2017. Conquest completed compilations, airborne geophysical surveys, and re-established survey control pins and grid monuments, conventional and MMI soil surveys, tailings sampling and prospecting with grab sampling, and diamond drilling.

The 2018 airborne VTEM-magnetic surveys identified two high conductivity targets within the four mining leases, the Property. Grab samples from the mine site returned up to 14.7 gpt Au. Tailings sampling returned up to 707 ppb Au but generally remained below 300 ppb. The highest concentrations of Au in tailings were associated with tailings from the Noramco 1987-88 production period. (PK Smith 2020)

In 2020 Conquest completed 6 diamond drill holes totaling 2,104 meters on two mining leases; diamond drill holes GR20-01 to GR20-06. Up to 20.4 gpt Au was intersected in a single sample from hole GR20-04. Previous to the Conquest program, Gold Finders Explorations Ltd. in 2009 intersected up to 543 gpt Au from visible gold in hole GR09-42.

Table 6.3 - Select drill intersected highlights from most recent drill programs 2009-10 and 2020.

Drill Hole	width ft	Au gpt	Drill Hole	width ft	Au gpt	Drill Hole	width ft	Au gpt
GR09-07	1.50	5.69	GR09-29	3.00	1.63	and	3.29	3.84
GR09-08	7.50	1.19	and	2.50	7.00	and	8.53	70.05
and	1.00	23.30	and	3.00	1.78	incl.	2.63	26.30
GR09-09	3.00	6.20	and	2.50	6.08	incl.	0.98	543.00
And	2.00	2.33	and	6.00	171.00	GR20-01	36.4	2.15
GR09-10	2.00	4.38	GR09-30	2.00	1.21	and	3.3	11.2
and	2.00	7.37	GR09-32	3.00	9.58	incl.	3.3	3.53
GR09-11	3.00	2.63	GR09-33	8.00	1.25	incl.	3.6	4.44
and	3.33	9.46	incl.	2.00	18.45	incl.	1.3	6.33
and	1.50	6.14	GR09-35	18.00	1.95	and	9.3	2.03
GR09-12	2.00	1.44	and	3.00	3.20	and	3	4.99
GR09-14	3.00	7.23	and	3.00	1.12	GR20-02	3.6	2.41
and	3.00	3.44	and	3.00	11.30	incl.	1.6	4.41
GR09-21	6.00	4.12	and	3.00	5.57	incl.	0.8	3.34
incl.	2.00	1.03	GR09-37	4.95	2.53	and	1.6	1.33
incl.	2.00	9.49	incl.	1.74	4.19	and	0.8	1.70
incl.	2.00	1.83	and	1.12	48.70	and	3.8	2.02
GR09-23	2.5	18.20	and	0.95	2.25	GR20-03	25.8	1.10
and	1.33	1.23	and	1.86	19.45	incl.	9.8	2.25
and	3.00	1.29	and	1.20	4.14	incl.	3.3	3.53
and	2.00	55.00	and	1.18	9.73	GR20-04	9.8	0.52
and	1.00	0.96	GR10-40	1.64	1.02	and	1.6	5.21
GR09-24	2.00	3.06	GR10-41	4.92	1.61	and	12.3	5.03
GR09-26	2.00	55.30	incl.	2.46	2.47	and	1.6	15.2
and	1.00	5.78	GR10-41A	6.56	0.95	incl.	1.6	1.94
GR09-27	1.00	6.32	GR10-42	16.74	15.62	incl.	1.6	20.4
and	2.00	2.79	incl.	6.89	27.68	GR20-06	1.6	2.21
GR09-28	3.00	1.11	and	1.97	3.89			

Drilling on the Property

The information reviewed for the Golden Rose Technical Report indicate that 350 drill holes totaling 30,344 metres have been completed within the confines of the Property in the period 1935 to 2020, from surface and underground. The Government OAFD file 41I16NW0034 indicates additional historic drill holes to 1928 that may need to be incorporated in the project database. The bulk of this drilling corresponds to the delineation of the Golden Rose gold deposit. Core sizes ranged from AX to NQ. Update and verification of the current drill hole database is recommended.

The drill hole data base includes a large number of bonanza gold grades including 1372 gpt over 2.2 feet intersected in hole 34-5-008.

Table 6.4 Select drill intersected gold concentrations cut to 100 gpt, Whymark 2020.

DDH	From (ft)	To (ft)	Thickness (ft)	Au_g/t
34-S-008	491.30	493.50	2.20	1372
10-GR-042	888.78	889.76	0.98	543
84-GR-038	203.00	204.00	1.00	276
40-207UG	63.40	66.30	2.90	262
36-054UG	95.50	96.00	0.50	238
36-048UG	140.00	140.70	0.70	215
40-223UG	53.10	55.00	1.90	213
85-GR-042	808.67	811.00	2.33	207
41-258UG	124.50	125.60	1.10	193
09-GR-029	827.00	829.99	2.99	162
37-071UG	75.40	78.00	2.60	159
09-GR-029	824.02	827.00	2.99	150
40-210UG	40.00	40.40	0.40	140
86-UG-013	6.00	9.00	3.00	134
86-UG-002	0.00	5.00	5.00	122
34-S-011	595.50	597.00	1.50	117
39-189UG	254.20	254.70	0.50	109
85-GR-042	780.50	783.00	2.50	103

Whymark 2020 reports a drill hole compilation and database and three-dimensional modelling of the Golden Rose gold deposit. Whymark homogenized the drill hole geology for this purpose to four units; volcanic, banded iron formation, porphyry, and quartz veining/silicification.

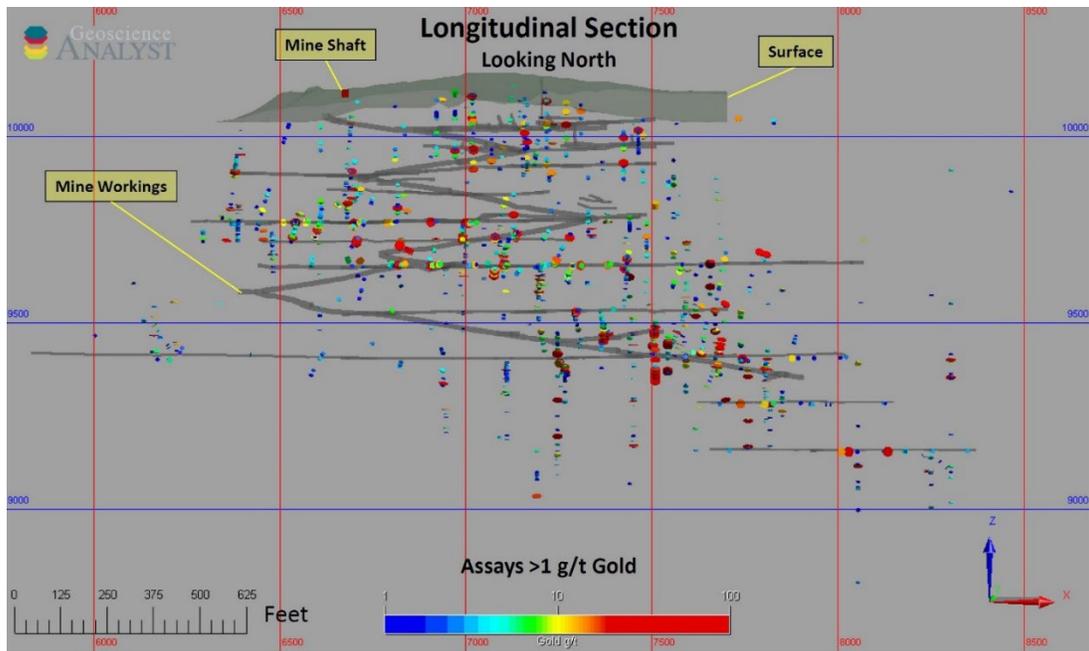


Figure 6.1 Longitudinal section of historic drill assay results >1 gpt Au around the Golden Rose gold deposit; from Whymark 2020.



Figure 6.2 Map showing location of historic drill hole collars within the Property.

Available Drill Core

Much of the early drill core is unrecoverable. A significant portion of the more recent drill core is archived at the Golden Rose mine site and at a secure site in the city of North Bay. A current detailed listing of available drill core was not examined at the time of writing of the Golden Rose Technical Report. Review of any archived drill core and a complete listing of the available drill core and condition is recommended.

Geochemical Studies

Over the course of the exploration and development activities undertaken over the Property, geochemical studies included in this work comprised conventional and MMI soil surveys, surface sampling of outcrop and ore/waste piles, and drill core analyses.

The Company plans to consolidate all the available historic geochemical data as part of a continuation of compilation towards generating drill targets.

Geophysical Surveys

Iron formations typically display strong geophysical contrasts with their host rock as is the case within the project area. Their distinguishing properties include density, magnetic intensity and susceptibility, and electrical (conductivity and resistivity) with variations applied due to the specific mineralogical composition, shape and orientation of the body. The most common sulphide assemblage within the iron formation located in the Property is pyrite which has a strong association with the gold mineralization.

Geophysical surveys conducted on the Property throughout its history include airborne and ground surveys and borehole surveys using magnetic and electromagnetic methods. The magnetic methods were highly effective in delineating the iron formation which transects the Property and is the host unit to the Golden Rose gold mineralization.

Due to the long history of the project, the geophysical methods that have been applied over the project area, to a certain extent, document the evolution of these methods as applied to mineral exploration.

Initial geophysical methods applied in the project area were rudimentary compared to the currently available systems. The most recent airborne magnetic and VTEM survey confirms much of the previous work. Collectively these results integrated with the surface geological mapping and drill hole information, provide the important base for the re-initiation of exploration over the project area.

Airborne Geophysical Surveys

Airborne magnetic and electromagnetic geophysical surveys over the Property were conducted in 1986 and 2018.

Fixed wing magnetic and VLF-EM surveys carried out by Terraquest Ltd. for Emerald Lake Resources Inc. in 1986 outlined the strongly magnetic iron formation and identified a number of VLF-EM conductors. Helicopter borne magnetic and electromagnetic VTEM-EM surveys carried out by Geotech for Northern Nickel Mining Inc. in 2018 similarly outlined the strongly magnetic iron formation hosting the Golden Rose gold deposit. The more advanced data collection and modeling from this survey provided the basis for detailed interpretation of the project area.

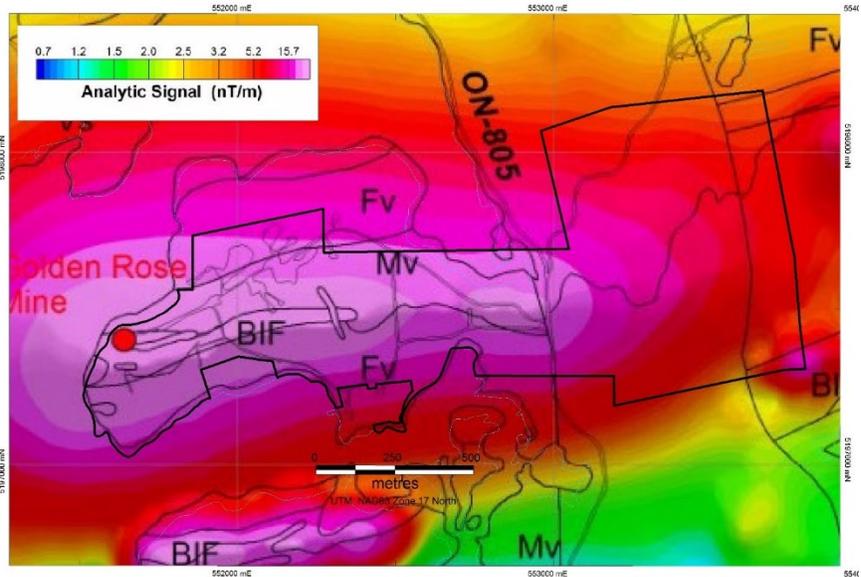


Figure 6.3 2018 Geotech airborne survey magnetic analytical signal showing strongly magnetic iron formation “favourable horizon”, property outline and property geology outlines.

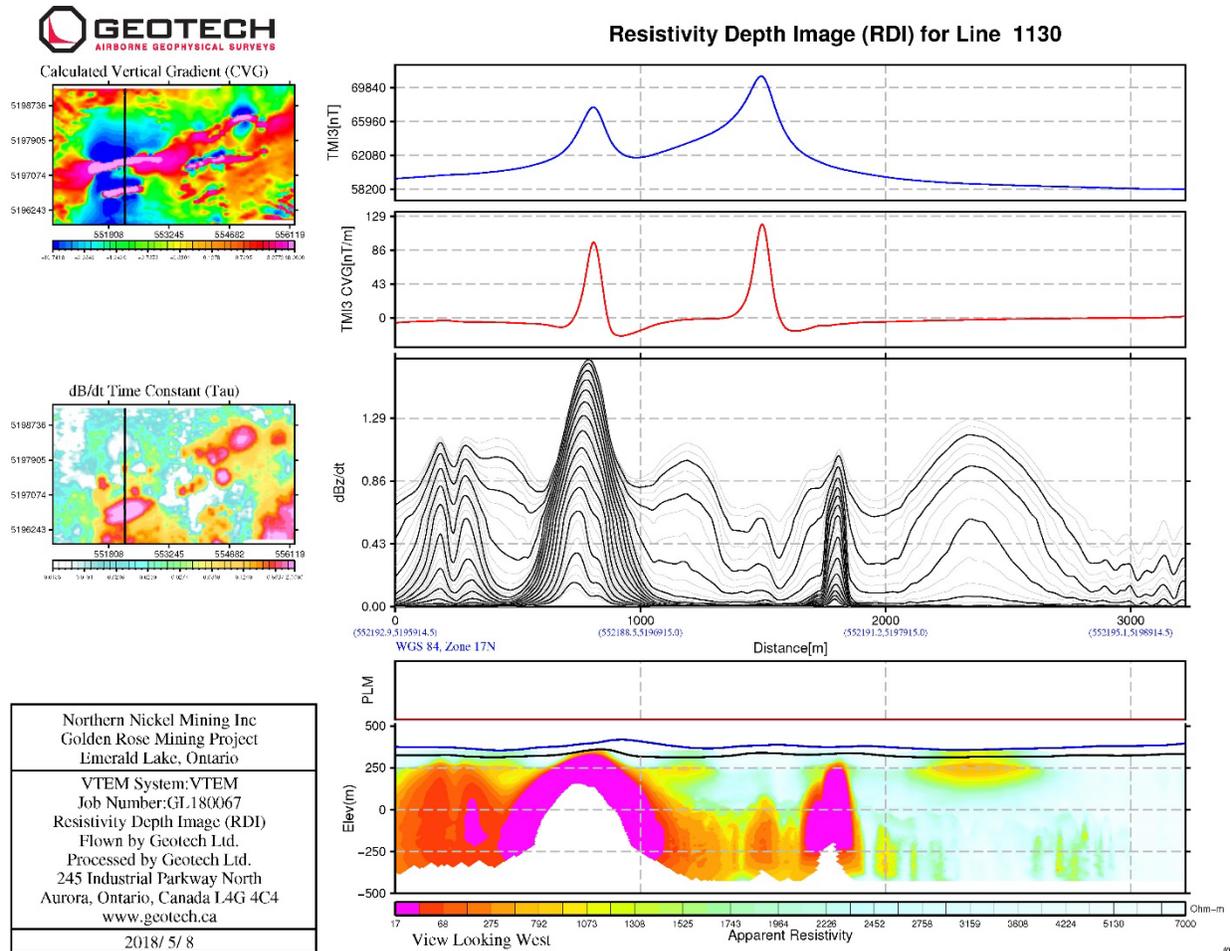


Figure 6.4 2018 Geotech airborne survey line 1130 magnetic, electromagnetic, and resistivity showing the iron formation hosting the Golden Rose gold deposit as the central higher magnetic response (topmost two profiles) and flanking weaker conductive response (two lowermost profiles).

Note that the second highest magnetic response (to the left of the figure) with coincident highest conductivity response corresponds to an interpreted iron formation lying immediately south and parallel to that which is host to the Golden Rose gold deposit. These two very prominent features, although having been similarly interpreted as being the result of an iron formation, they do not have identical geophysical magnetic or electromagnetic signatures.

A full review of the geophysical data in the context of known geology is recommended prior to the planned re-initiation of exploration activities.

Ground Geophysical Surveys

Ground geophysical methods including magnetic, frequency and time domain electromagnetic, induced polarization, VLF, and IP have been implemented over the Property during the course of the exploration and development activities. Detailed examination of the results forms part of the recommended work program, including accessing the original digital data files.

Recent surface magnetic, moving loop electromagnetic (terraTEM), IP-resistivity surveys were completed in 2008 by JVX for Northern Nickel Mining Inc.

Borehole Geophysical Surveys

Borehole IP surveys were completed on a number of drill holes located on the property. Detailed examination of the results forms part of the recommended work program.

Resource Estimations

Note: The “resources” and “reserves” included in the Golden Rose Technical Report are historical in nature and should not be relied upon. Despite being prepared to historical standards of the time, it is unlikely that they comply with current NI 43-101 or CIM standards and criteria and definitions. They have not been verified to determine their relevance or reliability. They have been included in this report for illustrative purposes only and should not be disclosed out of context. The author of the Golden Rose Technical Report did not review the database, key assumptions, parameters or methods used in these estimates.

The information available from assessment files and public domain sources include a number of noncompliant resource estimations for the Golden Rose gold deposit. A summary of the results is provided below. The author was unable to study the details of these estimates as part of the research towards writing this report and does not consider them as relevant due to the lack of supporting information.

In 1985 Emerald Lake Resources Inc. in their annual report stated “...proven and drill indicated reserves are 984,900 tons grading 0.192 oz gold/ton, including 753,600 tons grading 0.225 oz gold/ton. Proven drill indicated and probable reserves are 1,926,500 tons grading 0.204 oz gold/ton. These reserves are within 850 vertical feet...”

The 1985 report for Emerald Lake Resources Inc., OAFD 41116NW0011, states “Drilling and surface trenching by Emerald Lake Resources has indicated a geological reserve or approximately 500,000 tons of gold mineralization east of the shaft and above the 3 level...”

In 1985 Watts Griffis McQuait reported 228,961 tons grading 0.21 opt in 19 blocks with greater than 4,500 tons. PK Smith 2020.

The 2009 report for Northern Nickel Mining Inc. OAFD 20009004 by JVX states “...Noramco Mining Corporation,

indicates that in 1986 the property is reported to have hosted a global geological resource of 617,000 ounces Au, contained within 2.4 million tonnes (grading 0.26 opt).”

No NI 43-101 compliant resource or reserve estimations have been completed for the Golden Rose gold deposit.

Economic Studies

There are no current economic studies for the Golden Rose gold deposit.

Mineral Processing and Metallurgical Testing

The Golden Rose gold deposit is the sole past producer on the Property or near vicinity. The deposit underwent mining activities in three brief periods as detailed in table 6.4. These activities were interrupted by economic pressures resulting in only a partial extraction of the deposit’s ores.

Table 6.5 Production history of the Golden Rose Mine 1937 to 1941¹

Year	Ore Raised tons	Ore Milled tons	Gold Recovered oz	Silver Recovered oz
1916-16	Production details uncertain			
1937	19,109 ²	16,811	3,864	829
1938	40,181	40,161	13,959	2,201
1939	36,534	36,195	12,608	2,622
1940	38,810	38,575	11,489	1,984
1941	11,978	12,495	3,440	660
1943-44 ³	from stockpiles		54	3
1987-88		93,408	6,632	

Metallurgical test work performed by Lakefield Research in 1985-86 (OAFD 41116NW0011, Lakefield Research report LR 2987) indicated recovery of gold using a variety of methods with consideration of the fineness of grind and sulphide recovery; gravity, floatation, and cyanidation. Best results were obtained using a combination of these methods as relates to Au concentration of the ore.

Metallurgical test work performed by Porto Metals Ltd. in 1983 (OAFD 32D05NW0386) included a 400-pound bulk sample obtained from various dumps on the Property. Results indicated that the ores are amenable to magnetic separation utilizing at least two cleaning stages.

No recent metallurgical test work was available during the preparation of this report. Additional testing is required and recommended for continued investigation of these deposits.

Golden Rose Gold Deposit Underground Development

The Golden Rose gold deposit has undergone substantial underground development culminating in access from a vertical shaft and ramp decline. Development includes seven levels and four sublevels, winzes, and raises. The crown pillar was not recovered and remains in place. The underground workings were last allowed to flood in 1988.

¹ ODM 1937, 1938a, 1938b, 1939a, 1939b, 1940a, 1940b, 1941a, 1941b, 1942a and 1942b

² Includes 1,025 tons ore discarded.

³ 1943-44 production number represent recoveries from the mill circuit. The mine closed in 1941.

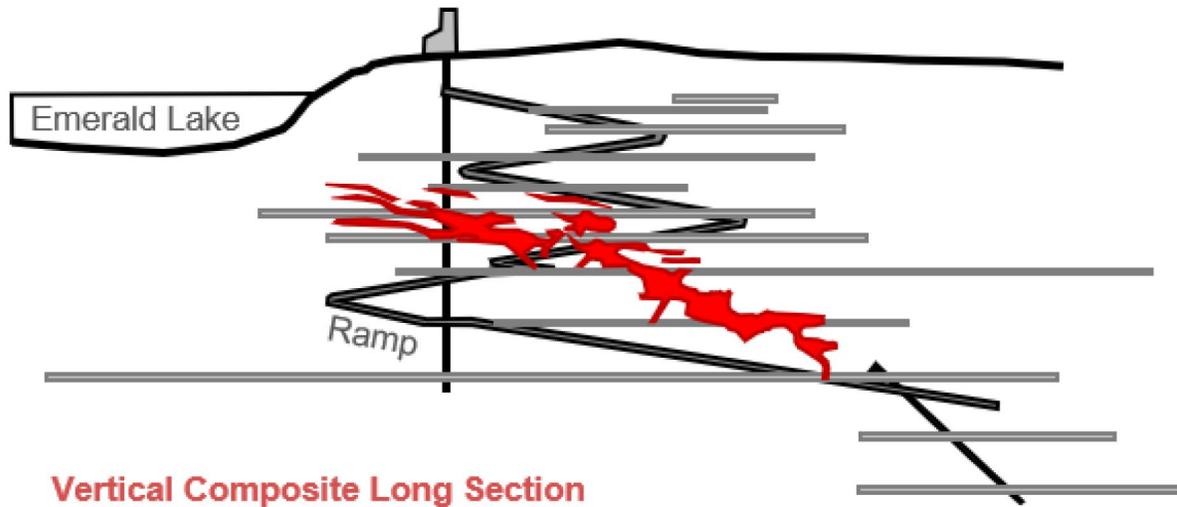


Figure 6.5 Vertical composite schematic long section of the Golden Rose mine workings.

Sample Preparation, Analysis, Security

To some extent the history of sample analysis for the Project reflects the development of analytical methods and the evolution of QA and QC procedures. Previous technical reports for the Golden Rose gold deposit attempt to address early applied methods and procedures. The more recent procedures included the use of accredited laboratories and the implementation of control samples and check assays.

The author of the Golden Rose Technical Report has not reviewed any sample preparation or QA/QC procedures in the preparation of the report. It is recommended that a thorough review of these subject, building on recent reporting, form part of a recommended work plan.

Core Logging and Sampling

Initial drill core observations and sampling were recorded on paper sheets. Recent compilations of the historic drilling and the recording of information from the more recent drill programs utilized a variety of software applications for data entry.

At the time of writing of the Golden Rose Technical Report neither the Company nor the author had completed an analysis of the historic core logging and sampling. The Company intends to validate the project database with original logs supported by field examination of drill core and collar locations where possible as part of the planned work program.

Analytical Methods

Due to the long exploration and development history of the project a variety of laboratories and analytical methods had been utilized for sample analyses. At the time of writing of this report neither Atha Energy nor the author had undertaken a thorough review of the historic assay results. Atha Energy plans to commence its own program of relogging drill core, and completing its own sampling, check analyses, and lithochemical sampling programs and integrating the historical data into the current data.

QA/QC Data Verification

Historic data verification was not carried in the preparation of the report.

Density Determinations

No density determinations were no examined during the preparation of the report.

Stockpiles & Tailings

There are several stockpiles located within the historic mine site. Some development muck was utilized for construction of the tailings dams. Two tailing compounds are located on the Property.

Environmental Studies

No environmental studies were examined in the preparation of the Golden Rose Technical Report. The author reviewed the Government AMIS data files pertaining to the Property. The author of the Golden Rose Technical Report is not aware of any outstanding significant environmental issues for the Property

Geological Setting

The project area is located within the Temagami Greenstone Belt in northeastern Ontario. The belt is composed of metamorphosed volcanic rocks, that range in composition from basalt to rhyolite, and sedimentary rocks of ca. 2.7 billion years with similar east-west orientation as other greenstone belts in the Superior Structural Province of the Canadian Shield. The Archean lithologies of the project are exposed within the Property via a window through the overlying early Proterozoic lithologies (map P3581). The Archean lithologies include the banded iron formation which is host to the gold deposits.

Regional Geology

The project region is dominated by Nipissing diabase sills overlying felsic to mafic volcanics, metasediments, and banded iron formation, crosscut by mafic dykes.

- Sedimentary rocks are Huronian in age clastic of the Gowganda Formation and Archean banded iron formation.
- Archean intermediate (to felsic) and mafic (to intermediate) volcanic rocks include massive flows, tuff, and lapilli tuff.
- Mafic dykes include northwest trending 2,454 Ma Matachewan and west-northwest trending 1,238 Ma Sudbury diabase.

The Huronian assemblage is separated from the Archean by unconformity. Faulting and folding are evident. The rocks have been regionally metamorphosed to the lower greenschist facies.

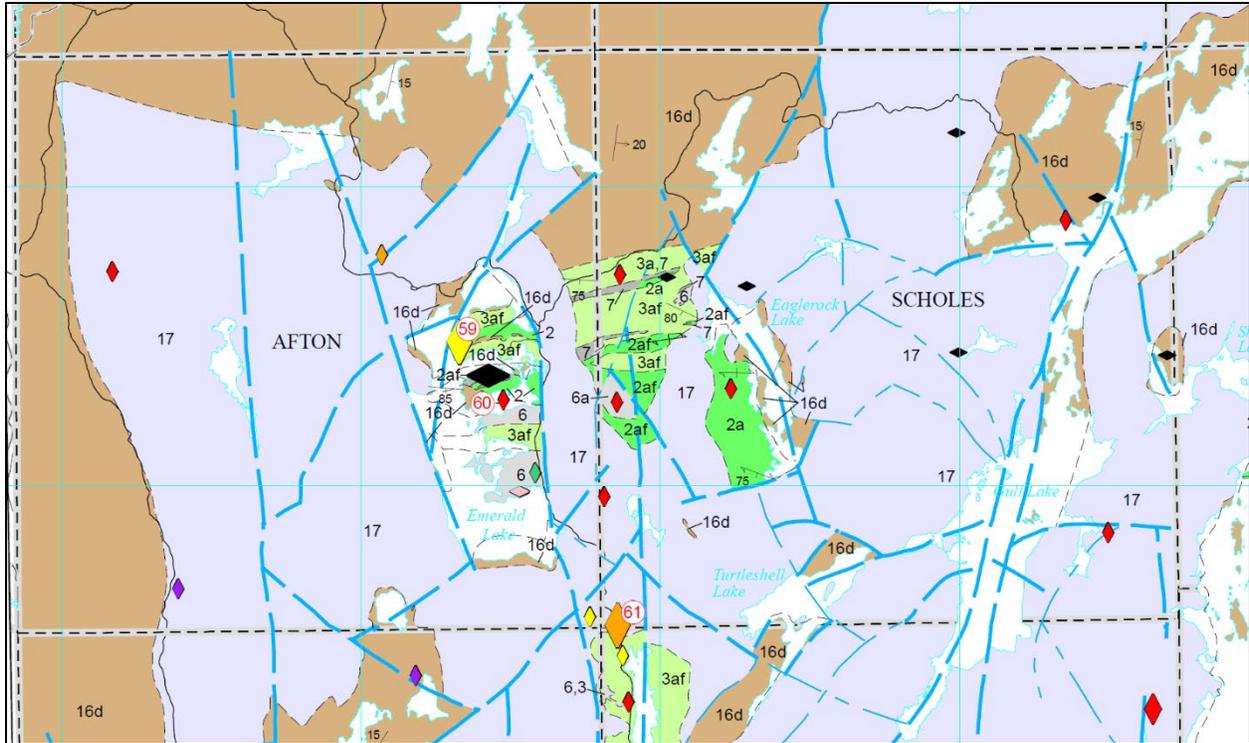


Figure 7.1 Geology of the project region, Afton and Scholes townships, from map P3581 showing the main lithologies and location of the Golden Rose deposit at number 59. “2” indicates mafic (to intermediate) volcanics, “3” indicated intermediate (to felsic) volcanics, “6” indicates clastic metasediments, “7” indicates chemical metasediments, “16” indicates Gowganda Formation metasediments, and “17” indicates Nipissing Diabase.

Economic Geology

The Property is host to the Golden Rose gold deposit hosted in iron formation. The deposit is characterized by bonanza gold grades and associated silver mineralization. It was partially mined in three brief periods ending in 1987. Its extensive underground development and the known mineralization is the anchor for the project. The host iron formation transects the Property for 2,200 metres and forms the basis for the brownfield potential.

Local Geology

The Property local geology is dominated in the west by Archean rocks exposed through a window in the Proterozoic Nipissing sills which is dominant in the east. The Archean lithologies for part of the east-west trending Temagami greenstone belt which is overlain by the flat lying Nipissing sills.

Within the Property the mafic volcanic sequence is ascribed to the North Volcanic Unit. It comprises a sequence of interflow chert, pyritic chert, and tuffs and pyroclastics interfingering with the underlying banded iron formation. This sequence is overlain by massive, amygdaloidal, and pillowed mafic to intermediate volcanics with minor chert and tuff. Felsic porphyritic dykes and gold-bearing quartz-ankerite veins crosscut these sequences. The relevance and extent of the mineralized quartz veins requires further investigation.

The banded iron formation which is host to the Golden Rose gold deposit is typical Algoman-type oxide-facies with lesser sulphide-facies, of Precambrian age. The iron formation sequence is east-west striking with steep -65° to -90° dips towards the south with local steep dips northwards. Mine development was carried out within the iron formation. The strategic focus for Atha Energy lies with this iron formation.

Flow banded and brecciated rhyolite lies atop of the North Volcanic Unit.

The Golden Rose gold deposit lies within the banded iron formation unit on the north limb of an interpreted major Emerald Lake Synclinal structure, however, this interpretation is questioned by others.

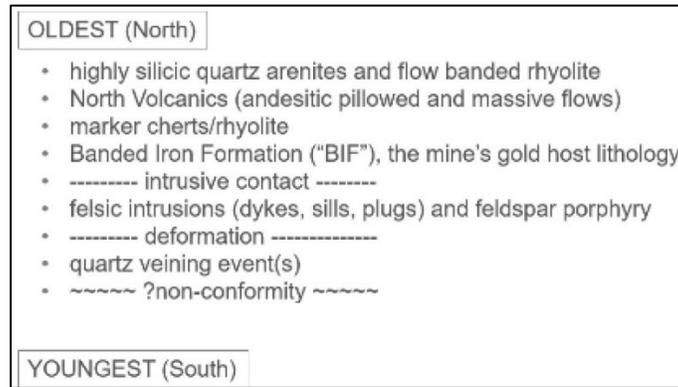


Figure 7.2 The general stratigraphy of the Golden Rose gold deposit described as a succession from the base upwards (PK Smith 2020).

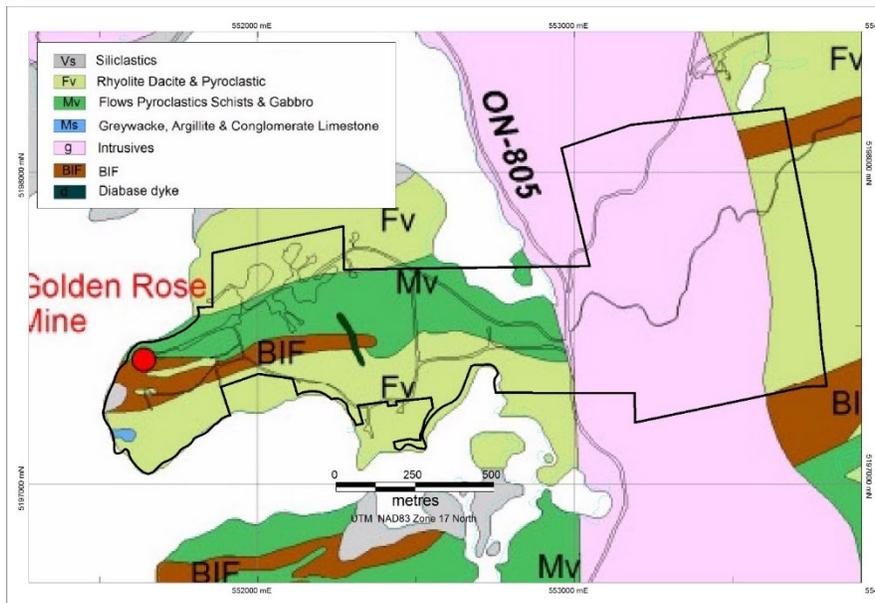


Figure 7.3 Local geology of the project area outlining the area of the Property and the location of the favourable horizon banded iron formation (BIF).

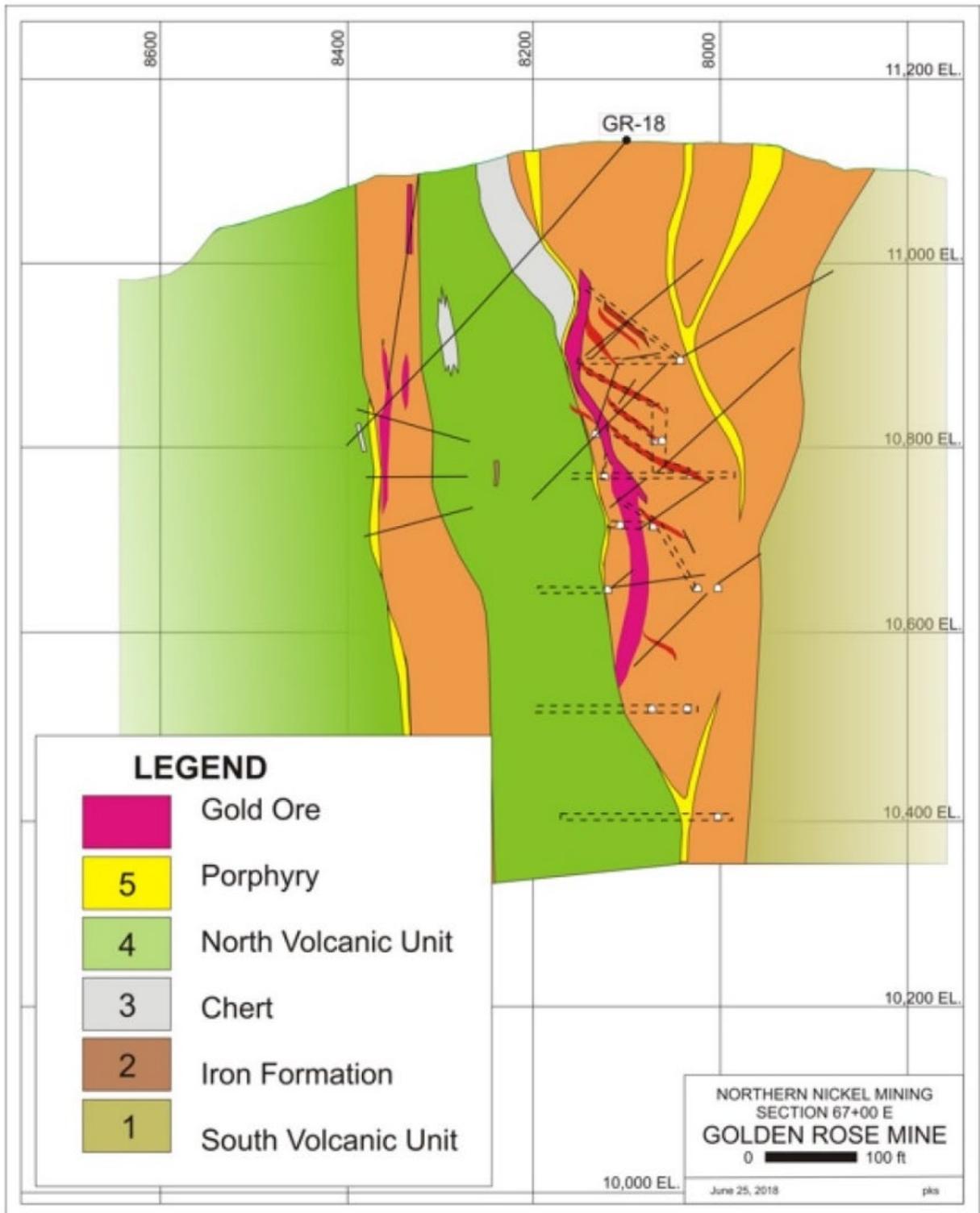


Figure 7.4 Generalized geological cross section through the Golden Rose gold deposit (PK Smith 2020).

Exploration

The Company has not completed any exploration on the Golden Rose Gold Property to date. The Company intends to continue with the current compilation of the very large historic data and integrating the deposit geology into the overall geology of the project to establish targets for detailed follow up drilling.

Mineralization

Gold mineralization occurs as fine to coarse grains associated with coarse-grained pyrite within quartz-ankerite veins as lenses hosted in iron formation. It is historically characterized as “free milling”. The initial discovery of gold on the Property was made flat gently dipping quartz vein above the current adit portal. PK Smith 2020 outlines ten contemporaneous distinct quartz vein morphologies for hosting the gold mineralization.

The main zone gold mineralization is characterized by a continuous vertically dipping zone of quartz-ankerite-pyrite veins and stockworks within an alteration envelope. These veins vary in width from several centimetres to fifteen metres and extend a minimum of 500 metres along strike. The lenses plunge southeast within the steeply dipping iron formation.

The presence of visible gold is common within the Golden Rose gold deposit.

Multi ounce gold intercepts from drilling were not rare. These bonanza grades include visible gold intersected in 1984 drillhole GR-024 returning 10.03 opt over 1.5 feet.

Table 7.1 Mineralized quartz vein morphologies after PK Smith 2020.

GOLDEN ROSE VEINING EVENTS		
Event	Orientation	Description
6	lenses and cross veins	Quartz-tourmaline-±chlorite±ankerite with chalcopyrite±galena
5	irregular extensional gashes	Ankerite-calcite-siderite veins with steep south dip
4	parallel to shearing	Black chlorite with minor quartz-ankerite-hematite
3E	cross-cutting	Chlorite±hematite±quartz±ankertite at 115-140° to core axis (flat to south dipping); noted in more dacitic lithologies
3D	breccia network	Quartz-carbonate-chlorite breccia network flooding
3C	bedding parallel	Quartz with minor ankertite; generally altered and deformed; dominant orientation at ~30° to core axis (i.e., sub-vertical)
3B	cross-cutting en echelon stringers	Coarsely crystalline quartz-chlorite-ankerite crosscutting vein at about 110-130° to core axis (flat to south dipping)
3A	cross-cutting en echelon	Coarsely crystalline quartz-chlorite-ankerite crosscutting vein at about 90-115° to core axis (flat veins)
2	Tiger Strip en echelon	Ankerite-quartz±calcite
1	lattice and stringer network	chlorite-epidote with irregular orientation

↑ YOUNGER
 ↓ OLDER

 ↑ GOLD EVENT
 ↓

Alteration & Metamorphism

Alteration assemblages observed surrounding the Golden Rose gold mineralization and individual gold-bearing veins include ankerite, calcite, chlorite, sericite, tourmaline, pyrite and minor chalcopyrite.

Expansion of the Golden Rose Gold deposit

Resource expansion potential of the Golden Rose gold deposit is provided through further drill testing of the strike and depth continuation of the existing quartz veins and pyrite-rich ore lenses and of the potential for en-echelon similar auriferous parallel veins.

Brownfield Potential

The potential for the discovery of additional gold deposits similar to the Golden Rose gold deposit is provided in the relatively untested eastward continuation of the favourable iron formation hosting the deposit.

Other Commodity Potential

The Company has not investigated the potential for non primary gold potential on the Property.

Drilling

The Company has not completed any drilling on the Golden Rose Gold Property to date. See “*History - Drilling on the Property*” above for a summary of drilling previously completed on the Golden Rose Gold Property.

Sampling and Analysis

The Company has not completed any sampling on the Golden Rose Gold Property to date.

Mineral Processing and Metallurgical Testing

The Company has not completed any mineral processing or metallurgical testing on the Golden Rose Property to date. See “*History - Mineral Processing and Metallurgical Testing*” above.

Mineral Resource and Mineral Reserve Estimates

No resource or reserves estimations have been conducted by the Company for Golden Rose gold deposit. All resource and reserves estimates presented in this Golden Rose Gold Project Technical Report are historical and non-compliant with NI 43-101.

Mining Operations

The Company has not completed any mining operations on the Golden Rose Gold Property to date.

USE OF AVAILABLE FUNDS

Proceeds

No proceeds will be raised, as no securities are being sold pursuant to this Prospectus.

No additional consideration will be received by the Company in connection with the exercise of the Subscription Receipts upon the occurrence of the Release Condition. However, upon the occurrence of the Release Condition on or before the Deadline, the Escrowed Funds will be released to the Company.

Funds Available

The gross proceeds to be paid to the Company from the sale of the Subscription Receipts pursuant to the Subscription Receipt Offering, assuming satisfaction of the conditions for the release of such funds pursuant to the terms of the Subscription Receipt Agreement, is \$33,725,000. As of November 30, 2022, the Company had working capital of approximately \$7,137,895 before giving effect to the Subscription Receipt Offering.

The Company has used, or intends to use, the proceeds of the Subscription Receipt Offering and its other available funds as follows:

Item	Funds Allocated
Available Funds	
Funds from Subscription Receipt Offering	\$33,725,000
Working Capital of the Company as at November 30, 2022	\$7,075,688
Total Available Funds	40,800,688
Use of Available Funds	
Transaction Costs ⁽¹⁾	\$4,110,500
Acquisitions Advance	\$3,000,000
General and administrative expenses ⁽²⁾	\$880,000
Exploration and development expenses ⁽³⁾	\$3,000,000
Unallocated working capital	\$29,810,188
Total Funds Used	\$40,800,688

Notes:

- (1) Includes estimated legal fees of \$150,000; auditors fees of \$20,000; fees payable to the securities commission and Exchange fees of \$15,500; advisor fees of \$2,949,100 and fees payable to the NSS of \$1,000,000.
- (2) The estimate of general and administrative expenses for the next 12 months includes: salaries, benefits and consulting fees of \$440,000; rent and utilities of \$80,000; office expenses of \$80,000; legal, tax, audit and professional fees of \$140,000; investor relations fees of \$120,000; and insurance expenses of \$20,000.
- (3) Exploration and development expenses are expected to include exploration expenses and permit costs of \$3,000,000.

The Company anticipates that it will have negative cash flow from operations during the exploration phase of its business. The Company had negative cash flow from operations for the period ended December 31, 2021 and the three and nine-month period ended September 30, 2022. While the Company intends to spend the funds available to it as stated in this Prospectus, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary. Accordingly, while it is currently intended by management that the available funds will be expended as set forth above, actual expenditures may in fact differ from these amounts and allocations. See "*Risk Factors*".

Business Objectives and Milestones

The Company's two-phase initial work program on the Golden Rose Property contemplates a compilation of surface mapping, diamond drilling and geophysical surveys followed by field valuation of the data and the examination and sampling of archived drill core; completion of high resolution low altitude LiDAR surveys; a revaluation of geophysical data; diamond drilling; preparing a gold deposit resource estimate; and continuing stakeholder engagement activities. Following the initial program, the Company anticipates commissioning a preliminary economic study for the Golden Rose Property, including mining and engineering studies.

Assuming the completion of the Transaction and the conversion of the Subscription Receipts, the Company expects to expend certain of the funds available to it as set out above and additional funds will be used to conduct preliminary studies and determine appropriate work programs of the NSS Properties and for further and ongoing mineral exploration. The amount actually expended for the purposes described above could vary significantly. Due to the nature of the mineral exploration business, budgets are regularly reviewed with respect to both the success of the drilling program and other opportunities which may become available to the Resulting Issuer. Accordingly, if continuing with the work program on the Golden Rose Property becomes inadvisable for any reason, the Company may alter the recommended work program, or may make arrangements for the performance of all or any portion of such work by other persons or companies and may use any funds so diverted for any other purpose, including conducting work or examining other properties acquired by the Company, including the NSS Properties.

Although the Company expects to expend the funds available to it as set out above, the amount actually expended for the purposes described above could vary significantly. Due to the nature of the mineral exploration business, budgets are regularly reviewed with respect to both the success of the drilling program and other opportunities which may become available to the Company. Accordingly, if continuing with the drilling program becomes inadvisable for any reason, the Company may alter the recommended work program, or may make arrangements for the performance of all or any portion of such work by other persons or companies and may use any funds so diverted for any other purpose, including conducting work or examining other properties acquired by the Company, including the NSS Properties. See "*Caution Regarding Forward-Looking Information*".

DIVIDENDS OR DISTRIBUTIONS

The Company has not, since its inception, declared or paid any dividends on its shares. The declaration of dividends on the Common Shares is within the discretion of the Board and will depend on the assessment of, among other factors, capital requirements, earnings, and the operating and financial condition of the Company. At the present time, the Company's anticipated capital requirements are such that the Company intends to follow a policy of retaining all available funds and any future earnings in order to finance the advancement of its business. The Company does not intend to declare or pay cash dividends on the Common Shares within the foreseeable future. See "*Risk Factors – Dividend Risk*".

SELECTED FINANCIAL INFORMATION

The following tables sets out certain selected financial information of the Company for the periods and as at the dates indicated. This information has been derived from the audited and unaudited financial statements and related notes thereto included in this Prospectus. The Company prepares its financial statements in accordance with IFRS. Investors should read the following information in conjunction with those financial statements and related notes thereto, along with the MD&A.

The Company

	As at December 31, 2021 (audited)	As at September 30, 2022 (unaudited)
Current assets	\$18,339	\$7,238,718
Total assets	\$23,561	\$8,348,718
Current liabilities	\$109,178	\$129,560
Total liabilities	\$109,178	\$129,560

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Company MD&A is attached to this Prospectus as Schedule B. The Company's MD&A provides an analysis of the Company's financial results and should be read in conjunction with the Company Financial Statements for the corresponding periods, and the notes thereto respectively.

Certain information included in the Company's MD&A is forward-looking and based upon assumptions and anticipated results that are subject to uncertainties. Should one or more of these uncertainties materialize or should the underlying assumptions prove incorrect, actual results may vary significantly from those expected. See "*Caution Regarding Forward-Looking Statements*" for further details.

DESCRIPTION OF SHARE CAPITAL

The Company is authorized to issue an unlimited number of Common Shares without nominal or par value and an unlimited number of preferred shares (the "**Preferred Shares**"). As of the date of this Prospectus, there were 51,341,388 Common Shares and no Preferred Shares issued and outstanding.

Common Shares

Holders of Common Shares are entitled to receive notice of, and to attend and vote at, all meetings of the shareholders of the Company, and each Common Share confers the right to one vote, provided that the shareholder is a holder on the applicable record date declared by the Board. Subject to the rights, privileges, restrictions and conditions attached to the Preferred Shares, the holders of Common Shares are entitled to receive such dividends in any financial year as the Board may determine. In the event of the liquidation, dissolution or winding-up of the Company, any distribution of assets of the Company among the shareholders being made (other than by way of dividend out of monies properly applicable to the payment of dividends), subject to the rights, privileges, restrictions and conditions attached to the Preferred Shares, the holders of the Common Shares are entitled to share equally the remaining property and assets of the Company. The Common Shares are not subject to call or assessment rights, redemption rights, rights regarding purchase for cancellation or surrender, or any pre-emptive or conversion rights.

Subscription Receipts

The Company issued an aggregate of 33,725,000 pursuant to the Subscription Receipts Offering. In the event that the Release Condition occurs on or prior to the Deadline, the Subscription Receipts will be automatically exchanged for 33,725,000 Common Shares, the Escrowed Funds will be released from escrow to the Company, and the Subscription Receipts shall be cancelled. In the event that the Release Condition does not occur on or prior to the Deadline, the Escrowed Funds will be returned to the subscribers, the Subscription Receipts will be cancelled, and no party shall have any further obligations thereunder. Upon exchange of the Subscription Receipts into Common Shares, holders of such Common Shares shall be entitled to all of the same rights as holders of Common Shares.

CONSOLIDATED CAPITALIZATION

The following table sets forth the Company's capitalization after giving effect to the Transaction and the conversion of the Subscription Receipts.

This table should be read in conjunction with the financial statements and notes thereto included elsewhere in this Prospectus.

Description of the Security	Securities Authorized	As at the date of this Prospectus	After giving effect to the Transaction and the conversion of the Subscription Receipts ⁽¹⁾⁽²⁾
Common Shares	Unlimited	51,341,388	126,576,988

Preferred Shares	Unlimited	0	0
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Note:

(1) This total includes the Common Shares issuable to certain advisors and consultants and the NSS in connection with the completion of the Transaction as well as Common Shares issuable on exchange of the Subscription Receipts that are being qualified by this Prospectus. See: “Description of Share Capital – Subscription Receipts”.

Fully Diluted Share Capital

The following table sets out the anticipated fully diluted share capital of the Company after giving effect to the Transaction, including the Subscription Receipt Offering:

Shares to be Issued	Number of Securities as at the date of this Prospectus	% of total issued and outstanding Common Shares on a fully diluted basis
Common Shares currently issued and outstanding	51,341,388	40.49
Common Shares issued on conversion of outstanding Subscription Receipts	33,725,000	26.60
Common Shares issued to NSS upon completion of the Transaction	38,040,000	30.00
Common Shares to be issued to certain finders upon completion of the Transaction	1,000,000	0.79
Common Shares to be issued to certain consultants upon completion of the Transaction	2,000,000	1.58
Common Shares to be issued on exercise of Options	687,500	0.54
Fully diluted securities	128,576,988	100

OPTIONS TO PURCHASE SECURITIES

Incentive stock options are governed by the Company’s omnibus equity incentive plan approved by the Board on December 20, 2022 (the “**Equity Incentive Plan**”). The purpose of the Equity Incentive Plan is to promote the long-term success of the Company and the creation of Shareholder value by: (i) encouraging the attraction and retention of eligible persons; (ii) encouraging such eligible persons to focus on critical long-term objectives; and (iii) promoting greater alignment of the interests of such eligible persons with the interests of the Company.

The Equity Incentive Plan provides flexibility to the Company to grant equity-based incentive awards in the form of Options, RSUs, PSUs and DSUs to eligible persons.

Shares Subject to the Equity Incentive Plan

The Equity Incentive Plan is a rolling 10% plan such that the aggregate number of Common Shares that may be issued upon the exercise or settlement of all Security-Based Compensation Arrangements (as defined in the Equity Incentive Plan) shall not exceed 10% of the Common Shares issued and outstanding from time to time. Common Shares that were the subject of any Awards (as defined in the Equity Incentive Plan) made under the Equity Incentive Plan that have been settled in cash, or that have been cancelled, terminated, surrendered, forfeited or have expired without being

exercised, and pursuant to which no securities have been issued, may continue to be issuable under the Equity Incentive Plan.

Participation Limits

The Equity Incentive Plan provides that:

- a) unless the Company has obtained disinterested shareholder approval, the maximum aggregate number of Common Shares issuable to any Participant under the Equity Incentive Plan, within any 12 month period and at any point in time under Equity Incentive Plan, together with Common Shares reserved for issuance to such Participant (and to companies wholly-owned by that participant) under all of the Company's other Security-Based Compensation Arrangements, shall not exceed 5% of the issued and outstanding Common Shares (calculated as at the date of any grant);
- b) unless the Company has obtained disinterested shareholder approval, the maximum aggregate number of Common Shares issuable to insiders under the Equity Incentive Plan, within any 12 month period, together with Common Shares reserved for issuance to insiders under all of the Company's other Security-Based Compensation Arrangements, shall not exceed 10% of the issued and outstanding Common Shares (calculated as at the date of any grant);
- c) unless the Company has obtained disinterested shareholder approval, the maximum aggregate number of Common Shares issuable to insiders under the Equity Incentive Plan, at any point in time, together with Common Shares reserved for issuance to insiders under all of the Company's other Security-Based Compensation Arrangements, shall not exceed 10% percent of the issued and outstanding Common Shares (calculated as at the date of any grant);
- d) the maximum aggregate number of Common Shares issuable to any one consultant (as defined in the Equity Incentive Plan) under the Equity Incentive Plan, within any 12 month period, together with Common Shares issuable to such consultant under all of the Company's other Security-Based Compensation Arrangements, shall not exceed 2% percent of the issued and outstanding Common Shares (calculated as at the date of any grant); and
- e) the maximum aggregate number of Common Shares issuable pursuant to grants of Options to all investor relation service providers performing investor relations activities under the Equity Incentive Plan, within any 12 month period, shall not in aggregate exceed 2% percent of the issued and outstanding Common Shares (calculated as at the date of any grant). For the avoidance of doubt, persons performing investor relations activities are only eligible to receive Options under the Equity Incentive Plan; they are not eligible to receive any Performance-Based Award (as defined in the Equity Incentive Plan) or other type of securities based compensation under the Equity Incentive Plan.

Administration of the Equity Incentive Plan

The Equity Incentive Plan shall be administered by the Board and the Board shall have full authority to administer the Equity Incentive Plan, including the authority to interpret and construe any provision of the Equity Incentive Plan and to adopt, amend and rescind such rules and regulations for administering the Equity Incentive Plan as the Board may deem necessary in order to comply with the requirements of the Equity Incentive Plan.

Eligible Persons under the Equity Incentive Plan

When used in connection with the grant of Options, all officers, directors, employees, management company employees and consultants of the Company are eligible to participate in the Equity Incentive Plan. When used in connection with the grant of Performance-Based Awards, all officers, directors, employees, management company employees and consultants of the Company that do not perform investor relations activities are eligible to participate in the Equity Incentive Plan. The extent to which any such individual is entitled to receive a grant of an award pursuant

to the Equity Incentive Plan will be determined in the sole and absolute discretion of the Board. Each person who receives a grant under the Equity Incentive Plan is referred to as a “**Participant**”.

Types of Awards

Awards of Options, RSUs, PSUs and DSUs may be made under the Equity Incentive Plan. All of the awards described below are subject to the conditions, limitations, restrictions, exercise price, vesting, settlement and forfeiture provisions determined by the Board, in its sole discretion, subject to such limitations provided in the Equity Incentive Plan, and will generally be evidenced by an award agreement.

Options

Each Option entitles a holder thereof to purchase a prescribed number of Common Shares at an exercise price determined by the Board at the time of the grant of the Option, provided that the exercise price of an Option granted under the Equity Incentive Plan shall not be less than the Discounted Market Price (as defined in the Equity Incentive Plan), and provided that if an Option is proposed to be granted by the Company after the Company has just been recalled for trading following a suspension or halt, the Company must wait at least 10 trading days since the day on which trading in the Company’s securities resumes before setting the exercise price for and granting the Option. Each Option shall, unless sooner terminated, expire on a date to be determined by the Board which will not exceed 10 years from the date of grant of the Option. The Board may, in its absolute discretion, upon granting Options under the Equity Incentive Plan, specify different time periods following the dates of granting the Options during which the Participant may exercise their Options to purchase Common Shares and may designate different exercise prices and numbers of Common Shares in respect of which each Participant may exercise Options during each respective time period. Subject to the discretion of the Board, the Options granted to a Participant under the Equity Incentive Plan shall vest as determined by the Board on the date of grant of such Options. If the Board does not specify a vesting schedule at the date of grant, then Options granted to persons, other than those conducting investor relations activities, shall vest fully on the date of grant, and in any event in accordance with the policies of the CSE. Options issued to persons conducting investor relations activities must vest (and shall not otherwise be exercisable) in stages over a minimum of 12 months such that: (a) no more than 1/4 of the Options vest no sooner than 3 months after the date of grant; (b) no more than another 1/4 of the Options vest no sooner than 6 months after the date of grant; (c) no more than another 1/4 of the Options vest no sooner than 9 months after the date of grant; and (d) the remainder of the Options vest no sooner than 12 months after the date of grant.

If the award agreement for the grant of Options so provides, in the event of a change of control (as defined in the Equity Incentive Plan), all Options granted to a Participant who ceases to be an eligible person shall become fully vested and shall become exercisable by the Participant in accordance with the terms of such award agreement and the Equity Incentive Plan. No acceleration of the vesting of any Options shall be permitted without prior Exchange review and acceptance for Options issued to persons conducting investor relations activities.

Other than as may be set forth in the award agreement for the grant of Options, upon the death of a Participant, any Options granted to such Participant which, prior to the Participant’s death, have not vested, will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect; and the Participant or their estate, as the case may be, shall have no right, title or interest therein whatsoever. Any Options granted to such Participant which, prior to the Participant’s death, had vested pursuant to the terms of the applicable Award Agreement will accrue to the Participant’s estate in accordance with Equity Incentive Plan.

Where a Participant’s relationship with the Company is terminated by the Company or a subsidiary for cause, all Options granted to the Participant under the Equity Incentive Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date.

Where a Participant’s relationship with the Company terminates by reason of termination by the Company or a subsidiary without cause, by voluntary termination, voluntary resignation or due to retirement by the Participant, such that the Participant no longer qualifies as an eligible person, all Options granted to the Participant under the Equity Incentive Plan that have not vested will, unless the applicable award agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date; provided, however, that any Options granted to such Participant which, prior to

the Participant's termination without cause, voluntary termination, voluntary resignation or retirement, had vested pursuant to the terms of the applicable award agreement will accrue to the Participant in accordance with the Equity Incentive Plan and shall be exercisable by such Participant for a period of 90 days following the date the Participant ceased to be an eligible person, or such longer period as may be provided for in the award agreement or as may be determined by the Board provided such period does not exceed 12 months after the termination date.

Where a Participant becomes afflicted by a disability, all Options granted to the Participant under the Equity Incentive Plan will continue to vest in accordance with the terms of such Options; provided, however, that no Options may be redeemed during a leave of absence. Where a Participant's relationship is terminated due to disability such that the Participant ceases to be an eligible person, all Options granted to the Participant under the Equity Incentive Plan that have not vested will, unless the applicable award agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date; provided, however, that any Options granted to such Participant which, prior to the termination of the Participant's relationship with the Company due to disability, had vested pursuant to terms of the applicable award agreement, will accrue to the Participant in accordance with the Equity Incentive Plan and shall be exercisable by such Participant for a period of 90 days following the termination date, or such longer period as may be provided for in the award agreement or as may be determined by the Board, provided such period does not exceed 12 months after the termination date.

Participants may elect to undertake (i) a broker assisted "cashless exercise" pursuant to which the Company or its designee may deliver a copy of irrevocable instructions to a broker engaged for such purposes by the Company to sell the Common Shares otherwise deliverable upon the exercise of Options and to deliver promptly to the Company an amount equal to the exercise price and all applicable required withholding obligations against delivery of the Common Shares to settle the applicable trade; or (ii) a "net exercise" procedure effected by the Company withholding the minimum number of Common Shares otherwise deliverable in respect of an Option that are needed to pay for the exercise price and all applicable required withholding obligations, such that the number of Common Shares received by the Participant is equal to the quotient obtained by dividing: (A) the product of the number of Options being exercised multiplied by the difference between the VWAP (as defined in the Equity Incentive Plan) of the underlying Common Shares and the exercise price of the subject Options; by (B) the VWAP of the underlying Common Shares. A "net exercise" may not be undertaken by Participants engaged in investor relations activities.

Restricted Share Units

A RSU is a right awarded to a Participant, as compensation for employment or consulting services or services as a director or officer, to receive for no additional cash consideration, securities of the Company upon specified vesting criteria being satisfied, and subject to the terms and conditions of the Equity Incentive Plan and the applicable award agreement, and which may be paid in cash and/or Common Shares. The number of RSUs to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with the Equity Incentive Plan. All RSUs will vest and become payable by the issuance of Common Shares at the end of the restriction period if all applicable restrictions have lapsed, as such restrictions may be specified in the award agreement.

RSUs shall be subject to such restrictions as the Board, in its sole discretion, may establish in the applicable award agreement, which restrictions may lapse separately or in combination at such time or times and on such terms, conditions and satisfaction of objectives as the Board may, in its discretion, determine at the time a RSU is granted. The Board shall determine any vesting terms applicable to the grant of RSUs, however, no RSUs may vest before the date that is 12 months following the date of the award.

If the award agreement so provides, in the event of a change of control (as defined in the Equity Incentive Plan) pursuant to which a Participant ceases to be an eligible person, all restrictions upon any RSUs shall lapse immediately and all such RSUs shall become fully vested in the Participant in accordance with the Equity Incentive Plan.

Upon the death of a Participant, any RSUs granted to such Participant which, prior to the Participant's death, have not vested, will be immediately and automatically forfeited and cancelled without further action and without any cost or payment, and the Participant or their estate, as the case may be, shall have no right, title or interest therein whatsoever. Any RSUs granted to such Participant which, prior to the Participant's death, had vested pursuant to the terms of the applicable award agreement will accrue to the Participant's estate in accordance with the Equity Incentive Plan.

Where a Participant's relationship with the Company is terminated by the Company or a subsidiary for cause, all RSUs granted to the Participant under the Equity Incentive Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date. Where a Participant's relationship with the Company terminates by reason of termination by the Company or a subsidiary without cause, by voluntary termination, voluntary resignation or due to retirement by the Participant, all RSUs granted to the Participant under the Equity Incentive Plan that have not vested will, subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date and the Participant shall have no right, title or interest therein whatsoever; provided, however, that any RSUs granted to such Participant which, prior to the Participant's termination without cause, voluntary termination, voluntary resignation or retirement, had vested pursuant to the terms of the applicable award agreement will accrue to the Participant in accordance with the Equity Incentive Plan.

Where a Participant becomes afflicted by a disability, all RSUs granted to the Participant under the Equity Incentive Plan will continue to vest in accordance with the terms of such RSUs; provided, however, that no RSUs may be redeemed during a leave of absence. Where a Participant's relationship is terminated due to disability such that the Participant ceases to be an eligible person, all RSUs granted to the Participant under the Equity Incentive Plan that have not vested will, unless the applicable award agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date and the Participant shall have no right, title or interest therein whatsoever; provided, however, that any RSUs granted to such Participant which, prior to the Participant's termination due to disability, had vested pursuant to terms of the applicable award agreement will accrue to the Participant in accordance with the Equity Incentive Plan.

As soon as practicable after each vesting date of a RSU, the Company shall, at the sole discretion of the Board, either: (a) issue to the Participant from treasury the number of Common Shares equal to the number of RSUs that have vested; or (b) make a cash payment in an amount equal to the Market Unit Price (as defined in the Equity Incentive Plan) on the next trading day after the vesting date of the RSUs, net of applicable withholdings.

Performance Share Units

A PSU is a right awarded to a Participant, as compensation for employment or consulting services or services as a director or officer, to receive, for no additional cash consideration, securities of the Company upon specified performance and vesting criteria being satisfied, subject to the terms and conditions of the Equity Incentive Plan and the applicable award agreement, and which may be paid in cash and/or Common Shares.

Subject to the provisions of the Equity Incentive Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant awards of PSUs to eligible persons that do not perform investor relations activities. The number of PSUs to be awarded to any Participant shall be determined by the Board, in its sole discretion, in accordance with the Equity Incentive Plan. Each PSU shall, contingent upon the attainment of the performance criteria within the performance cycle, represent one Common Share.

The Board will select, settle and determine the performance criteria (including without limitation the attainment thereof), for purposes of the vesting of the PSUs, in its sole discretion. An award agreement may provide the Board with the right to revise the performance criteria and the award amounts if unforeseen events (including, without limitation, changes in capitalization, an equity restructuring, an acquisition or a divestiture) occur which have a substantial effect on the financial results and which in the sole judgment of the Board make the application of the performance criteria unfair unless a revision is made.

All PSUs will vest and become payable to the extent that the performance criteria set forth in the award agreement are satisfied in the performance cycle, the determination of which satisfaction shall be made by the Board on the determination date. No PSU may vest before the date that is 12 months following the date of the award. If the award agreement so provides, in the event of a change of control (as defined in the Equity Incentive Plan) pursuant to which a Participant ceases to be an eligible person, all PSUs granted to a Participant shall become fully vested in such Participant (without regard to the attainment of any performance criteria) and shall become payable to the Participant in accordance with the Equity Incentive Plan.

Other than as may be set forth in the applicable award agreement and below, upon the death of a Participant, all PSUs granted to the Participant which, prior to the Participant's death, have not vested, will immediately and automatically be forfeited and cancelled without further action and without any cost or payment, and the Participant or their estate, as the case may be, shall have no right, title or interest therein whatsoever; provided, however, the Board may determine, in its sole discretion, the number of the Participant's PSUs that will vest based on the extent to which the applicable performance criteria have been satisfied in that portion of the performance cycle that has lapsed.

Where a Participant's relationship with the Company is terminated by the Company or a subsidiary for cause, all PSUs granted to the Participant under the Equity Incentive Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date. Where a Participant's relationship with the Company terminates by reason of termination by the Company or a subsidiary without cause, by voluntary termination, voluntary resignation or due to retirement by the Participant, all PSUs granted to the Participant which have not vested will, unless the award agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date, and the Participant shall have no right, title or interest therein whatsoever; provided, however, the Board may determine, in its sole discretion, the number of the Participant's PSUs that will vest based on the extent to which the applicable performance have been satisfied in that portion of the performance cycle that has lapsed.

Where a Participant becomes afflicted by a disability, all PSUs granted to the Participant under the Equity Incentive Plan will continue to vest in accordance with the terms of such PSUs; provided, however, that no PSUs may be redeemed during a leave of absence. Where a Participant's relationship is terminated due to disability such that the Participant ceases to be an eligible person, all PSUs granted to the Participant under the Equity Incentive Plan that have not vested will, unless the applicable award agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date, and the Participant shall have no right, title or interest therein whatsoever; provided, however, that the Board may determine, in its sole discretion, the number of the Participant's PSUs that will vest based on the extent to which the applicable performance criteria have been satisfied in that portion of the performance cycle that has lapsed.

Payment to Participants in respect of vested PSUs shall be made after the determination date for the applicable award and in any case within 90 days after the last day of the performance cycle to which such award relates. The Company shall, at the sole discretion of the Board, either: (a) issue to the Participant the number of Common Shares equal to the number of PSUs that have vested on the Determination Date; or (b) make a cash payment in an amount equal to the Market Unit Price (as defined in the Equity Incentive Plan) on the next trading day after the determination date of the PSUs that have vested, net of applicable withholdings.

Deferred Share Units

A DSU is a right granted to a Participant, as compensation for employment or consulting services or services as a director or officer, to receive, for no additional cash consideration, securities of the Company on a deferred basis upon specified vesting criteria being satisfied, subject to the terms and conditions of the Equity Incentive Plan and the applicable award agreement, and which may be paid in cash and/or Common Shares.

Subject to the provisions of the Equity Incentive Plan and such other terms and conditions as the Board may prescribe, the Board may, from time to time, grant awards of DSUs to directors that do not perform investor relations activities in lieu of fees (including annual Board retainers, chair fees, meeting attendance fees or any other fees payable to a director) or to other eligible persons that do not perform investor relations activities as compensation for employment or consulting services. The number of DSUs to be credited to each Participant shall be determined by the Board in its sole discretion in accordance with the Equity Incentive Plan. The number of DSUs shall be specified in the applicable award agreement. Each director may elect to receive any or all of their fees in DSUs under the Equity Incentive Plan.

The number of DSUs shall be calculated by dividing the amount of Fees selected by a director by the Market Unit Price (as defined in the Equity Incentive Plan) on the grant date (or such other price as required under the Policies of the CSE) which shall be the 10th business day following each financial quarter end. Any fractional DSU shall be rounded down and no payment or other adjustment will be made with respect to the fractional DSU.

No Deferred Share Units may vest before the date that is 12 months following the date of the award of the DSU.

Each Participant shall be entitled to receive, after the effective date that the Participant ceases to be an eligible person for any reason, on a day designated by the Participant and communicated to the Company by the Participant in writing at least fifteen (15) days prior to the designated day (or such earlier date after the Participant ceases to be an eligible person as the Participant and the Company may agree, which date shall be no later than one year after the date upon which the Participant ceases to be an eligible person) and if no such notice is given, then on the first anniversary of the effective date that the Participant ceases to be an eligible person, at the sole discretion of the Board, either: (a) that number of Common Shares equal to the number of vested DSUs credited to the participant's account, such Common Shares to be issued from treasury of the Company; or (b) a cash payment in an amount equal to the Market Unit Price on the next trading day after the Participant ceases to be an eligible person of the vested DSUs, net of applicable withholdings.

In the event that the value of a DSU would be determined with reference to a period commencing at a fiscal quarter end of the Company and ending prior to the public disclosure of interim financial statements for the quarter (or annual financial statements in the case of the fourth quarter), the cash payment of the value of the DSUs will be made to the Participant with reference to the five (5) trading days immediately following the public disclosure of the interim financial statements for that quarter (or annual financial statements in the case of the fourth quarter).

Upon death of a Participant holding DSUs that have vested, the Participant's estate shall be entitled to receive, within one year of the Participant's death and at the sole discretion of the Board, a cash payment or Common Shares that would have otherwise been payable in accordance with the Equity Incentive Plan to the Participant upon such Participant ceasing to be an eligible person.

General Provisions of the Equity Incentive Plan

Non-Transferability

No Option or Performance-Based Award and no right under any such Option or Performance-Based Award shall be assignable, alienable, saleable, or transferable by a Participant otherwise than by will or by the laws of descent and distribution and only then if permitted by the Policies of the CSE. No Option or Performance-Based Award and no right under any such Option or Performance-Based Award, may be pledged, alienated, attached, or otherwise encumbered, and any purported pledge, alienation, attachment, or encumbrance thereof shall be void and unenforceable against the Company.

Black-out Periods

In the event that the date provided for expiration, redemption or settlement of an award falls within a blackout period imposed by the Company pursuant to a trading policy as the result of the bona fide existence of undisclosed material information, the expiry date, redemption date or settlement date, as applicable, of the award shall automatically be extended to the date that is ten (10) business days following the date of expiry of the blackout period. Notwithstanding the foregoing, there will be no extension of any award if the Company (or the Participant) is subject to a cease trade order (or similar order under applicable law).

Deductions

Whenever cash is to be paid in respect of DSUs, RSUs or PSUs, the Company shall have the right to deduct from all cash payments made to a Participant any taxes required by law to be withheld with respect to such payments. Whenever Common Shares are to be delivered in respect of DSUs, RSUs or PSUs, the Company shall have the right to deduct from any other amounts payable to the Participant any taxes required by law to be withheld with respect to such delivery of Common Shares, or if any payment due to the Participant is not sufficient to satisfy the withholding obligation, to require the Participant to remit to the Company in cash an amount sufficient to satisfy any taxes required by law to be withheld. At the sole discretion of the Board, a Participant may be permitted to satisfy the foregoing requirement, all in accordance with the Policies of the CSE, by delivering (on a form prescribed by the Company and in any event in accordance with the Policies of the CSE) an irrevocable direction to a securities broker approved by

the Company to sell all or a portion of the Common Shares and deliver to the Company from the sales proceeds an amount sufficient to pay the required withholding taxes.

Amendments to the Equity Incentive Plan

The Board may at any time or from time to time, in its sole and absolute discretion and without the approval of Shareholders, amend, suspend, terminate or discontinue the Equity Incentive Plan and may amend the terms and conditions of any Options or Performance-Based Awards granted hereunder, subject to:

- a) any required disinterested shareholder approval to (i) reduce the exercise price of an Option or Performance-Based Award issued to an insider or (ii) extend the term of an Option granted to an insider, in either event, in accordance with the Policies of the CSE while the Common Shares are listed on the CSE;
- b) any required approval of any applicable regulatory authority or the CSE; and
- c) any approval of Shareholders as required by the Policies of the CSE (or otherwise required by the CSE) or applicable law, provided that shareholder approval shall not be required for the following amendments (except that the CSE may require approval of the Shareholders for amendments under items (c)(iii) to (c)(vii) below) and the Board may make any changes which may include but are not limited to:
 - i. amendments of a “housekeeping nature”;
 - ii. amendments for the purpose of curing any ambiguity, error or omission in the Equity Incentive Plan or to correct or supplement any provision of the Equity Incentive Plan that is inconsistent with any other provision of the Equity Incentive Plan;
 - iii. amendments which are necessary to comply with applicable law or the requirements of the CSE;
 - iv. amendments respecting administration and eligibility for participation under the Equity Incentive Plan;
 - v. amendments to the terms and conditions on which Options or Performance-Based Awards may be or have been granted pursuant to Equity Incentive Plan including amendments to the vesting provisions and terms of any Options or Performance-Based Awards;
 - vi. with the exception of Options granted to persons performing investor relations activities, amendments which alter, extend or accelerate the terms of vesting applicable to any Options or Performance-Based Awards; and
 - vii. changes to the termination provisions of an Option, Performance-Based Award or the Equity Incentive Plan which do not entail an extension beyond the original fixed term.

As of the date hereof, the Company has an aggregate of 687,500 Options outstanding. The following table summarizes the options outstanding as of the date of this Prospectus:

Group	Number of Options/Rights	Securities Under Options/Rights	Grant Date⁽¹⁾	Expiry Date	Exercise Price per Common Share (\$)	Market Value of Common Shares on Grant Date⁽¹⁾ (\$)	Market Value of Common Shares as of Date of Prospectus⁽¹⁾ (\$)
Executive officers of the Company as a group	187,500	187,500	August 29, 2022	August 29, 2027	\$0.50	N/A	N/A
Officers of the Company	-	-	-	-	-	-	-
Directors of the Company as a group who are not also executive officers	250,000	250,000	August 29, 2022	August 29, 2027	\$0.50	N/A	N/A
Consultants and other non-executive personnel of the Company as a group	250,000	250,000	August 29, 2022	August 29, 2027	\$0.50	N/A	N/A
Total	687,500	687,500					

Note:

- (1) The Common Shares to not yet trade on any market

PRIOR SALES

This table sets out particulars of the Common Shares or securities exercisable for or exchangeable into Common Shares that have been issued or sold within the 12 months prior to the date of this Prospectus.

Date of Issue	Type of Security Issued	Number of Securities Issued	Price per Security Issued
March 8, 2022	Common Shares	6,930,000 ⁽¹⁾	\$0.02
July 21, 2022	Common Shares	12,050,000 ⁽²⁾	\$0.10
July 21, 2022	Options	500,000 ⁽³⁾	\$0.10
August 23, 2022	Common Shares	14,400,000 ⁽⁴⁾	\$0.50
August 29, 2022	Options	1,437,500 ⁽⁵⁾	\$0.50
October 24, 2022	Subscription Receipts	33,625,000 ⁽⁶⁾	\$1.00
November 8, 2022	Subscription Receipts	100,000 ⁽⁶⁾	\$1.00

Notes:

- (1) These Common Shares were issued in satisfaction of \$138,600 of indebtedness owed by the Company.
(2) These Common Shares were issued pursuant the July Private Placement.

- (3) These Options were subsequently cancelled by the Board.
- (4) These Common Shares were issued pursuant to the August Private Placement.
- (5) 750,000 of these Options were subsequently cancelled by the Board.
- (6) These Subscription Receipts were issued pursuant to the Subscription Receipt Offering.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTIONS ON TRANSFER

NP 46-201 provides that all securities of an issuer owned or controlled by a Principal (as defined in NP 46-201) must be placed in escrow at the time the issuer distributes its securities or convertible securities to the public by prospectus pursuant to an initial public offering, unless the securities held by the Principal or issuable to the Principal upon conversion of convertible securities held by the Principal collectively represent less than 1.0% of the total issued and outstanding Common Shares of the Company after giving effect to the initial public offering.

Upon completion of the Transaction, the Principals of the Company for the purposes of NP 46-201 are expected to include Mike Castanho, Jeff Barber, Morgan Tincher, Matthew J. Mason and Timothy A. Young (collectively, the "**Escrowed Principals**").

In the event the Common Shares become listed on the Exchange, the Escrowed Principals will enter into an agreement (the "**Escrow Agreement**") with Odyssey Trust Company, as escrow agent (the "**Escrow Agent**"), pursuant to which the Escrowed Principals will collectively deposit 42,660,455 Common Shares, representing 33.83% of the issued and outstanding Common Shares into escrow (the "**Escrowed Securities**") with the Escrow Agent as set out below.

Time or event for release of the Escrowed Securities	Percentage of Escrowed Securities to be Released	Number of Escrowed Securities to be Released
On the Listing Date	10% of the Escrowed Securities	4,266,046
6 months after the Listing Date	15% of the Escrowed Securities	6,399,068
12 months after the Listing Date	15% of the Escrowed Securities	6,399,068
18 months after the Listing Date	15% of the Escrowed Securities	6,399,068
24 months after the Listing Date	15% of the Escrowed Securities	6,399,068
30 months after the Listing Date	15% of the Escrowed Securities	6,399,068
36 months after the Listing Date	15% of the Escrowed Securities	6,399,068

The Company is an "emerging issuer" as defined in NP 46-201. Should the Company become an "established issuer" as defined in NP 46-201, the release of the remaining Escrowed Securities will be accelerated on a retroactive basis such that 25% would have been released on the Listing Date and an additional 25% would have been released every six months thereafter.

Pursuant to the terms of the Escrow Agreement, the Escrowed Securities may not be transferred or otherwise dealt with during the term of the Escrow Agreement except for certain circumstances, including:

- transfers to continuing or incoming directors and senior officers, subject to the Company's Board of Directors' approval;
- transfers to an RRSP or similar trust plan provided that the only beneficiaries are the transferor or the transferor's spouse or children;
- transfers upon bankruptcy to a trustee in bankruptcy; and
- pledges to a financial institution as collateral for a bona fide loan, provided that upon a realization the securities remain subject to escrow.

The complete text of the Escrow Agreement will be available for inspection at the registered and records office of the Company and under the Company's profile on the SEDAR website at www.sedar.com.

Securities Subject to Contractual Restrictions

In accordance with the terms of their respective subscription agreements, subscribers under the July Private Placement and the August Private Placement agreed to a contractual restriction on the transfer of the Common Shares acquired by them under such financings. Subscribers under the July Private Placement agreed to the staged release of their Common Shares on the basis of 25% of such Common Shares being released on each of the 3rd, 6th, 9th and 12th month anniversaries of the date the Common Shares commence trading on a Canadian stock exchange. Subscribers under the August Private Placement agreed to the release of all of their Common Shares on the date that is four (4) months following the date the Common Shares commence trading on a Canadian stock exchange. In each case, subject to acceleration in the sole discretion of the Company.

PRINCIPAL SECURITYHOLDERS

To the knowledge of the directors and officers of the Company as of the date of this Prospectus, no person beneficially owns or exercises control or direction over Common Shares which would carry more than 10% of the votes attached thereto

Upon completion of the Transaction, including the conversion of the Subscription Receipts, it is expected that the persons set forth below will own or exercise control or direction over Common Shares which would carry more than 10% of the votes attached thereto:

Name of Shareholder	Number of Common Shares	Percentage of Total Issued and Outstanding Common Shares
Timothy A. Young	19,020,000 ⁽¹⁾⁽²⁾⁽³⁾	15.08
Matthew J. Mason	16,115,000 ⁽¹⁾⁽²⁾⁽³⁾	12.78

Notes:

- (1) Based on 126,793,888 Common Shares issued and outstanding upon completion of the Transaction, including the conversion of the Subscription Receipts.
- (2) These Common Shares are owned both of record and beneficially.
- (3) Messrs. Young and Mason will own 19,020,000 Common Shares and 16,115,000 Common Shares, respectively, representing 15.00% and 12.71% of the outstanding Common Shares, respectively, on a fully diluted basis, including after giving effect to the conversion of the Subscription Receipts.

EXECUTIVE OFFICERS AND DIRECTORS

The following table sets out the name, jurisdiction of residence of the Company's directors and executive officers as well as their positions with the Company and principal occupation for the previous five years, and the number and percentage of the Common Shares to be owned, directly or indirectly, or over which control or direction will be

exercised, by each of the directors and executive officers. Each director's term will expire immediately prior to the first annual meeting of the holders of the Common Shares.

Name, Municipality and Province of Residence and Position(s) to be Held at Closing	Principal Occupation Over the Past 5 Years	Common Shares Outstanding upon Closing ⁽¹⁾	
		Number of Shares	Percentage (%)
<p>Mike Castanho, Chief Executive Officer, Chief Financial Officer, Corporate Secretary and Director⁽²⁾</p> <p>Vancouver, British Columbia</p> <p>(Director of the Company from July 2022 to present and officer of the Company from August 2022 to present)</p>	<p>Mr. Castanho has been the principal of Axis Capital Ventures Corp. (“Axis Capital”), a private investment firm specializing in venture capital and advisory services, since October 2019. Prior to founding Axis Capital, Mr. Castanho spent sixteen years in financial services with national investment firms, raising capital across a broad range of industries and advising investments for high net worth individuals, institutions and family offices.</p>	3,075,455	2.44
<p>Jeff Barber and Director⁽²⁾⁽³⁾</p> <p>Lake Country, British Columbia</p> <p>(Director of the Company from August 2022 to present and officer of the Company from December 2022 to present)</p>	<p>Mr. Barber has been an independent businessman since September 2018. Prior thereto he had been a founder, director and Chief Financial Officer of Hiku Brands Company Ltd. since 2016.</p>	1,450,000	1.15
<p>Morgan Tincher, Director⁽²⁾⁽³⁾</p> <p>Vancouver, British Columbia</p> <p>(Director of the Company from August 2022 to present)</p>	<p>Mr. Tincher has been a management consultant and President of Smorgasbord Holdings Ltd., a private company, since December 2004.</p>	500,000	0.40
Total:		5,025,455	3.99%

Notes:

(1) Calculated on an undiluted basis, assuming the conversion of the Subscription Receipts.

(2) Audit Committee Member.

(3) Independent Director.

Biographies

The following are brief profiles of the Company's executive officers and directors, including a description of each individual's principal occupation within the past five years.

Mike Castanho, Chief Executive Officer and Director

Mr. Castanho is the principal of Axis Capital, a private investment firm specializing in venture capital and advisory services. Prior to founding Axis Capital, Mr. Castanho spent sixteen years in financial services with national investment firms, raising capital across a broad range of industries and advising investments for high net worth individuals, institutions and family offices.

Jeff Barber, Chief Financial Officer, Corporate Secretary and Director

Mr. Barber was a Co-founder and managing partner of a boutique M&A advisory firm in Calgary. Prior thereto, he was an investment banker with national investment firms and began his career as an economist with Deloitte LLP. Throughout his career, Mr. Barber has worked closely with various public company boards and executive teams to assist in capital markets initiatives and advise on go-public transactions, valuations and M&A mandates. Mr. Barber has been an independent businessman since September 2018. Prior thereto he had been a founder, director and Chief Financial Officer of Hiku Brands Company Ltd. since 2016. He is a CFA charterholder and holds a master's degree in finance and economics from the University of Alberta.

Morgan Tincher, Director

Mr. Tincher has over 25 years of corporate finance and development experience in the natural resources, technology and entertainment industries, Mr. Tincher has held key board and management positions with a number of public companies. Having particular expertise in capital structure alternatives, financial analysis, investor relations and corporate governance, Mr. Tincher brings valued depth of perspective to mergers, acquisitions, IPOs and public/private offerings. As a management consultant and investor, Mr. Tincher has been President of Smorgasbord Holdings Ltd. since 2004.

Corporate Cease Trade Orders or Bankruptcies

Except as set forth below, no proposed director, officer or promoter of the Company, or a securityholder anticipated to hold a sufficient number of securities of the Company to affect materially the control of the Company, has been, within 10 years before the date of this Prospectus, a director, officer or promoter of any person or company that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order, or an order that denied the issuer access to any exemptions under applicable Securities Laws, for a period of more than 30 consecutive days; or
- (b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Morgan Tincher was (from March 2008 to April 2011) Vice President Finance, and previously (from November 2007 to March 2008) acting Chief Financial Officer of Probe Resources Ltd. (“**Probe**”), then an oil and natural gas exploration and production company publicly trading on the TSX Venture Exchange. Probe was issued a management cease trade order on January 3, 2008 for failure to file its annual financial statements in the required time. Probe's annual financial statements were filed on February 18, 2008 and the British Columbia Securities Commission issued a revocation order under section 164(1) of the British Columbia Securities Act on February 29, 2008. Probe announced by press release dated November 16, 2010 that Probe's U.S. subsidiaries had filed voluntary Chapter 11 petitions in U.S. Bankruptcy Court for the Southern District of Texas in Houston, Texas. In March 2011, Probe completed its Chapter 11 Restructuring.

Penalties or Sanctions

No proposed director, officer or promoter of the Company, or a securityholder anticipated to hold sufficient securities of the Company to affect materially the control of the Company, has

- (a) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) been subject to any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body, that would be likely to be considered important to a reasonable securityholder making a decision about the Transaction.

Personal Bankruptcies

No proposed director, officer or promoter of the Company, or a securityholder anticipated to hold sufficient securities of the Company to affect materially the control of the Company, or a personal holding company of any such persons, has, within the 10 years before the date of this Prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, officer or promoter.

Conflicts of Interest

Directors and officers of the Company may also serve as directors and/or officers of other companies and may be presented from time to time with situations or opportunities which give rise to apparent conflicts of interest which cannot be resolved by arm's length negotiations but only through exercise by the officers and directors of such judgment as is consistent with their fiduciary duties to the Company which arise under applicable corporate law, especially insofar as taking advantage, directly or indirectly, of information or opportunities acquired in their capacities as directors or officers of the Company. It is expected that all conflicts of interest will be resolved in accordance with the BCBCA. It is expected that any transactions with officers and directors will be on terms consistent with industry standards and sound business practice in accordance with the fiduciary duties of those persons to the Company, and, depending upon the magnitude of the transactions and the absence of any disinterested board members, may be submitted to the shareholders for their approval.

Indemnification and Insurance

The Company intends to obtain director and officer insurance to limit the Company's exposure to claims against, and to protect, its directors and officers.

EXECUTIVE COMPENSATION

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets out details of all payments, grants, awards, gifts and benefits paid or awarded to each director and NEO of the Company for the period from incorporation on January 14, 2021 to December 31, 2021:

Name and Position	Year ⁽¹⁾	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites ⁽¹⁾ (\$)	Value of All Other Compensation (\$)	Total Compensation (\$)
Scott Ackerman ⁽³⁾ CEO, CFO, Corporate Secretary and Director	2021	Nil	Nil	Nil	Nil	Nil	Nil

Name and Position	Year ⁽¹⁾	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites ⁽¹⁾ (\$)	Value of All Other Compensation (\$)	Total Compensation (\$)
Rick Cox ⁽³⁾ (former Director)	2021	Nil	Nil	Nil	Nil	Nil	Nil
Brent Ackerman ⁽³⁾ (former Director)	2021	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) For the period from incorporation on January 14, 2021 to December 31, 2021
- (2) "Perquisites" include perquisites provided to a NEO or director that are not generally available to all employees and that, in aggregate, are: (a) \$15,000, if the NEO or director's total salary for the financial year is \$150,000 or less, (b) 10% of the NEO or director's salary for the financial year if the NEO or director's total salary for the financial year is greater than \$150,000 but less than \$500,000, or (c) \$50,000 if the NEO or director's total salary for the financial year is \$500,000 or greater.
- (3) On July 7, 2022, Brent Ackerman resigned as a director of the Company and was replaced by Mike Castanho. On August 29, 2022, Scott Ackerman and Rick Cox resigned as directors and/or officers of the Company and Jeff Barber and Morgan Tincher were appointed as directors and Mike Castanho was appointed as interim CEO of the Corporation. On December 20, 2022, Mr. Castanho was appointed interim CFO and Corporate Secretary of the Corporation.

Stock Options and Other Compensation Securities

On March 22, 2021, the Corporation granted 1,404,899 Options to certain directors and officers of the Corporation, which vested immediate and had an exercise price of \$0.1388 per share and expired five years from the date of grant. These Options were subsequently cancelled pursuant to an omnibus option cancellation agreement on July 8, 2022.

On July 21, 2022, the Company granted 500,000 Options to a consultant of the Company, which vested immediately, having an exercise price of \$0.10 per share and expire five years from the date of grant. These Options were subsequently cancelled by the Board.

On August 29, 2022, the Company granted and aggregate of 1,427,500 Options to certain directors and consultants of the Company, which vested immediately, having an exercise price of \$0.50 per share and expire five years from the date of grant. 750,000 of these Options were subsequently cancelled by the Board

Employment, Consulting and Management Agreements

The Company is not party to any formal employment, consulting or management agreements with respect to any NEOs or directors.

Oversight and Description of Director and NEO Compensation

The determination of director and NEO compensation and how and when such compensation is to be determined is subject to the consideration of the Board.

Pension Plan Benefits

The Company does not have any pension plans that provide for payments or benefits to the NEOs at, following, or in connection with retirement, including any defined benefits plan or any defined contribution plan. The Company does not have a deferred compensation plan with respect to any NEO.

Management Contracts

No management functions of the Company or any Affiliate thereof are to any substantial degree performed by a Person other than the directors or executive officers of the Company or an Affiliate thereof.

Termination and Change of Control Benefits

The Company is not party to any formal employment, consulting or management agreements with respect to any NEOs or directors.

AUDIT COMMITTEE

Audit Committee Charter

The charter for the Audit Committee of the Board is attached to this Prospectus as Schedule C.

Audit Committee Members

Jeff Barber, Morgan Tincher and Mike Castanho are the members of the Audit Committee. Morgan Tincher and Jeff Barber are considered by the Board to be "independent" and all three of the Audit Committee members have the ability to read and understand financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements. Mike Castanho is not considered to be "independent" as he is officers of the Company.

Relevant Education and Experience

All of the Audit Committee members are businesspersons with varying experience in financial matters; each has an understanding of accounting principles used to prepare financial statements and varied experience as to general application of such accounting principles, internal controls and procedures necessary for financial reporting, which has been garnered from working in their individual fields of endeavour.

Jeff Barber, Director

Mr. Barber was a co-founder, director and officer of Hiku Brands Ltd. (CSE: HIKU) until its sale in September 2019. Prior thereto, he was co-founder and managing partner of a boutique M&A advisory firm in Calgary. Prior thereto, he was an investment banker with national investment firms and began his career as an economist with Deloitte LLP. Throughout his career, Mr. Barber has worked closely with various public company boards and executive teams to assist in capital markets initiatives and advise on go-public transactions, valuations and M&A mandates.

Jeff Barber is a CFA charterholder and holds a master's degree in finance and Economics from the University of Alberta.

Morgan Tincher, Director

Mr. Tincher has over 25 years of corporate finance and development experience in the natural resources, technology and entertainment industries, Mr. Tincher has held key board and management positions with a number of public companies. Having particular expertise in capital structure alternatives, financial analysis, investor relations and corporate governance, Mr. Tincher brings valued depth of perspective to mergers, acquisitions, IPOs and public/private offerings and has the ability to read and understand financial reporting, especially as this relates to reporting company disclosure obligations under relevant securities laws.

Mike Castanho, Chief Executive Officer, Chief Financial Officer, Corporate Secretary and Director

Mr. Castanho is the principal of Axis Capital, a private investment firm specializing in venture capital and advisory services. Prior to founding Axis Capital, Mr. Castanho spent sixteen years in financial services with national

investment firms, raising capital across a broad range of industries and advising investments for high net worth individuals, institutions and family offices.

Pre-Approved Policies and Procedures for Non-audit Services

The Company's Audit Committee Charter provides that the Audit Committee pre-approve all non-audit services to be provided to the Company by the Company's external auditor.

External Auditor Service Fees

The table that follows sets out the aggregate fees billed by the Company's external auditor, Davidson & Company LLP, Chartered Accountants, for services rendered to the Company during the financial period from incorporation on January 14, 2021 to December 31, 2021 and the six months ended September 30, 2022.

	Fiscal period ended September 30, 2022	Fiscal period from incorporation on January 14, 2021 to December 31, 2021
Audit Fees	\$5,567	\$7,591
Non-Audit Related Fees	Nil	Nil
Tax Fees	Nil	Nil
Other	Nil	Nil

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed fiscal year ended December 31, 2021, has a recommendation of the Audit Committee to nominate or compensate an external auditor not been adopted by the Board.

CORPORATE GOVERNANCE

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Company. The Board is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making. The Board is of the view that the Company's general approach to corporate governance, summarized below, is appropriate and effective for the Company given its current size.

Board of Directors

The Board is currently comprised of Mike Castanho, Jeff Barber, and Morgan Tincher. Morgan Tincher and Jeff Barber are considered by the Board to be "independent" directors. An "independent" director is a director who is independent of management and is free from any interest in any business or other relationship which could, or could

reasonably be expected to, interfere with the exercise of the director’s independent judgement. Mike Castanho is an executive officer of the Company and are accordingly considered to be “non-independent”.

Board Mandate

The Board meets for formal board meetings on an as needed basis to review and discuss the Company’s business activities and to consider and, if thought fit, to approve matters presented to the Board for approval, and to provide guidance to management. In addition, management will informally provide updates to the Board between formal meetings. In general, management consults with the Board when deemed appropriate to keep it informed regarding the Company’s affairs. The Board facilitates the exercise of independent supervision over management through these various meetings. At present, the Board does not have any formal committees other than its Audit Committee. When necessary, the Board will strike a special committee of independent directors to deal with matters requiring independence. The composition of the Board is such that the independent directors have experience in business affairs and, as a result, the directors are able to provide independent supervision over management.

In the event of a conflict of interest at a meeting of the Board, the conflicted director will in accordance with the BCBCA and in accordance with his or her fiduciary obligations as a director of the Company, disclose the nature and extent of the interest to the other directors and abstain from voting on any matter in which the conflicted director has declared an interest.

Other Reporting Issuer Experience

The following table sets out the directors, officers or Promoters of the Company that are, or have been within the last five years, directors or officers of other issuers that are or were reporting issuers in any Canadian jurisdiction:

Name of Director or Officer	Name of Reporting Issuer	Name of Exchange	Position	Term
Morgan Tincher	Three Sixty Solar Ltd. (formerly, Liberty One Lithium Corp.)	Neo Exchange	Senior Officer	2017-10-27 to 2018-08-15
	Peace River Capital Corp. (formerly, Petro Basin Energy Corp.)	N/A	Senior Officer	2012-01-23 to 2018-08-15
	Red Rock Capital Corp.	NEX	Director	2022-05-10 to present
	StartMonday Technology Corp. (formerly, Centennial Acquisitions Corp.)	CSE	Director	2016-08-07 to 2018-08-13
Jeff Barber	HIKU Brands Company Ltd. (formerly, DOJA Cannabis Company Limited)	CSE	Director/Senior Officer	2017-08-03 to 2018-09-05
	Helium Evolution Incorporated (formerly, Duckhorn Ventures Ltd.)	TSXV	Director	2021-09-02 to present
	Standard Lithium Ltd.	TSXV NYSE	Director	2017-01-23 to present

Name of Director or Officer	Name of Reporting Issuer	Name of Exchange	Position	Term
Mike Castanho	Helium Evolution Incorporated (formerly, Duckhorn Ventures Ltd.)	TSXV	Director	2021-09-01 to 2022-03-17

Orientation and Continuing Education

The Company has not yet developed an official orientation or training program for new directors. As required, new directors will have the opportunity to become familiar with the Company by meeting with the other directors and with officers and employees. Orientation activities will be tailored to the particular needs and experience of each director and the overall needs of the Board.

Ethical Business Conduct

On December 20, 2022, the Board adopted a Code of Business Conduct and a Corporate Governance Policy (collectively, the “Policies”). The objective of the Policies is to, among other things, provide guidelines for maintaining the Company’s integrity, reputation, honesty, objectivity and impartiality. The Policies addresses conflicts of interest, protection of our assets, confidentiality, fair dealing with shareholders, competitors and employees, insider trading, compliance with laws and reporting any illegal or unethical behavior. As part of the Policies, any person subject to the Policies is required to avoid or fully disclose interests or relationships that are harmful or detrimental to our best interests or that may give rise to real, potential or the appearance of conflicts of interest. Our Board, or a committee thereof, will have ultimate responsibility for the stewardship of the Policies. The Code of Business Conduct will be filed with the Canadian securities regulatory authorities on SEDAR at www.sedar.com.

The Board expects that the Policies, combined with the fiduciary duties and restrictions placed on individual directors by the BCBCA and the common law, will be sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Nomination of Directors

As the Board does not have a nominating committee, the Board, as a whole, considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders. The Board takes into account the number required to carry out the Board’s duties effectively and to maintain a diversity of views and experience. The Board is also responsible for recruiting new members to the Board and planning for succession of board members.

Compensation

The Board is responsible for determining all forms of compensation, including how and when such compensation is to be determined. See “*Executive Compensation*”.

Board Committees

The Board has no committees other than the Audit Committee. See “*Audit Committee*”.

Assessments

Any committee of the Board and individual directors will be assessed on an ongoing basis by the Board. The Board has not, as of yet, adopted formal procedures for assessing the effectiveness of the Board, its committees or individual directors.

The determination of director and NEO compensation and how and when such compensation is to be determined is subject to the consideration of the Board.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Prospectus none of the directors and executive officers of the Company or associates of such persons is indebted to the Company or another entity where the indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

PLAN OF DISTRIBUTION

This is a non-offering prospectus. No securities are offered pursuant to this Prospectus.

It is a condition of the Sale and Purchase Agreement that the Common Shares be listed on the Exchange or another recognized Canadian stock exchange. The Company has applied to list the Common Shares, including the Common Shares issuable on the conversion of the Subscription Receipts, on the CSE under the symbol "SASK". Listing will be subject to the Company fulfilling all of the listing requirements of the CSE, including, without limitation, obtaining a final receipt for the (final) prospectus, obtaining distribution of the Common Shares to a minimum number of public shareholders and the Company meeting all other minimum listing requirements.

As of the date of this Prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities and does not intend to apply to list or quote any of its securities on the Toronto Stock Exchange, Aequis NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc).

RISK FACTORS

There are inherent risks in the business of the Company. Shareholders must rely on the ability, expertise, judgment, discretion, integrity and good faith of the management of the Company. The business of Company will be subject to risks and hazards, some of which are beyond its control.

The risks presented below may not be all of the risks that the Company may face. It is believed that these are the factors that could cause actual results to be different from expected and historical results. The market in which the Company currently competes is very competitive and changes rapidly. Sometimes new risks emerge and management may not be able to predict all of them or be able to predict how they may cause actual results to be different from those contained in any forward-looking statements. You should not rely upon forward-looking statements as a prediction of future results.

Market risk for Securities

Although listing of the Common Shares on the CSE is a condition of the Sale and Purchase Agreement, there can be no assurance that an active trading market for the Common Shares will be established and sustained. Upon listing, the market price for the Common Shares could be subject to wide fluctuations. Factors such as commodity prices, government regulation, interest rates, share price movements of peer companies and competitors, as well as overall market movements, may have a significant impact on the market price of Company's securities. The stock market has from time to time experienced extreme price and volume fluctuations, which have often been unrelated to the operating performance of particular companies.

Speculative Nature of Investment Risk

An investment in the Common Shares carries a high degree of risk and should be considered as a speculative investment. The Company has no history of earnings, cash flow or profitability and has limited cash reserves, a limited operating history, has not paid dividends, and is unlikely to pay dividends in the immediate or near future. Operations are not yet sufficiently established such that the Company can mitigate risks associated with planned activities. No assurance can be given that the Company will attain positive cash flow or profitability.

Liquidity and Future Financing Risk

The Company is in the early stages of business and has not generated revenue. The Company will likely operate at a loss until its business becomes established and the Company will require additional financing in order to fund future operations and expansion plans. The Company's ability to secure any required financing to sustain operations will depend in part upon prevailing capital market conditions and business success. There can be no assurance that the Company will be successful in its efforts to secure any additional financing or additional financing on terms satisfactory to management. If additional financing is raised by issuance of additional Common Shares, control may change and shareholders may suffer dilution. If adequate funds are not available, or are not available on acceptable terms, the Company may be required to scale back its current business plan or cease operating.

Global Economy Risk

Economic slowdowns and volatility of global capital markets may from time to time make the raising of capital by equity or debt financing more difficult. The Company may be dependent upon capital markets to raise additional financing in the future while concurrently establishing a wider customer base. Access to financing may be negatively impacted by global economic downturns. As such, the Company is subject to liquidity risks in meeting its operating expenditure requirements and future development cost requirements in instances where adequate cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact the ability to raise equity or obtain loans and other credit facilities in the future and on terms favourable to the Company and its management. If levels of volatility and slow market conditions persist, the Company's operations, the Company's ability to raise capital and the trading price of the Common Shares could be adversely impacted.

Dividend Risk

The Company has not paid dividends in the past and does not anticipate paying dividends in the near future. The Company expects to retain earnings to finance further growth.

Limited Prior Operating History

The Company has limited operating history, business operations and assets. There is no assurance that it will be profitable or that its investment strategy will be successful. The Company's operations are subject to all of the risks inherent in the creation of new investment activity, including a limited prior operating history.

Dilution

Any sale of the Common Shares will result in dilution to existing holders of Common Shares. The Company may issue additional Common Shares without the consent from the shareholders of the Company.

Speculative Nature of Mineral Exploration

No resources have been assigned in connection with the Company's property interests to date, given their early stage of development. The future value of the Company is therefore dependent on the success or otherwise of the Company's activities, which are principally directed toward the further exploration, appraisal and development of its assets in northeastern Ontario and the Athabasca Basin, and potential acquisition of additional property interests in the future. Exploration, appraisal and development of mineral properties are speculative and involve a significant degree of risk. There is no guarantee that exploration or appraisal of the property interests of the Company will lead to a commercial discovery or, if there is a commercial discovery, that the Company will be able to realize the value of such resources as intended. Few properties that are explored are ultimately developed into new resources. Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. The marketability of minerals acquired or discovered by the company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, commodity markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production,

importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital. If at any stage the Company is precluded from pursuing its exploration or development programs, or such programs are otherwise not continued, the Company's business, financial condition and/or results of operations and, accordingly, the trading price of the Common Shares, is likely to be materially adversely affected.

No History of Production

The Company's properties are in the exploration/undeveloped stage only. The Company has never had any interest in producing properties. There is no assurance that commercial quantities of minerals will be discovered at any of the properties of the Company or any future properties, nor is there any assurance that the exploration or development programs of the Company thereon will yield any positive results. Even if commercial quantities of minerals are discovered, there can be no assurance that any property of the Company will ever be brought to a stage where minerals can profitably be produced thereon. Factors which may limit the ability of the Company to produce minerals from its properties include, but are not limited to, commodity prices, availability of additional capital and financing, availability of processing facilities and processing capacity and the nature of any mineral deposits.

Environmental Regulation and Risks

All phases of the Company's operations are subject to environmental regulation. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on the properties in which the Company holds interests that are unknown to the Company at present and which have been caused by previous or existing owners or operators of the properties.

Government approvals, approval of First Nations peoples and permits are currently and may in the future be required in connection with the Company's direct and indirect operations. To the extent such approvals are required and not obtained, the Company may be curtailed or prohibited from continuing its mineral exploration operations or from proceeding with planned exploration or development of its properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in the exploration or development of natural resource properties may be required to compensate those suffering loss or damage by reason of the exploration and development activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mineral companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new properties.

Requirement for Permits and Licenses

The operations of the Company require it to obtain licenses for operating, permits, and in some cases, renewals of existing licenses and permits from authorities in Ontario, Saskatchewan and Alberta. The Company believes that it currently holds or has applied for all necessary licenses and permits to carry on the activities it is currently conducting under applicable laws and regulations in respect of its properties, and also believes that it is complying in all material respects with the terms of such licenses and permits. However, the ability of the Company to obtain, sustain or renew any such licenses and permits on acceptable terms is subject to changes in regulations and policies and to the discretion of the applicable authorities or other governmental agencies.

Reliance on Estimates

The information to be used by the Company to evaluate its properties is based on estimates that involve a great deal of uncertainty. The process of estimating mineral resources is complex and requires significant decisions and assumptions to be made in evaluating the reliability of available geological, geophysical, engineering and economic data for each property. Different engineers may make different estimates of resources, cash flows or other variables based on the same available data.

Estimates also include numerous assumptions relating to operating conditions and economic factors, including the price at which recovered minerals can be sold; the costs of recovery; future operating costs; development costs; drilling and completion costs; workover and remedial costs, which are costs associated with operations on a producing well to restore or increase production; prevailing environmental conditions associated with drilling and production sites; the availability of enhanced recovery techniques; the ability to transport minerals to markets; and governmental and other regulatory factors such as taxes and environmental laws.

Economic factors beyond the control of the Company, such as interest rates and exchange rates, will also impact the value of such estimates. Some of these assumptions are inherently subjective, and the accuracy of estimates relies in part on the ability of the management team, engineers and other advisors of the Company to make accurate assumptions. As a result, there is no guarantee that any investment made by the Company in a mineral property will be successful since the associated estimates will be inherently imprecise.

No Assurance of Title or Boundaries, or of Access

Although title reviews may be conducted prior to the purchase of mineral producing properties or the commencement of drilling wells, such reviews do not guarantee or certify that an unforeseen defect in the chain of title will not arise to defeat the Company's claim. The Company's actual interest in properties may, therefore, vary from its records. If a title defect does exist, it is possible that the Company may lose all or a portion of the properties to which the title defect relates, which may have a material adverse effect on its business, financial condition, results of operations and prospects. There may be valid challenges to title, or proposed legislative changes which affect title, to the properties the Company controls that, if successful or made into law, could impair the Company's activities on them and result in a reduction of the revenue received by the Company.

While the Company may register its mineral interests with the appropriate authorities and file all pertinent information according to industry standards, this cannot be construed as a guarantee of title. In addition, mineral properties may consist of recorded mining leases or licenses which have not been legally surveyed, and therefore, the precise boundaries and locations of such claims or leases may be doubtful or challengeable. Mineral properties may also be subject to prior unregistered agreements or transfers or native land claims, and the Company's title may be affected by these and other undetected defects.

Volatility of Mineral Prices

The Company anticipates its business will be primarily determined by mineral prices in North America and abroad. Prices for minerals fluctuate in response to changes in the supply of, and demand for, minerals, market uncertainty and a variety of factors beyond the Company's control. Factors that affect mineral prices include world economic conditions, government regulation, political stability, the global and regional supply of minerals, the price of foreign imports, the availability of mineral alternatives, transportation and infrastructure constraints and weather conditions. Volatility or weakness in mineral prices (or the perception that mineral prices will decrease) may result in the drilling of fewer new wells or lower production spending on existing wells. Significant declines in prices for minerals could harm the financial condition of the Company, its results of operations and the quantities of resources recoverable on an economic basis. A decline in mineral prices or a reduction in drilling activities could materially and adversely affect the business of the Company and could seriously decrease its revenues or prevent it from generating any revenues.

Negative Operating Cash Flow

The Company has a limited history of operations, and no history of earnings, positive operating cash flow or profitability. The Company has had negative operating cash flow since The Company's inception, and the Company

may continue to have negative operating cash flow for the foreseeable future. No assurance can be given that additional funding will be available for the Company's operations when required and no assurance can be given that the Company will ever attain positive operating cash flow or profitability.

Premiums for Interests in Mineral Properties

Interests in mineral properties may be sold to the Company at prices that exceed the market prices of similar interests. Competition for interests in mineral properties may increase the premium at which such interests are available for purchase by the Company.

Portfolio Volatility Due to Investment Concentration

The Company intends to acquire interests in producing mineral properties in North America. Such interests may include working interests. However, such interests may also include interests in non-producing development stage mineral properties. A concentrated investment by the Company in any one of these types of investments may result in the value of the Common Shares fluctuating to a greater degree than if the Company invested in a broader spectrum of mineral properties.

The value of each Company Share will vary in accordance with the value of the interests in mineral properties acquired by the Company, and may be affected by such factors as investor demand, resale restrictions, general market trends, investor sentiment regulatory restrictions and commodity prices. Fluctuations in the market values of such interests and in the returns provided by them may occur for a number of reasons beyond the control of the Company, and there is no assurance that an adequate market will exist for any interests acquired by the Company or that those interests will generate any returns. The investment involves a high degree of risk and should only be considered by persons who can afford the loss of their entire investment.

Illiquidity of Mineral Property Investments

Many of the mineral properties acquired by the Company may be relatively illiquid and may decline in value, depending on general market trends.

Operational Risks

The business of exploring for and mining minerals involves a high degree of risk. Few mineral properties that are explored are ultimately developed into producing properties. Also, mines on producing properties are at risk of disruption or exhaustion. When investing in any mineral property, the Company may not know if the property contains commercial quantities of minerals or if its production will be sustainable.

Unusual or unexpected formations, formation pressures, fires, explosions, power outages, labour disruptions, flooding, explosions, cave-ins, landslides, adverse weather conditions and the inability of the Company to obtain suitable machinery, equipment or labour are all risks which may occur during the development of mineral resources. Substantial expenditures are required in order to establish such resources through drilling, and to develop production, gathering or processing facilities and infrastructure at any site chosen for mineral production.

The economics of developing and operating mineral properties is affected by many factors, including the cost of operations, variations in the grade of minerals obtained, fluctuations in the prices and demand for minerals, costs of processing equipment and such other factors as aboriginal land claims and government regulations, including regulations relating to royalties, allowable production, importing and exporting and environmental protection. There is no certainty that any development expenditures made by the Company will result in discoveries of commercial quantities of minerals.

Key Personnel

The Company will rely on certain key personnel for the development of its business. The experience, knowledge and contributions of Company's existing management team and directors to the immediate and near-term operations and direction of the Company are likely to continue to be of central importance for the foreseeable future. As such, the unexpected loss of services from or retirement of such key personnel could have a material adverse effect on the

Company. In addition, the competition for qualified personnel in the mining industry means there can be no assurance that the Company will be able to continue to attract and retain such personnel with the required specialized skills necessary for its business.

Conflicts of Interest

Certain of the Company's directors and officers will be involved in the mining industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. Situations may arise in connection with potential acquisitions or opportunities where the other interests of these directors and officers may conflict with the Company's interests. Directors and officers of the Company with conflicts of interest will be subject to and must follow the procedures set out in applicable corporate and securities legislation, regulations, rules and policies. Notwithstanding this, there may be corporate opportunities which the Company is not able to procure due to a conflict of interest of one or more of the Company's directors or officers.

Public Health Crisis

The Company's business, operations and financial condition could be materially adversely affected by the outbreak of epidemics or pandemics or other health crises, including the ongoing effects of the COVID-19 pandemic on regulatory policies, supply of services, staffing, and materials. While these effects are expected to be temporary, the duration of the various disruptions to businesses locally and internationally and related financial impact cannot be reasonably estimated at this time. Public health crises such as COVID-19 can however result in volatility and disruptions in the supply and demand for minerals, global supply chains and financial markets, all of which could affect commodity prices, interest rates, credit ratings, credit risk and inflation. The risks to the Company of such public health crises also include risks to health and safety, a slowdown or temporary suspension of operations, increased labour and input costs, regulatory changes, political or economic instabilities or civil unrest. At this point, the extent to which COVID-19 will or may impact the Company is uncertain and these factors are beyond the Company's control; however, it is possible that the ongoing COVID-19 pandemic may have a material adverse effect on the Company's business, results of operations and financial condition.

Limited Geographic Area

As at the date hereof, the Company's properties are located in northeastern Ontario, Saskatchewan and Alberta. The Company may be disproportionately exposed to the impact of delays or interruptions of production caused by transportation capacity constraints, curtailment of production, availability of equipment, facilities, personnel or services, significant governmental regulation, natural disasters, adverse weather conditions, and plant closures. Due to the geographic concentration of the properties, a number of the properties could experience any of the same conditions at the same time, resulting in a relatively greater impact on operations than might be experienced by other companies operating in a less limited geographic area. Such delays or interruptions could have a material adverse effect on the financial condition of the Company and results of operations.

Market Risks

The marketability of any minerals that may be produced on a mineral property in which the Company has invested will be affected by numerous factors beyond the control of the Company or any operator operating on its behalf. These factors include market fluctuations in the price of minerals, the proximity and capacity of minerals markets and processing equipment, the availability of labour and related infrastructures, and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, the importing and exporting of materials and environmental protection. The exact effect of these factors cannot be accurately predicted, but any one or a combination of these factors could result in the Company not receiving an adequate return on their investment, if any.

Additional Funding Requirements

The Company's cash flow may not be sufficient to fund its ongoing activities at all times and from time to time, the Company may require additional financing in order to carry out its mineral acquisition, exploration and development activities. Failure to obtain financing on a timely basis could cause the Company to forfeit its interest in certain properties, miss certain acquisition opportunities and reduce or terminate its operations. Due to the conditions in the

mining industry and/or global economic volatility, the Company may from time to time have restricted access to capital and increased borrowing costs. The current conditions in the mining industry have negatively impacted the ability of mining companies to access additional financing. To the extent that external sources of capital become limited, unavailable or available on onerous terms, the Company's ability to make capital investments and maintain existing assets may be impaired, and its assets, liabilities, business, financial condition and results of operations may be affected materially and adversely as a result. In addition, the future development of the Company's mineral properties may require additional financing and there are no assurances that such financing will be available or, if available, will be available upon acceptable terms. Alternatively, any available financing may be highly dilutive to existing shareholders. Failure to obtain any financing necessary for the Company's capital expenditure plans may result in a delay in development or production on its properties.

Uninsurable Risks

The Company's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, mechanical failures, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties and/or production facilities, personal injury or death, environmental damage to the properties of the Company, or the properties of others, delays in exploration, development and production activities, monetary losses and possible legal liability.

Although the Company will maintain insurance to protect against certain risks in such amounts as it considers reasonable, its insurance will not cover all the potential risks associated with mining operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration, development and production activities is not generally available to the Company or to other companies in the mining industry on acceptable terms. The Company might also become subject to liability for pollution or other hazards that may not be insured against or which the Company may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Issuance of Debt

From time to time, the Company may enter into transactions that may be financed in whole or in part with debt, which may increase the Company's debt levels above industry standards for mining companies of similar size. Depending on future exploration and development plans, the Company may require additional debt financing that may not be available or, if available, may not be available on favourable terms. The Company's articles do not limit the amount of indebtedness that it may incur. The level of the Company's indebtedness from time to time, could impair its ability to obtain additional financing on a timely basis to take advantage of business opportunities that may arise.

Government Regulations

The operations of the Company are subject to government legislation, policies and controls relating to prospecting, land use, trade, environmental protection, taxation, rates of exchange, returns of capital and labour relations.

Mineral property interests may be affected to varying degrees by the extent of political and economic stability in the jurisdiction of such properties and by changes in regulations or shifts in political or economic conditions beyond the control of the Company. Such factors may adversely affect the Company's business and/or its mineral property holdings.

Although the Company's development activities may be carried out in accordance with all applicable rules and regulations at any point in time, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner that could limit or curtail the production or development of the Company's operations. Amendments to current laws and regulations governing the operations of the Company

or the more stringent enforcement of such laws and regulations could have a substantial adverse impact on the financial results of the Company.

Climate Change

The Federal Government of Canada and certain provincial governments have announced intentions to regulate greenhouse gases and certain air pollutants. These governments are currently developing regulatory and policy frameworks to deliver on their announcements. The Company's cost of complying with emerging climate and carbon regulations is not currently forecast to be material to the Company, however as these government initiatives are in their early implementation stage or under development, the Company is unable to predict the total future impact of the potential regulations upon its business. It is possible that the Company could face future increases in operating costs in order to comply with legislation governing emissions.

Social and Environmental Activism

There is an increasing level of public concern relating to the effects of mining on the natural landscape, on communities and on the environment. Certain non-governmental organizations, public interest groups and reporting organizations (collectively, "NGOs") who oppose resource development can be vocal critics of the mining industry. In addition, there have been many instances in which local community groups have opposed resource extraction activities, which have resulted in disruption and delays to the relevant operation. NGOs or local community organizations could direct adverse publicity against and/or disrupt the operations of the Company in respect of one or more of its properties due to political factors, activities of unrelated third parties on lands in which the company has an interest or the Company's operations specifically. Any such actions and the resulting media coverage could have an adverse effect on the reputation and financial condition of the company, which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Indigenous Claims and Consultation

The legal nature of indigenous rights is a matter of considerable complexity. The Company may at some point be required to negotiate with and seek the approval of holders of indigenous rights in order to facilitate exploration and development work on the Company's properties. There is no assurance that the Company will be able to establish a practical working relationship with any First Nations in the area which would allow it to ultimately develop the Company's properties.

Competition from Larger Mining Companies

The development and production of minerals is a highly competitive business. Other mining companies will compete with the Company by bidding for mineral properties and services that it will need to operate successfully. As prices of minerals on the commodities markets rise, it is expected that this competition will become increasingly intense. Additionally, other companies engaged the exploration and production of minerals may compete with the Company from time to time in obtaining capital from investors and lenders.

Mineral properties have limited lives and, as a result, the Company may seek to alter and expand its operations through the acquisition of new interests. However, the available supply of desirable mineral properties is limited in North America. The major mining companies are often better positioned to obtain the rights for any mineral properties for which the Company may compete.

Competitors of the Company include large, foreign-owned companies, which, in particular, may have a competitive advantage because of their access to greater resources and the fact that they conduct their own refining and marketing operations. Mineral development activities are dependent on the availability of drilling and related equipment, transportation, power and technical support in particular areas and operators of any mineral properties in which we invest may have limited access to these facilities. Shortages and/or the unavailability of necessary equipment or other facilities will impair the activities of such operators, increase their costs and reduce the value of any investment by the Company.

If the Company is unable to adequately address its competition, including, but not limited to, finding ways to secure profitable producing mineral properties on terms that it considers acceptable, the ability of the Company to earn revenues could suffer.

Failure to Viably Develop Mineral Properties

On a long-term basis, the Company must acquire interests in producing mineral properties in order to become profitable. The Company's success depends on its ability to locate, identify and acquire productive property interests, find markets for any minerals developed on such properties, and effectively distribute the minerals into those markets.

Any mineral development activities of the Company may not be economically viable because of both unproductive mineral properties and properties that are productive but do not generate sufficient revenues to return a profit. Investing in a mineral property does not ensure that the investment will be profitable or that the Company will recover its investment because the costs of drilling and operating any wells on the property may exceed the amount of minerals extracted from such wells. In addition, drilling hazards or environmental damage could greatly increase the cost of operating on any property, and various field conditions could adversely affect the production from successful wells. If developmental costs exceed the Company's estimates or if the development efforts of the Company do not produce results which meet its expectations, such efforts may not be commercially successful.

Risk of Litigation

Although the Company is not currently involved in any litigation, the nature of its operations exposes the Company to possible future litigation claims. There is risk that any claim could be adversely decided against the Company, and this could harm its financial condition. Similarly, the costs associated with defending against any claim could dramatically increase the expenses of an investment in any mineral property, as litigation is often very expensive. Possible litigation matters may include, but are not limited to, environmental damage and remediation, workers' compensation, insurance coverage, property rights and easements and the maintenance of mining leases. Should the Company become involved in any litigation, it will be forced to direct its limited resources to defend against or prosecute the claim, which could impact the profitability of the Company and lower the value of any investment in the Common Shares.

Barriers to Marketing Minerals

If the Company is unable to sell any minerals produced on any mineral properties in which it acquires an interest to these entities, it may have trouble generating revenues. In addition, demand or transportation limitations, such as the absence of pipeline facilities, often affect the marketability of minerals, and sales of any minerals could therefore be delayed for extended periods until such limitations are corrected or until suitable transportation facilities are constructed.

Internal Controls

Internal controls over financial reporting are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS. However, internal controls over financial reporting are not guaranteed to provide absolute assurance with regard to the reliability of financial reporting and financial statements.

CERTAIN FEDERAL INCOME TAX CONSIDERATIONS

The Company encourages each security holder to consult with its own tax or professional advisor to understand the tax considerations generally applicable with purchasing or owning Shares.

PROMOTERS

Promoter is defined as (a) a person or company who, acting alone or in conjunction with one or more other persons, companies or a combination thereof, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of an issuer, or (b) a person or company who, in connection with the founding, organizing or substantial reorganizing of the business of an issuer, directly or indirectly, receives in consideration of services or

property, or both services and property, 10 per cent or more of any class of securities of the issuer or 10 per cent or more of the proceeds from the sale of any class of securities of a particular issue, but a person or company who receives such securities or proceeds either solely as underwriting commissions or solely in consideration of property shall not be deemed a promoter within the meaning of this definition if such person or company does not otherwise take part in founding, organizing, or substantially reorganizing the business.

Mike Castanho has been within the two years immediately preceding the date of this Prospectus, a promoter of the Company.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

The Company is not aware of any material legal proceedings involving the Company nor are any such proceedings known by the Company to be contemplated.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as set forth in this Prospectus, none of (i) the directors or executive officers of the Company, (ii) the shareholders who beneficially own or control or direct, directly or indirectly, more than ten (10%) percent of the Company's outstanding voting securities, or (iii) any Associate or Affiliate of the foregoing Persons, in any transaction in which the Company has participated within the three years before the date of this Prospectus, that has materially affected or is reasonably expected to materially affect the Company.

AUDITORS, TRANSFER AGENTS AND REGISTRARS

The auditor of the Company is Davidson & Company LLP, located at 1200 - 609 Granville Street, Vancouver, British Columbia V7Y 1G6. Davidson & Company LLP is independent of the Company within the meaning of the Code of Professional Conduct of Chartered Professional Accountants of British Columbia. Davidson & Company LLP was first appointed as auditor of the Company on January 14, 2021.

The transfer agent and registrar for the Common Shares is Odyssey Trust Company located at 350 – 409 Granville Street, Vancouver British Columbia V6C 1T2.

MATERIAL CONTRACTS

The Company is party to the following material contracts, excluding contracts entered into in the ordinary course of business:

1. Property Option Agreement.
2. The Purchase and Sale Agreement.
3. Subscription Receipt Agreement.

Copies of these agreements may be inspected without charge during regular business hours at the offices of the Company and may also be found on SEDAR at www.sedar.com.

EXEMPTIONS FROM SECURITIES LEGISLATION

The Company has not applied for or received any exemption from applicable securities legislation.

EXPERTS

No person or company whose profession or business gives authority to a report, valuation, statement or opinion made by such person or company and who is named in this Prospectus as having prepared or certified a part of this Prospectus, or a report, valuation, statement or opinion described in this Prospectus, has received or shall receive a direct or indirect interest in any securities or other property of the Company or any associate or affiliate of the

Company. The following are persons or companies whose profession or business gives authority to a statement made in this Prospectus as having prepared or certified a part of that document or report described in the Prospectus:

- Davison & Company LLP is the external auditor of the Company and reported on the Company Financial Statements.
- Paul Nagerl, M.Sc., P.Geo prepared the Golden Rose Technical Report

OTHER MATERIAL FACTS

To management's knowledge, there are no other material facts relating to the Company that are not otherwise disclosed in this Prospectus or are necessary for the Prospectus to contain full, true and plain disclosure of all material facts relating to the Company.

SCHEDULE "A"
FINANCIAL STATEMENTS OF THE COMPANY

ATHA ENERGY CORP.
(formerly Inglenook Ventures Ltd.)

Condensed Interim Financial Statements
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

For the nine months ended September 30, 2022 and
for the period from incorporation on
January 14, 2021 to September 30, 2021

ATHA ENERGY CORP. (formerly Inglenook Ventures Ltd.)

Condensed Interim Statements of Financial Position

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

	As at September 30, 2022	As at December 31, 2021
Assets		
Current Assets		
Cash	\$ 7,222,083	\$ 18,339
GST receivable	16,635	5,222
	7,238,718	23,561
Exploration and evaluation assets (Note 5)	110,000	-
Long term deposits (Note 5)	1,000,000	-
Total Assets	\$ 8,348,718	\$ 23,561
Liabilities and Shareholders' Equity (Deficiency)		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 129,560	\$ 109,178
	129,560	109,178
Shareholders' Equity (Deficiency)		
Share capital (Note 6)	8,631,245	124,652
Share-based payment reserve (Note 6)	567,744	437
Deficit	(979,831)	(210,706)
	8,219,158	(85,617)
Total Liabilities and Shareholders' Equity	8,348,718	\$ 23,561

Nature and continuance of operations (Note 1)

Subsequent events (Note 10)

Approved on Behalf of the Board on November 29, 2022:

"Mike Castanho"

Mike Castanho – CEO/Director

"Morgan Tincher"

Morgan Tincher – Director

The accompanying notes are an integral part of these condensed interim financial statements.

ATHA ENERGY CORP. (formerly Inglenook Ventures Ltd.)
Condensed Interim Statements of Loss and Comprehensive Loss
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

	For the three months ended		For the nine		For the period
	September 30,		months ended		from
	2022	2021	September 30,		incorporation
			2022		on January 14,
					2021 to
					September 30,
					2021
Expenses					
Administration and bank charges	\$ 6,201	\$ 3,019	\$ 12,219	\$ 6,049	
Management fees	30,000	30,000	90,000	65,000	
Professional fees	32,847	265	82,452	265	
Share-based compensation (Note 4)	567,307	-	567,307	437	
Transfer agent and filing fees	13,436	-	17,147	1,067	
	(649,791)	(33,284)	(769,125)	(72,818)	
Transaction costs (Note 6)	-	-	-	(99,653)	
	-	-	-	(99,653)	
Loss and comprehensive loss for the period	\$ (649,791)	\$ (33,284)	\$ (769,125)	\$ (172,471)	
Weighted average number of shares outstanding – basic and diluted (Note 7)	40,464,465	17,961,455	28,419,954	14,246,927	
Basic and diluted loss per share (Note 7)	\$ (0.02)	\$ (0.00)	\$ (0.03)	\$ (0.01)	

The accompanying notes are an integral part of these condensed interim financial statements.

ATHA ENERGY CORP. (formerly Inglenook Ventures Ltd.)

Condensed Interim Statements of Changes in Shareholders' Equity (Deficiency)

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

	Share Capital		Reserves	Deficit	Total Shareholders' Equity (Deficiency)
	Number	Amount			
Balance, December 31, 2021	17,961,388	\$ 124,652	\$ 437	\$ (210,706)	\$ (85,617)
Common shares issued – private placements and loan settlements	26,450,000	8,367,993	-	-	8,367,993
Common shares issued – debt settlement	6,930,000	138,600	-	-	138,600
Share-based payments	-	-	567,307	-	567,307
Loss for the period	-	-	-	(769,125)	(769,125)
Balance, September 30, 2022	51,341,388	\$ 8,631,245	\$ 567,744	\$ (979,831)	\$ 8,219,158
Balance, (incorporation) – January 14, 2021	-	\$ -	\$ -	\$ -	\$ -
Common shares issued – private placement	3,602,305	25,000	-	-	25,000
Common shares issued – plan of arrangement	14,359,083	99,653	-	-	99,653
Share-based compensation	-	-	437	-	437
Loss for the period	-	-	-	(172,471)	(172,471)
Balance, September 30, 2021	17,961,388	\$ 124,653	\$ 437	\$ (172,471)	\$ (47,381)

The accompanying notes are an integral part of these condensed interim financial statements.

ATHA ENERGY CORP. (formerly Inglenook Ventures Ltd.)

Condensed Interim Statements of Cash Flows

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

	For the nine months ended September 30, 2022	For the period from incorporation on January 14, 2021 to September 30, 2021
Cash provided by / (used for):		
Operating Activities:		
Loss for the period	\$ (769,125)	\$ (172,471)
Item not involving cash:		
Share-based payments	567,307	437
Transaction costs	-	99,653
Net change in non-cash working capital items:		
Accounts payable and accrued liabilities	135,138	69,300
GST receivable	(11,413)	(3,562)
	(78,093)	(6,643)
Financing Activities:		
Proceeds from share issuances (Note 6)	8,205,000	25,000
Settlement of loans for shares (Note 6)	200,000	-
Share issuance costs (Note 6)	(13,163)	-
	8,391,837	25,000
Investing Activities:		
Exploration and evaluation assets (Note 5)	(110,000)	-
Long term deposits (Note 5)	(1,000,000)	-
	(1,110,000)	-
Change in cash for the period	7,203,744	18,357
Cash, beginning of the period	18,339	-
Cash, end of the period	\$ 7,222,083	\$ 18,357
Supplemental information:		
Interest paid	\$ -	\$ -
Income taxes	\$ -	\$ -
Non-cash transactions:		
Share issuance for debt settlement	\$ 138,600	\$ -
Share issuance costs included in accounts payable	\$ 23,844	\$ -

The accompanying notes are an integral part of these condensed interim financial statements.

ATHA ENERGY CORP. (formerly Inglenook Ventures Ltd.)

Notes to the Condensed Interim Financial Statements

For the nine months ended September 30, 2022

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Atha Energy Corp. (formerly Inglenook Ventures Ltd.) (the “Company” or “Atha”) was incorporated under the British Columbia Business Corporations Act on January 14, 2021. The Company’s head office and its registered and records office is located at 1250 – 1066 West Hastings Street, Vancouver, British Columbia V6E 3X1. On May 30, 2022, the Company changed its name from Inglenook Ventures Ltd. to Atha Energy Corp.

The Company is principally engaged in the acquisition, exploration, and evaluation of mineral resources, currently focusing on projects in the Sudbury Mining District, located in Ontario, Canada and in the Athabasca Basin located in Saskatchewan, Canada. At this time, the Company does not own any operating mines and has no operating income from mineral production. Funding for exploration and operations will be raised primarily through share offerings.

On March 22, 2021, ECC Diversified Inc. (“ECCD”) completed a strategic reorganization of its assets in which it spun out Atha. The transaction was carried out by way of a plan of arrangement (the “Arrangement”) pursuant to the Business Corporations Act (British Columbia). Under the terms of the Arrangement, shareholders of ECCD received one common share of the Company for every common share of ECCD they held as of March 22, 2021; as a result, 14,359,083 common shares of the Company were issued.

On March 8, 2022, the Company completed a consolidation of its issued and outstanding common shares on a 1.388:1 basis. All share and per share information in these financial statements have been retroactively adjusted to reflect the consolidation.

These condensed interim financial statements have been prepared with the assumption that the Company will realize its assets and discharge its liabilities in the normal course of business. The Company’s ability to meet its obligations and maintain its current operations through the ensuing twelve-month period and thereafter is contingent upon successful completion of additional financing arrangements and ultimately upon the discovery of proven reserves and generating profitable operations.

Management expects to be successful in arranging sufficient funding to meet operating commitments for the ensuing year. However, the Company’s future capital requirements will depend on many factors, including the costs of exploring and evaluating resource properties, operating costs, the current capital market environment, and global market conditions. As at September 30, 2022, the Company has working capital of \$7,109,158. For significant expenditures and resource property exploration and evaluation, the Company depends almost exclusively on outside capital. Such outside capital includes the issuance of additional equity shares. There can be no assurance that capital will be available, as necessary, to meet the Company’s operating commitments and further exploration and evaluation plans. The issuance of additional equity securities by the Company may result in significant dilution to the equity interests of current shareholders. These material uncertainties may cast significant doubt about the Company’s ability to continue as a going concern.

ATHA ENERGY CORP. (formerly Inglenook Ventures Ltd.)

Notes to the Condensed Interim Financial Statements

For the nine months ended September 30, 2022

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

2. BASIS OF PRESENTATION

Statement of Compliance

These condensed interim financial statements have been prepared using accounting policies consistent with IFRS as issued by the International Accounting Standard Board (“IASB”) and in accordance with International Accounting Standards (“IAS”) 34, Interim Financial Reporting, using accounting policies that the Company expects to adopt in its annual financial statements for the year ended December 31, 2022. These condensed interim financial statements do not include all the information required for the annual financial statements and should be read in conjunction with the Company’s most recent audited financial statements for the year ended December 31, 2021, which are available on www.sedar.com.

The condensed interim financial statements are presented in Canadian dollars.

These condensed interim financial statements were approved and authorized for issuance by the Board of Directors on November 29, 2022.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of Measurement

These condensed interim financial statements have been prepared on the historical cost basis except for financial instruments measured at fair value. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Critical Accounting Estimates, Judgments and Assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, and expenses. Estimates and associated assumptions applied in determining asset or liability values are based on historical experience and various other factors including other sources that are believed to be reasonable under the circumstances but are not necessarily readily apparent or recognizable at the time such estimate or assumption is made. Actual results may differ from these estimates.

Estimates and underlying assumptions used in determining asset and liability values are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The information about significant areas of estimation uncertainty considered by management in preparing the condensed interim financial statements is as follows:

ATHA ENERGY CORP. (formerly Inglenook Ventures Ltd.)

Notes to the Condensed Interim Financial Statements

For the nine months ended September 30, 2022

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Judgements

Going Concern

The preparation of the financial statements requires management to make judgments regarding the going concern of the Company as previously discussed in Note 1.

Estimates

Deferred tax assets and liabilities

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected.

Exploration and evaluation assets

The carrying amount of the Company's exploration and evaluation assets does not necessarily represent present or future values, and the Company's exploration and evaluation assets have been accounted for under the assumption that the carrying amount will be recoverable. Recoverability is dependent on various factors, including the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development and upon future profitable production or proceeds from the disposition of the mineral properties themselves.

Additionally, there are numerous geological, economic, environmental, and regulatory factors and uncertainties that could impact management's assessment as to the overall viability of its properties or to the ability to generate future cash flows necessary to cover or exceed the carrying value of the Company's exploration and evaluation assets.

Provision for environmental rehabilitation

Liabilities for environmental provisions are recognized at the time of environmental disturbance, in amounts equal to the discounted value of expected future reclamation. The provision for environmental rehabilitation represents management's best estimate of the present value of the future cash outflows required to settle the liability.

ATHA ENERGY CORP. (formerly Inglenook Ventures Ltd.)

Notes to the Condensed Interim Financial Statements

For the nine months ended September 30, 2022

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Provision for environmental rehabilitation (continued)

Factors that affect the final cost of remediation include estimates of the extent and costs of rehabilitation activities, the expected timing, technological changes, cost increases and changes in discount rates. Changes in the above factors can result in a change to the asset retirement obligation. This liability is reassessed and re-measured at each reporting date.

Stock options

Determining the fair value of stock options requires estimates related to the choice of a pricing model, the estimation of stock price volatility, the expected forfeiture rate, and the expected term of the underlying instruments. Any changes in the estimates or inputs utilized to determine fair value could have a significant impact on the Company's future operating results or on other components of shareholders' equity.

4. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

As of September 30, 2022, \$Nil was due to related parties.

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has identified its directors and certain senior officers as its key management personnel and the compensation costs for key management personnel and companies related to them are recorded at their exchange amounts as agreed upon by transacting parties.

During the period ended September 30, 2022, \$161,429 (2021 - \$179) in share-based payments was recorded related to stock options granted to directors of the Company.

ATHA ENERGY CORP. (formerly Inglenook Ventures Ltd.)

Notes to the Condensed Interim Financial Statements

For the nine months ended September 30, 2022

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

5. EXPLORATION AND EVALUATION ASSETS

September 30, 2022	Golden Rose Property
Acquisition costs:	
Balance, beginning of period	\$ -
Additions	110,000
Balance, end of period	<u>110,000</u>
Total costs	<u>\$ 110,000</u>

Golden Rose Property

Pursuant to a property option agreement dated July 19, 2022 between the Company and Conquest Resources Limited (“Conquest”), the Company has secured the sole and exclusive right and option (the “Option”) to acquire up to a 100% undivided interest in certain mineral leases, known as the Golden Rose Gold Property, located in the Sudbury Mining District, Ontario.

To fully exercise the Option, the Company must pay Conquest an aggregate of \$1,000,000 and issue to Conquest an aggregate of 1,500,000 common shares of the Company over a period of 36 months, as follows:

- \$100,000 plus the cost of obtaining a technical report on the effective date (paid);
- 200,000 common shares of the Company upon obtaining a public listing on a recognized Canadian stock exchange;
- \$200,000 and 300,000 common shares of the Company on the first anniversary of the effective date of the Option;
- \$200,000 and 300,000 common shares of the Company on the second anniversary of the effective date of the Option; and
- \$500,000 and 700,000 common shares of the Company on the third anniversary of the effective date of the Option.

The Company has also agreed to grant Conquest a 1.0% net smelter returns royalty on the Golden Rose Property, which can be purchased by the Company for \$1,000,000.

New Saskatchewan Syndicate Properties (“NSS”)

On September 20, 2022, the Company entered into an agreement (the “Purchase Agreement”) to acquire a diversified portfolio of mineral exploration assets and carried interests in the Athabasca Basin (the “Acquired Assets”) from The New Saskatchewan Syndicate (the “Vendors”) which includes a 10% carried interest on certain land owned and operated by NexGen Energy Ltd. and IsoEnergy Ltd. (the “Acquisition”).

ATHA ENERGY CORP. (formerly Inglenook Ventures Ltd.)

Notes to the Condensed Interim Financial Statements

For the nine months ended September 30, 2022

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

5. EXPLORATION AND EVALUATION ASSETS (continued)

New Saskatchewan Syndicate Properties (“NSS”) (continued)

In accordance with the terms of the Purchase Agreement, and as consideration for the Acquired Assets, the Company has agreed, among other things, to pay the Vendors the following:

- \$2,000,000 cash to be paid as follows:
 - \$200,000 non refundable deposit upon execution of the term sheet signed between the parties on January 11, 2022 (paid);
 - \$800,000 non refundable deposit upon execution of the Purchase Agreement (paid); and
 - \$1,000,000 upon Listing (as defined in Note 10).
- Issuance of common shares representing not less than 30% of the shares of the Company, on a fully diluted basis, upon Listing; and
- \$3,000,000 to be made available to the Vendors for the purpose of acquiring additional prospective uranium exploration properties on behalf of, and for the benefit of, the Company.

The Vendors will retain a 10% interest in any additional prospective mineral exploration properties acquired. The Company has also agreed to grant the Vendors a 2% net smelter returns royalty and a 10% carried interest in and to the Acquired Assets. Closing of the Acquisition is conditional upon completion of the Listing.

6. SHARE CAPITAL

(a) Authorized

Unlimited number of common and preferred shares without par value.

(b) Issued and outstanding

On January 14, 2021, the Company received \$25,000 through the issuance of 3,602,305 common shares at \$0.007 per share.

On March 22, 2021, ECCD completed a strategic reorganization of its assets in which it spun out Atha. The transaction was carried out by way of the Arrangement. Under the terms of the Arrangement, shareholders of ECCD received one common share of the Company for every common share of ECCD they held as of March 22, 2021; as a result, 14,359,083 common shares of the Company were issued. The value associated with these shares is \$0.007 per share for a total of \$99,653 recorded to transaction costs.

ATHA ENERGY CORP. (formerly Inglenook Ventures Ltd.)

Notes to the Condensed Interim Financial Statements

For the nine months ended September 30, 2022

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

6. SHARE CAPITAL (continued)

(b) Issued and outstanding (continued)

On March 8, 2022, the Company completed a consolidation of its issued and outstanding common shares on a 1.388:1 basis and settled \$138,600 of outstanding indebtedness with certain creditors through the issuance of 6,930,000 common shares of the Company with a fair value of \$0.02 per share. All share and per share information in these financial statements have been retroactively adjusted to reflect the consolidation.

On July 21, 2022, the Company received \$1,005,000, and settled \$200,000 in loans made to the Company, in aggregate consideration of the issuance of 12,050,000 common shares of the Company at \$0.10 per common share. The Company incurred \$12,563 in costs in connection with the financing.

On August 22, 2022, the Company received \$7,200,000 in consideration of the issuance of 14,400,000 common shares of the Company at \$0.50 per common share. The Company incurred \$24,444 in costs in connection with the financing.

As at September 30, 2022, the issued share capital was comprised of 51,341,388 common shares.

(c) Stock options

On January 14, 2021, the Company adopted a stock option plan (the “Stock Option Plan”) whereby it can grant incentive stock options to directors, officers, employees, and technical consultants of the Company. The maximum number of shares that may be reserved for issuance under the Stock Option Plan is limited to 10% of the issued and outstanding common shares of the Company at any time. The vesting period for all options is at the discretion of the Board of Directors. The exercise price will be set by the Board of Directors at the time of grant and cannot be less than the discounted market price (if any) of the Company’s common shares.

The Stock Option Plan provides that the number of common shares that may be reserved for the issuance to any one individual upon exercise of all stock options held by such an individual may not exceed 5% of the issued and outstanding common shares, if the individual is a director or officer, or 2% of the issued and outstanding common shares, if the individual is a consultant or engaged in providing investor relations services, on a yearly basis. All options granted under the Stock Option Plan will expire not later than the date that is ten years from the date that such options are granted. Options terminate earlier as follows: (i) immediately in the event of dismissal with cause; (ii) 90 days from date of termination other than for cause; or (iii) one year from the date of death or disability. Options granted under the Stock Option Plan are not transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession.

ATHA ENERGY CORP. (formerly Inglenook Ventures Ltd.)

Notes to the Condensed Interim Financial Statements

For the nine months ended September 30, 2022

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

6. SHARE CAPITAL (continued)**(c) Stock options (continued)**

On March 22, 2021, the Company granted a total of 1,404,899 incentive stock options to a director and consultants to the Company, which vested immediately, having an exercise price of \$0.1388 per share. The fair value of the options granted was determined to be \$437 using the Black-Scholes option pricing model under the following assumptions: risk-free interest rate – 0.23%; expected life – 2 and 2.57 years; expected volatility – 100% and expected dividends – nil.

On July 8, 2022, all then current option holders agreed to the cancellation of the stock options they held in the Company. As a result, the Company cancelled an aggregate of 1,404,899 stock options exercisable at \$0.1388 per share.

On July 21, 2022, the Company granted a total of 500,000 stock options to a consultant to the Company, which vested immediately, having an exercise price of \$0.10 per share. The fair value of the options granted was determined to be \$36,898 using the Black-Scholes option pricing model under the following assumptions: risk-free interest rate – 0.23%; expected life – 5 years; expected volatility – 100% and expected dividends – nil.

On August 29, 2022, the Company granted a total of 1,437,500 stock options to a consultant and to directors of the Company, which vested immediately, having an exercise price of \$0.50 per share. The fair value of the options granted was determined to be \$530,409 using the Black-Scholes option pricing model under the following assumptions: risk-free interest rate – 0.23%; expected life – 5 years; expected volatility – 100% and expected dividends – nil.

A summary of the Company's stock option activity is as follows:

	Number of Options	Weighted Average Exercise Price
Balance, December 31, 2021	1,404,899	\$ 0.1388
Cancelled	(1,404,899)	\$(0.1388)
Granted	1,937,500	\$ 0.40
Balance, September 30, 2022	1,937,500	\$ 0.40

As at September 30, 2022, outstanding options were as follows:

Grant Date	Number of Options Outstanding and Exercisable	Exercise Price	Expiry Date	Remaining Contractual Life (Years)
July 21, 2022	500,000	\$0.10	July 21, 2027	4.81
August 29, 2022	1,437,500	\$0.50	August 29, 2027	4.92
Fully vested and exercisable, September 30, 2022	1,937,500	\$0.40		

ATHA ENERGY CORP. (formerly Inglenook Ventures Ltd.)

Notes to the Condensed Interim Financial Statements

For the nine months ended September 30, 2022

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

7. BASIC AND DILUTED LOSS PER SHARE

The calculation of basic and diluted loss per share for the period ended September 30, 2022 was based on the loss attributable to common shareholders of \$769,125 (period from incorporation on January 14, 2021 to September 30, 2021 - \$172,471) and the weighted average number of common shares outstanding of 28,419,954 (period from incorporation on January 14, 2021 to September 30, 2021 – 14,246,927).

8. MANAGEMENT OF CAPITAL

The Company defines capital as consisting of shareholder's equity (deficiency) (comprised of issued share capital, share-based payment reserve, and deficit). Management's objective is to provide investment management services to shareholders which includes investing in marketable securities for the purpose of returns in the form of investment income and capital appreciation, as well as the ability to meet its on-going operational obligations as they become due.

The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital, but rather relies on the expertise of the Company's management to sustain the future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

As at September 30, 2022, the Company is not subject to any externally imposed capital requirements or debt covenants. There were no changes to the Company's approach to capital management during the nine months ended September 30, 2022.

9. FINANCIAL INSTRUMENTS

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Market Risk

Market risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate because of changes in market prices or prevailing conditions. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk and are disclosed as follows:

ATHA ENERGY CORP. (formerly Inglenook Ventures Ltd.)

Notes to the Condensed Interim Financial Statements

For the nine months ended September 30, 2022

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

9. FINANCIAL INSTRUMENTS (continued)

Market Risk (continued)

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company holds no financial instruments that are denominated in a currency other than Canadian dollars. As at September 30, 2022, the Company is not exposed to currency risk.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in market risk. The Company's sensitivity to interest rates relative to its cash balances is currently immaterial. The Company also has no long-term debt with variable interest rates, so it has no negative exposure to changes in the market interest rate.

(iii) Price rate risk

The Company has no exposure to price risk with respect to equity prices as the Company is not listed. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market.

Credit Risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits the exposure to credit risk by only investing its cash with high-credit quality financial institutions. Management believes that the credit risk related to its cash is negligible. The Company's maximum exposure to credit risk is equal to the carrying amount of cash, and GST receivable.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. At September 30, 2022, the Company has no sources of revenue and has a cash balance of \$7,222,083 to settle current liabilities of \$129,560. Subsequent to the period end, the Company completed a non-brokered private placement of 33,725,000 common shares for aggregate gross proceeds of \$33,725,000 (Note 10).

ATHA ENERGY CORP. (formerly Inglenook Ventures Ltd.)

Notes to the Condensed Interim Financial Statements

For the nine months ended September 30, 2022

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

9. FINANCIAL INSTRUMENTS (continued)

Liquidity Risk (continued)

Since inception the Company has relied solely on private placements to fund its operations. Management believes these financings will fund the Company's exploration work on its resource projects, as well as the existing administrative needs. The Company may require additional financing to accomplish long-term strategic objectives. Future funding may be obtained by means of issuing share capital and/or debt financing. There can be no certainty of the Company's ability to raise additional financing through these means. If the Company is unable to continue to finance itself through these means, it is possible that the Company will be unable to continue as a going concern. As at September 30, 2022, the Company was exposed to a low level of liquidity risk.

Fair Value Measurements

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, and
- Level 3 – Inputs that are not based on observable market data.

As of September 30, 2022 the Company's financial instruments consist of cash, GST receivable, and accounts payable and accrued liabilities. These financial instruments are classified as amortized cost. The fair values of these financial instruments approximate their carrying values because of their short-term nature and/or the existence of market related interest rates on the instruments.

10. SUBSEQUENT EVENTS

Subsequent to September 30, 2022, on October 28, 2022 and November 8, 2022, the Company completed two tranches of a non-brokered private placement of an aggregate of 33,725,000 subscription receipts (the "Subscription Receipts") of the Company at a price of \$1.00 per Subscription Receipt, for aggregate proceeds of \$33,725,000.

The proceeds from the Subscription Receipts financings are being held in escrow, pending the listing of the Company's common shares on a recognized Canadian stock exchange (the "Listing"). Upon completion of the Listing, each Subscription Receipt will be automatically exchanged, for no further consideration and with no further action on the part of the holder, for 1 common share of the Company. In the event that the Listing is not completed on or prior to January 31, 2023, each Subscription Receipt will be cancelled, and the subscription funds will be returned to the subscribers.

ATHA ENERGY CORP. (formerly Inglenook Ventures Ltd.)

Notes to the Condensed Interim Financial Statements

For the nine months ended September 30, 2022

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

10. SUBSEQUENT EVENTS (continued)

Completion of the Listing is subject to a number of conditions, and there can be no assurance that the Listing will be completed at all.

INGLENOOK VENTURES LTD.

Financial Statements
(Expressed in Canadian Dollars)

For the period from incorporation on
January 14, 2021 to December 31, 2021

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Inglenook Ventures Ltd.

Opinion

We have audited the accompanying financial statements of Inglenook Ventures Ltd. (the "Company"), which comprise the statement of financial position as at December 31, 2021, and the statements of loss and comprehensive loss, changes in shareholders' deficiency, and cash flows for the period from incorporation on January 14, 2021 to December 31, 2021, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2021, and its financial performance and its cash flows for the period from incorporation on January 14, 2021 to December 31, 2021 in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the financial statements, which indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.



We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

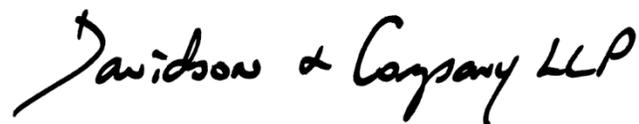
As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Zachary Faure.

A handwritten signature in black ink that reads "Davidson & Company LLP". The signature is written in a cursive, flowing style.

Vancouver, Canada

Chartered Professional Accountants

March 22, 2022

INGLENOOK VENTURES LTD.
Statement of Financial Position
As at December 31, 2021
(Expressed in Canadian dollars)

	As at December 31, 2021	
Assets		
Current Assets		
Cash	\$	18,339
GST receivable		5,222
Total Assets	\$	23,561
Liabilities and Shareholders' Deficiency		
Current Liabilities		
Accounts payable and accrued liabilities	\$	109,178
		109,178
Shareholders' Deficiency		
Share capital (Note 6)		124,652
Reserves (Note 6)		437
Deficit		(210,706)
		(85,617)
Total Liabilities and Shareholders' Deficiency	\$	23,561

Nature of business and continuing operations (Note 1)
Subsequent event (Note 11)

Approved on Behalf of the Board on March 22, 2022:

"Scott Ackerman"
Scott Ackerman – CEO/CFO/Director

"Brent Ackerman"
Brent Ackerman – Director

The accompanying notes are an integral part of these financial statements.

INGLENOOK VENTURES LTD.

Statement of Loss and Comprehensive Loss

For the period from incorporation on January 14, 2021 to December 31, 2021

(Expressed in Canadian dollars)

	Period from incorporation on January 14, 2021 to December 31, 2021
Expenses	
Administration and bank charges	\$ 9,067
Management fees	95,000
Professional fees	5,461
Share-based compensation (Note 5)	437
Transfer agent and filing fees	1,089
	(111,054)
Transaction costs (Note 6b)	(99,652)
	(99,652)
Loss and comprehensive loss for the period	\$ (210,706)
Weighted average number of common shares outstanding¹– basic and diluted (Note 7)	15,220,535
Basic and diluted loss per share	\$ (0.01)

¹ On March 8, 2022, the Company completed a consolidation of its issued and outstanding common shares on a 1.388:1 basis. All share and per share information has been retroactively adjusted to reflect the share consolidation.

The accompanying notes are an integral part of these financial statements.

INGLENOOK VENTURES LTD.

Statement of Changes in Shareholders' Deficiency

For the period from incorporation on January 14, 2021 to December 31, 2021

(Expressed in Canadian dollars)

	Share Capital				Total Shareholders' Deficiency
	Number ¹	Amount	Reserves	Deficit	
Balance, (incorporation) – January 14, 2021	-	\$ -	\$ -	\$ -	\$ -
Common shares issued – private placement	3,602,305	25,000	-	-	25,000
Common shares issued – plan of arrangement	14,359,083	99,652	-	-	99,652
Share-based compensation	-	-	437	-	437
Loss for the period	-	-	-	(210,706)	(210,706)
Balance, December 31, 2021	17,961,388	\$ 124,652	\$ 437	\$ (210,706)	\$ (85,617)

¹ On March 8, 2022, the Company completed a consolidation of its issued and outstanding common shares on a 1.388:1 basis. All share and per share information has been retroactively adjusted to reflect the share consolidation.

The accompanying notes are an integral part of these financial statements.

INGLENOOK VENTURES LTD.

Statement of Cash Flows

For the period from incorporation on January 14, 2021 to December 31, 2021

(Expressed in Canadian dollars)

	For the period from incorporation on January 14, 2021 to December 31, 2021
<hr/>	
Cash provided by (used for):	
Operating Activities:	
Loss for the period	\$ (210,706)
Items not involving cash:	
Share-based compensation	437
Transaction costs	99,652
Net change in non-cash working capital items:	
GST receivable	(5,222)
Accounts payable and accrued liabilities	109,178
	<hr/> (6,661) <hr/>
Financing Activity:	
Proceeds from share issuance (Note 6b)	25,000
	<hr/> 25,000 <hr/>
Change in cash for the period	18,339
Cash, beginning of the period	-
Cash, end of the period	\$ 18,339
<hr/>	
Supplemental information:	
Interest paid	\$ -
Income taxes	\$ -
	<hr/>

The accompanying notes are an integral part of these financial statements.

INGLENOOK VENTURES LTD.

Notes to the Financial Statements

For the period from incorporation on January 14, 2021 to December 31, 2021

(Expressed in Canadian dollars)

1. NATURE OF BUSINESS AND CONTINUING OPERATIONS

Inglenook Ventures Ltd. (the “Company” or “Inglenook”) was incorporated under the British Columbia Business Corporations Act on January 14, 2021. The Company’s head office and its registered and records office is located at 1600 – 609 Granville Street, Vancouver, British Columbia V7Y 1C3.

The Company is currently investigating and evaluating business opportunities to either acquire or in which to participate.

In January 2021, the Company received \$25,000 in consideration of the issuance of 3,602,305 common shares of the Company (Note 6b).

On March 22, 2021, ECC Diversified Inc. (“ECC”) completed a strategic reorganization of its assets in which it spun out Inglenook. The transaction was carried out by way of a plan of arrangement (the “Arrangement”) pursuant to the Business Corporations Act (British Columbia). Under the terms of the Arrangement, shareholders of ECC received one common share of the Company for every common share of ECC they held as of March 22, 2021; as a result, 14,359,083 common shares of the Company were issued.

The Company incurred a net loss and comprehensive loss of \$210,706 for the period ended December 31, 2021. As at December 31, 2021, the Company has an accumulated deficit of \$210,706 and working capital deficiency of \$85,617. As at December 31, 2021, the Company had a history of losses; consequently, continuing business as a going concern is dependent upon the ability of the Company to obtain additional debt or equity financing, both of which are uncertain. These material uncertainties may cast significant doubt on the Company’s ability to continue as a going concern.

On March 8, 2022, the Company completed a consolidation of its issued and outstanding common shares on a 1.388:1 basis. All share and per share information in these financial statements has been retroactively adjusted to reflect the share consolidation.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with 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”).

INGLENOOK VENTURES LTD.

Notes to the Financial Statements

For the period from incorporation on January 14, 2021 to December 31, 2021

(Expressed in Canadian dollars)

3. BASIS OF PRESENTATION

The financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at their fair value. The financial statements are presented in Canadian dollars, which is also the functional currency of the Company. In addition, the financial statements have been prepared using the accrual basis of accounting except for cash flow information. The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

4. SIGNIFICANT ACCOUNTING POLICIES

(a) Income taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized in other comprehensive income or loss or directly in equity, in which case it is recognized in other comprehensive income or loss or equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regard to previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period applicable to the period of expected realization or settlement.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the group intends to settle its current tax assets and liabilities on a net basis.

INGLENOOK VENTURES LTD.

Notes to the Financial Statements

For the period from incorporation on January 14, 2021 to December 31, 2021

(Expressed in Canadian dollars)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Share capital

Common shares are classified as shareholders' equity. Transaction costs directly attributable to the issue of common shares and share purchase options are recognized as a deduction from equity, net of any tax effects.

(c) Share-based payments

The stock option plan allows Company directors, officers, employees, and consultants to acquire shares of the Company. The fair value of options granted is recognized as a share-based payment expense with a corresponding increase in shareholders' equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee. Consideration paid on the exercise of stock options is credited to share capital and the fair value of the options is reclassified from share-based payment reserve to share capital.

In situations where equity instruments are issued to non-employees and some or all the services received by the entity as consideration cannot be specifically identified, they are all measured at the fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of the services received.

The fair value is measured at grant date and each tranche is recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. At each reporting date, the amount recognized as an expense is adjusted to reflect the number of stock options that are expected to vest.

(d) Basic and diluted loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive. Contingently issuable shares are not considered outstanding common shares and consequently are not included in loss per share calculations.

INGLENOOK VENTURES LTD.

Notes to the Financial Statements

For the period from incorporation on January 14, 2021 to December 31, 2021
(Expressed in Canadian dollars)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Financial instrument measurement and valuation

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2	Inputs other than quoted prices that are observable for the assets or liability either directly or indirectly; and
Level 3	Inputs that are not based on observable market data.

The measurement of the Company's financial instruments is disclosed in Note 10 to these financial statements. Any financial instrument that is valued using level 2 or 3 inputs will involve estimation uncertainty.

Financial assets

The Company classifies its financial assets in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income ("FVTOCI") or at amortized cost. The determination of the classification of financial assets is made at initial recognition. Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL; for other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI.

The Company's accounting policy for each of the categories is as follows:

Financial assets at FVTPL: Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed to profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets held at FVTPL are included in profit or loss in the period.

INGLENOOK VENTURES LTD.

Notes to the Financial Statements

For the period from incorporation on January 14, 2021 to December 31, 2021

(Expressed in Canadian dollars)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Financial instrument measurement and valuation (continued)

Financial assets at FVTOCI: Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income (loss) in which they arise.

Financial assets at amortized cost: A financial asset is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or non-current assets based on their maturity date and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

Impairment of financial assets at amortized cost: The Company assesses all information available, including on a forward-looking basis, the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as the reporting date, with the risk of default as at the date of initial recognition, based on all information available, and reasonable and supportive forward-looking information.

Financial liabilities and equity: Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recorded at the proceeds received, net of direct issue costs.

(f) Critical accounting estimates and judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, and expenses. Estimates and associated assumptions applied in determining asset or liability values are based on historical experience and various other factors including other sources that are believed to be reasonable under the circumstances but are not necessarily readily apparent or recognizable at the time such estimate or assumption is made. Actual results may differ from these estimates.

Estimates and underlying assumptions used in determining asset and liability values are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

INGLENOOK VENTURES LTD.

Notes to the Financial Statements

For the period from incorporation on January 14, 2021 to December 31, 2021

(Expressed in Canadian dollars)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Critical accounting estimates and judgements (continued)

Information about critical accounting estimates and judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements are discussed below:

Judgements

Going Concern

The preparation of the financial statements requires management to make judgments regarding the going concern of the Company as previously discussed in Note 1.

Estimates

Deferred tax assets and liabilities

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected.

Stock options

Determining the fair value of stock options requires estimates related to the choice of a pricing model, the estimation of stock price volatility, the expected forfeiture rate, and the expected term of the underlying instruments. Any changes in the estimates or inputs utilized to determine fair value could have a significant impact on the Company's future operating results or on other components of shareholders' equity.

5. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

INGLENOOK VENTURES LTD.

Notes to the Financial Statements

For the period from incorporation on January 14, 2021 to December 31, 2021
(Expressed in Canadian dollars)

5. RELATED PARTY TRANSACTIONS (continued)

As of December 31, 2021, \$nil was due to related parties.

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has identified its directors and certain senior officers as its key management personnel and the compensation costs for key management personnel and companies related to them are recorded at their exchange amounts as agreed upon by transacting parties.

During the period from incorporation on January 14, 2021 to December 31, 2021, \$179 in share-based payments was recorded related to stock options granted to a director of the Company. There were no other related party transactions during the period ended December 31, 2021.

6. SHARE CAPITAL

(a) Authorized

Unlimited number of common and preferred shares without par value.

(b) Issued and outstanding

On March 8, 2022, the Company completed a consolidation of its common shares on a 1.388:1 basis. All share and per share information has been retroactively adjusted to reflect the share consolidation.

As at December 31, 2021, the issued share capital was comprised of 17,961,388 common shares.

On January 14, 2021, the Company received \$25,000 through the issuance of 3,602,305 common shares at \$0.007 per share.

On March 22, 2021, ECC Diversified Inc. ("ECC") completed a strategic reorganization of its assets in which it spun out Inglenook. The transaction was carried out by way of a plan of arrangement (the "Arrangement") pursuant to the Business Corporations Act (British Columbia). Under the terms of the Arrangement, shareholders of ECC received one common share of the Company for every common share of ECC they held as of March 22, 2021; as a result, 14,359,083 common shares of the Company were issued.

The value associated with these shares is \$0.007 per share for a total of \$99,652 recorded to transaction costs.

INGLENOOK VENTURES LTD.

Notes to the Financial Statements

For the period from incorporation on January 14, 2021 to December 31, 2021

(Expressed in Canadian dollars)

6. SHARE CAPITAL (continued)**(b) Issued and outstanding (continued)**

	Number of Shares	Amount \$
Balance, (incorporation) January 14, 2021	-	-
January 14, 2021 – share issuance	3,602,305	25,000
March 22, 2021 – plan of arrangement	14,359,083	99,652
Balance, December 31, 2021	17,961,388	124,652

(c) Stock options

On January 14, 2021, the Company adopted a stock option plan (the “Stock Option Plan”) whereby it can grant incentive stock options to directors, officers, employees, and technical consultants of the Company. The maximum number of shares that may be reserved for issuance under the Stock Option Plan is limited to 10% of the issued and outstanding common shares of the Company at any time. The vesting period for all options is at the discretion of the Board of Directors. The exercise price will be set by the Board of Directors at the time of grant and cannot be less than the discounted market price (if any) of the Company’s common shares.

The Stock Option Plan provides that the number of common shares that may be reserved for the issuance to any one individual upon exercise of all stock options held by such an individual may not exceed 5% of the issued and outstanding common shares, if the individual is a director or officer, or 2% of the issued and outstanding common shares, if the individual is a consultant or engaged in providing investor relations services, on a yearly basis. All options granted under the Stock Option Plan will expire not later than the date that is ten years from the date that such options are granted. Options terminate earlier as follows: (i) immediately in the event of dismissal with cause; (ii) 90 days from date of termination other than for cause; or (iii) one year from the date of death or disability. Options granted under the Stock Option Plan are not transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession.

On March 22, 2021, the Company granted a total of 1,404,899 incentive stock options to a director and consultants to the Company, which vested immediately, having an exercise price of \$0.1388 per share. The fair value of the options granted was determined to be \$437 using the Black-Scholes option pricing model under the following assumptions: risk-free interest rate – .23%; expected life – 2 and 2.57 years; expected volatility – 100% and expected dividends – nil.

INGLENOOK VENTURES LTD.

Notes to the Financial Statements

For the period from incorporation on January 14, 2021 to December 31, 2021

(Expressed in Canadian dollars)

6. SHARE CAPITAL (continued)**(c) Stock options (continued)**

A summary of the Company's stock option activity is as follows:

	Number of Options	Weighted Average Exercise Price
Balance, January 14, 2021	-	\$ -
Granted	1,404,899	0.1388
Balance, December 31, 2021	1,404,899	\$0.1388

As at December 31, 2021, outstanding options were as follows:

Grant Date	Number of options Outstanding and Exercisable	Exercise Price	Expiry date	Remaining contractual life (years)
March 22, 2021	900,576	\$0.1388	February 27, 2023	1.16
March 22, 2021	504,323	\$0.1388	October 24, 2023	1.81
Fully vested and exercisable, December 31, 2021	1,404,899	\$0.1388		

7. BASIC AND DILUTED LOSS PER SHARE

The calculation of basic and diluted loss per share for the period ended December 31, 2021 was based on the loss attributable to common shareholders of \$210,706 and the weighted average number of common shares outstanding of 15,220,535.

8. INCOME TAXES

The following table reconciles the amount of income tax recoverable on application of the combined statutory Canadian federal and provincial income tax rates:

	2021
Loss before income taxes	\$ (210,706)
Expected income tax (recovery) at statutory rates	\$ (57,000)
Permanent difference	27,000
Change in unrecognized deductible temporary differences	30,000
Income tax expense (recovery)	\$ -

INGLENOOK VENTURES LTD.

Notes to the Financial Statements

For the period from incorporation on January 14, 2021 to December 31, 2021

(Expressed in Canadian dollars)

8. INCOME TAXES (continued)

The significant components of the Company's deferred income tax assets that have not been included on the statement of financial position are as follows:

	2021
Deferred tax assets (liabilities)	
Non-capital losses available for future periods	30,000
Unrecognized deferred tax assets	(30,000)
Net deferred tax assets	\$ -

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the Company's statement of financial position are as follows:

	2021	Expiry Date
Temporary Differences	\$	
Non-capital losses available for future periods	111,000	2041

Tax attributes are subject to review and potential adjustment by tax authorities.

9. MANAGEMENT OF CAPITAL

The Company defines capital as consisting of shareholder's deficiency (comprised of issued share capital, reserves, and deficit). Management's objective is to provide investment management services to shareholders which includes investing in marketable securities for the purpose of returns in the form of investment income and capital appreciation, as well as the ability to meet its on-going operational obligations as they become due.

The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital, but rather relies on the expertise of the Company's management to sustain the future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. As at December 31, 2021, the Company is not subject to any externally imposed capital requirements or debt covenants.

INGLENOOK VENTURES LTD.

Notes to the Financial Statements

For the period from incorporation on January 14, 2021 to December 31, 2021

(Expressed in Canadian dollars)

10. FINANCIAL INSTRUMENTS

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Market Risk

Market risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate because of changes in market prices or prevailing conditions. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk and are disclosed as follows:

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company holds no financial instruments that are denominated in a currency other than Canadian dollars. As at December 31, 2021, the Company is not exposed to currency risk.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in interest rates. The Company's sensitivity to interest rates relative to its cash balances is currently immaterial. The Company also has no long-term debt with variable interest rates, so it has no negative exposure to changes in the market interest rate.

(iii) Price rate risk

The Company has no exposure to price risk with respect to equity prices as the Company is not listed. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market.

Credit Risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash and GST receivable. The Company limits the exposure to credit risk by only investing its cash with high-credit quality financial institutions. Management believes that the credit risk related to its cash and GST receivable is negligible.

INGLENOOK VENTURES LTD.

Notes to the Financial Statements

For the period from incorporation on January 14, 2021 to December 31, 2021

(Expressed in Canadian dollars)

10. FINANCIAL INSTRUMENTS (continued)**Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. At December 31, 2021, the Company has a cash balance of \$18,339 to settle current liabilities of \$109,178. As such, the Company has insufficient cash to fund corporate overhead costs for the next year.

The Company likely has insufficient funds from which to finance any identified business acquisition and as such will require additional financing to accomplish the Company's long-term strategic objectives. Future funding may be obtained by means of issuing share capital and/or debt financing. There can be no certainty of the Company's ability to raise additional financing through these means. If the Company is unable to continue to finance itself through these means, it is possible that the Company will be unable to continue as a going concern. Consequently, the Company is exposed to liquidity risk as at December 31, 2021.

Fair Value Measurements

The fair value of cash is determined based on Level 1 inputs.

As at December 31, 2021, the Company's financial instruments consist of cash, GST receivable, and accounts payable and accrued liabilities. GST receivable and accounts payable and accrued liabilities are classified as amortized cost. The fair values of these financial instruments approximate their carrying values because of their short-term nature.

11. SUBSEQUENT EVENT

On March 8, 2022, the Company settled \$138,600 of outstanding indebtedness with certain creditors through the issuance of 6,930,000 common shares of the Company with a fair value of \$0.007 per share.

SCHEDULE "B"
MD&A OF THE COMPANY

ATHA ENERGY CORP. (formerly Inglenook Ventures Ltd.)

INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

Dated: November 29, 2022

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

This interim management's discussion and analysis ("MD&A") reports on the operating results and financial condition of Atha Energy Corp. (formerly Inglenook Ventures Ltd.) for the nine months ended September 30, 2022 and is prepared as at November 29, 2022. Throughout this MD&A, unless otherwise specified, "Atha", "Company", "we", "us" and "our" refer to Atha Energy Corp. This MD&A should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2021 and the notes thereto which were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standard Board ("IASB"), together with the unaudited condensed interim financial statements as at and for the nine months ended September 30, 2022 and for the period from incorporation on January 14, 2021 to September 30, 2021 which were prepared in accordance with IFRS and in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting (collectively referred to as the "Financial Statements"). Other information contained in these documents has also been prepared by management and is consistent with the data contained in the Financial Statements. All dollar amounts referred to in this MD&A are expressed in Canadian dollars except where indicated otherwise.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A includes "forward-looking statements", within the meaning of applicable securities legislation, which are based on the opinions and estimates of management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith, and reflect our current judgment regarding the direction of our business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein.

Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words suggesting future outcomes or statements regarding an outlook. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. These forward looking statements include but are not limited to statements concerning:

- The Company's ability to identify, successfully negotiate and/or finance an acquisition of a new business opportunity
- The Company's success at completing future financings
- The Company's strategies and objectives
- General business and economic conditions
- The Company's ability to meet its financial obligations as they become due
- The positive cash flows and financial viability of new business opportunities

ATHA ENERGY CORP. (formerly Inglenook Ventures Ltd.)

INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

- The Company's ability to manage growth with respect to a new business opportunity
- The Company's tax position, anticipated tax refunds and the tax rates applicable to the Company

Readers are cautioned that the preceding list of risks, uncertainties, assumptions, and other factors are not exhaustive. Events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in, or implied by these forward looking statements. Due to the risks, uncertainties, and assumptions inherent in forward-looking statements, investors in securities of the Company should not place undue reliance on these forward-looking statements.

CORPORATE OVERVIEW AND OUTLOOK

Atha was incorporated under the British Columbia Business Corporations Act on January 14, 2021. The Company's head office and its registered and records office is located at 1250 – 1066 West Hastings Street, Vancouver, British Columbia V6E 3X1. On May 30, 2022, the Company changed its name from Inglenook Ventures Ltd. to Atha Energy Corp.

On March 22, 2021, ECC Diversified Inc. ("ECCD") completed a strategic reorganization of its assets in which it spun out Atha. The transaction was carried out by way of a plan of arrangement (the "Arrangement") pursuant to the Business Corporations Act (British Columbia). Under the terms of the Arrangement, shareholders of ECCD received one common share of the Company for every common share of ECCD they held as of March 22, 2021; as a result, 14,359,083 common shares of the Company were issued.

On March 8, 2022 the Company completed a consolidation of its issued and outstanding common shares on a 1.388:1 basis. All share and per share information in the Financial Statements and this MD&A have been retroactively adjusted to reflect the consolidation.

The Company is principally engaged in the acquisition, exploration, and evaluation of mineral resources, currently focusing on projects in the Sudbury Mining District, located in Ontario, Canada, and in the Athabasca Basin located in Saskatchewan, Canada. At this time, the Company does not own any operating mines and has no operating income from mineral production. Funding for exploration and operations will be raised primarily through share offerings.

Subsequent to the period end the Company completed 2 non-brokered private placements totaling 33,725,000 subscription receipts of the Company at a price of \$1.00 per subscription receipt for aggregate proceeds of \$33,725,000.

See Share Capital section for details of all share transactions.

ATHA ENERGY CORP. (formerly Inglenook Ventures Ltd.)
INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

EXPLORATION AND EVALUATION ASSETS

September 30, 2022	Golden Rose Property
Acquisition costs:	
Balance, beginning of period	\$ -
Additions	110,000
Balance, end of period	<u>110,000</u>
Total costs	\$ 110,000

Golden Rose Property

Pursuant to a property option agreement dated July 19, 2022 between the Company and Conquest Resources Limited (“Conquest”), the Company has secured the sole and exclusive right and option (the “Option”) to acquire up to a 100% undivided interest in certain mineral leases, known as the Golden Rose Gold Property, located in the Sudbury Mining District, Ontario.

To fully exercise the Option, the Company must pay Conquest an aggregate of \$1,000,000 (\$100,000 paid on July 19, 2022) and issue Conquest an aggregate of 1,500,000 common shares of the Company over a period of 36 months, as follows:

- \$100,000 plus the cost of obtaining a technical report on the effective date (paid);
- 200,000 common shares of the Company upon obtaining a public listing on a recognized Canadian stock exchange;
- \$200,000 and 300,000 common shares of the Company on the first anniversary of the effective date of the Option;
- \$200,000 and 300,000 common shares of the Company on the second anniversary of the effective date of the Option; and
- \$500,000 and 700,000 common shares of the Company on the third anniversary of the effective date of the Option.

The Company has also agreed to grant Conquest a 1.0% net smelter return on the Golden Rose Property, which can be purchased by the Company for \$1,000,000.

New Saskatchewan Syndicate Properties (“NSS”)

On September 20, 2022, the Company entered into an agreement (the “Purchase Agreement”) to acquire a diversified portfolio of mineral exploration assets and carried interests in the Athabasca Basin (the “Acquired Assets”) from The New Saskatchewan Syndicate (the “Vendors”) (the “Acquisition”). The Acquired Assets are situated primarily in northern Saskatchewan, and include approximately 3.2 million acres within the Athabasca Basin as well as a 10% carried interest on 250,540 acres of land owned and operated by NexGen Energy Ltd. and IsoEnergy Ltd.

ATHA ENERGY CORP. (formerly Inglenook Ventures Ltd.)
INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

In accordance with the terms of the Purchase Agreement, and as consideration for the Acquired Assets the Company has agreed, among other things, to pay the Vendors the following:

- \$2,000,000 cash to be paid as follows:
 - \$200,000 non refundable deposit upon execution of the term sheet signed between the parties on January 11, 2022 (paid);
 - \$800,000 non refundable deposit upon execution of the Purchase Agreement (paid); and
 - \$1,000,000 upon Listing (as defined in the Share Capital section).
- Issuance of common shares representing not less than 30% of the shares of the Company, on a fully diluted basis, upon Listing; and
- \$3,000,000 to be made available to the Vendors for the purpose of acquiring additional prospective uranium exploration properties on behalf of, and for the benefit of, the Company.

The Vendors will retain a 10% interest in any additional prospective mineral exploration properties acquired. The Company has also agreed to grant the Vendors a 2% net smelter returns royalty and a 10% carried interest in and to the Acquired Assets. Closing of the Acquisition is conditional upon completion of the Listing.

SELECTED ANNUAL INFORMATION¹

	Period From Incorporation on January 14, 2021 to December 31, 2021
Loss and comprehensive loss:	
(i) total for the period	\$(210,706)
(ii) per share-basic and fully diluted	\$(0.01)
Total assets	\$23,561
Total current liabilities	\$109,178
Total long-term financial liabilities	\$nil

¹ Audited financial information prepared in accordance with International Financial Reporting Standards ("IFRS").

SUMMARY OF QUARTERLY RESULTS¹

	3rd Quarter Ended September 30, 2022	2nd Quarter Ended June 30, 2022	1st Quarter Ended March 31, 2022	4th Quarter Ended December 31, 2021
Loss and comprehensive loss	\$(649,791)	\$(81,127)	\$(38,207)	\$(38,235)
Loss per share ² (basic and diluted)	\$(0.02)	\$(0.00)	\$(0.00)	\$(0.00)
	3rd Quarter Ended September 30, 2021	2nd Quarter Ended June 30, 2021	For the Period from Incorporation on January 14, 2021 to March 31, 2021	
Loss and comprehensive loss	\$(33,284)	\$(33,602)	\$(105,585)	
Loss per share ² (basic and diluted)	\$(0.00)	\$(0.00)	\$(0.01)	

ATHA ENERGY CORP. (formerly Inglenook Ventures Ltd.)

INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

¹ Unaudited financial information prepared in accordance with IFRS.

² On March 8, 2022, the Company completed a consolidation of its issued and outstanding common shares on a 1.388:1 basis. All share and per share information has been retroactively adjusted to reflect the share consolidation.

RESULTS OF OPERATIONS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2022 AND FOR THE COMPARATIVE PERIOD OF THREE MONTHS ENDED SEPTEMBER 30, 2021 AND FROM INCORPORATION ON JANUARY 14, 2021 TO SEPTEMBER 30, 2021

Administration and bank charges for the three and nine months ended September 30, 2022 were \$6,201, and \$12,219, respectively, and for the three months ended September 30, 2021, and the period from incorporation on January 14, 2021 to September 30, 2021 were \$3,019 and \$6,049, respectively. These charges were for administration of the Company's office, maintenance of the Company's bank account and for rent.

Management fees for the three and nine months ended September 30, 2022 were \$30,000 and \$90,000, respectively, and for the three months ended September 30, 2021 and the period from incorporation on January 14, 2021 to September 30, 2021 were \$30,000 and \$65,000, respectively. This expense was for management of the Company and for ongoing accounting and administrative services.

Professional fees for the three and nine months ended September 30, 2022 were \$32,847 and \$82,452, respectively, and for the three months ended September 30, 2021 and the period from incorporation on January 14, 2021 to September 30, 2021 were \$265 and \$265, respectively. These fees were incurred for accounting, consulting and legal services. Increased professional fees in the current period relate to legal, audit and property investigation services incurred in connection with property option agreements, and the Company's plans to apply for a listing on a recognized Canadian stock exchange.

Share-based compensation expense for the three and nine months ended September 30, 2022 was \$567,307 and \$567,307, respectively, and for the three months ended September 30, 2021 and the period from incorporation on January 14, 2021 to September 30, 2021 was \$nil and \$437, respectively. This is a non-cash expense used to value stock options granted to directors and consultants of the Company.

Transfer agent and filing fees for the three and nine months ended September 30, 2022 were \$13,436 and \$17,147, respectively, and for the three months ended September 30, 2021 and the period from incorporation on January 14, 2021 to September 30, 2021 were \$nil and \$1,067, respectively. The fees related to transfer agent, SEDAR, and listing application costs.

Transaction costs for the three and nine months ended September 30, 2022 were \$nil and \$nil, respectively, and for the three months ended September 30, 2021 and the period from incorporation on January 14, 2021 to September 30, 2021 were \$nil and \$99,653, respectively. The cost in the prior period was a non-cash value associated with the 14,359,083 common shares of the Company issued pursuant to the Arrangement.

ATHA ENERGY CORP. (formerly Inglenook Ventures Ltd.)

INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

Loss and comprehensive loss for the period

As a result of the activities discussed above, the Company experienced a loss and comprehensive loss for the three and nine months ended September 30, 2022 of \$649,791 and \$769,125, respectively, and for the three months ended September 30, 2021 and the period from incorporation on January 14, 2021 to September 30, 2021 of \$33,284 and \$172,471, respectively.

PLAN OF ARRANGEMENT

On March 22, 2021, ECCD completed a strategic reorganization of its assets in which it spun out Atha. The transaction was carried out by way of the Arrangement. Under the terms of the Arrangement, shareholders of ECCD received one common share of the Company for every common share of ECCD they held as of March 22, 2021; as a result, 14,359,083 common shares of the Company were issued.

SHARE CAPITAL

Authorized

Unlimited number of common and preferred shares without par value.

Issued and outstanding

As at September 30, 2022 and the date of this MD&A the Company had 51,341,388 common shares issued and outstanding.

On January 14, 2021, the Company received \$25,000 through the issuance of 3,602,305 common shares at \$0.007 per share.

On March 22, 2021, ECCD completed a strategic reorganization of its assets in which it spun out Atha. The transaction was carried out by way of the Arrangement. Under the terms of the Arrangement, shareholders of ECCD received one common share of the Company for every common share of ECCD they held as of March 22, 2021; as a result, 14,359,083 common shares of the Company were issued.

The value associated with these shares is \$0.007 per share for a total of \$99,652 recorded to transaction costs.

On March 8, 2022 the Company completed a consolidation of its issued and outstanding common shares on a 1.388:1 basis and settled \$138,600 of outstanding indebtedness with certain creditors through the issuance of 6,930,000 post consolidated common shares of the Company with a fair value of \$0.02 per share. All share and per share information in the Financial Statements and this MD&A have been retroactively adjusted to reflect the consolidation.

On July 21, 2022, the Company received \$1,005,000, and settled \$200,000 in loans made to the Company, in aggregate consideration of the issuance of 12,050,000 common shares of the Company at \$0.10 per common share. The Company incurred \$12,563 in costs in connection with the financing.

ATHA ENERGY CORP. (formerly Inglenook Ventures Ltd.)
INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

On August 22, 2022, the Company received \$7,200,000 in consideration of the issuance of 14,400,000 common shares of the Company at \$0.50 per common share. The Company incurred \$24,444 in costs in connection with the financing.

Subsequent to September 30, 2022, on October 28, 2022 and November 8, 2022, the Company completed two tranches of a non-brokered private placement of an aggregate of 33,725,000 subscription receipts (the "Subscription Receipts") of the Company at a price of \$1.00 per Subscription Receipt, for aggregate proceeds of \$33,725,000.

The proceeds from the Subscription Receipts financings are being held in escrow, pending the listing of the Company's common shares on a recognized Canadian stock exchange (the "Listing"). Upon completion of the Listing, each Subscription Receipt will be automatically exchanged, for no further consideration and with no further action on the part of the holder, for 1 common share of the Company. In the event that the Listing is not completed on or prior to January 31, 2023, each Subscription Receipt will be cancelled, and the subscription funds will be returned to the subscribers.

Completion of the Listing is subject to a number of conditions, and there can be no assurance that the Listing will be completed at all.

	Number of Shares	Amount
		\$
Balance, December 31, 2021	17,961,388	124,652
March 8, 2022 – debt settlement	6,930,000	138,600
July 21, 2022 – private placement and loan settlement	12,050,000	1,205,000
August 22, 2022 – private placement	14,400,000	7,200,000
Share issuance costs	-	(37,007)
Balance, September 30, 2022, and the date of this MD&A	51,341,388	8,631,245

Stock options

On January 14, 2021, the Company adopted a stock option plan (the "Stock Option Plan") whereby it can grant incentive stock options to directors, officers, employees, and technical consultants of the Company. The maximum number of shares that may be reserved for issuance under the Stock Option Plan is limited to 10% of the issued and outstanding common shares of the Company at any time. The vesting period for all options is at the discretion of the Board of Directors. The exercise price will be set by the Board of Directors at the time of grant and cannot be less than the discounted market price (if any) of the Company's common shares.

The Stock Option Plan provides that the number of common shares that may be reserved for the issuance to any one individual upon exercise of all stock options held by such an individual may not exceed 5% of the issued and outstanding common shares, if the individual is a director or officer, or 2% of the issued and outstanding common shares, if the individual is a consultant or engaged in providing investor relations

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INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS
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services, on a yearly basis. All options granted under the Stock Option Plan will expire not later than the date that is ten years from the date that such options are granted. Options terminate earlier as follows: (i) immediately in the event of dismissal with cause; (ii) 90 days from date of termination other than for cause; or (iii) one year from the date of death or disability. Options granted under the Stock Option Plan are not transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession.

On March 22, 2021, the Company granted a total of 1,404,899 incentive stock options to a director and consultants to the Company, which vested immediately, having an exercise price of \$0.1388 per share. The fair value of the options granted was determined to be \$437 using the Black-Scholes option pricing model under the following assumptions: risk-free interest rate – 0.23%; expected life – 2 and 2.57 years; expected volatility – 100% and expected dividends – nil.

On July 8, 2022 all then current option holders agreed to the cancellation of the stock options they held in the Company. As a result, the Company cancelled an aggregate of 1,404,899 stock options exercisable at \$0.1388 per share.

On July 21, 2022, the Company granted a total of 500,000 stock options to a consultant to the Company, which vested immediately, having an exercise price of \$0.10 per share. The fair value of the options granted was determined to be \$36,898 using the Black-Scholes option pricing model under the following assumptions: risk-free interest rate – 0.23%; expected life – 5 years; expected volatility – 100% and expected dividends – nil.

On August 29, 2022, the Company granted a total of 1,437,500 stock options to a consultant and to directors of the Company, which vested immediately, having an exercise price of \$0.50 per share. The fair value of the options granted was determined to be \$530,409 using the Black-Scholes option pricing model under the following assumptions: risk-free interest rate – 0.23%; expected life – 5 years; expected volatility – 100% and expected dividends – nil.

A summary of the Company's stock option activity is as follows:

	Number of Options	Weighted Average Exercise Price
Balance, December 31, 2021	1,404,899	\$0.1388
Cancelled	(1,404,899)	\$(0.1388)
Granted	1,937,500	\$0.40
Balance, September 30, 2022 and the date of this MD&A	1,937,500	\$0.40

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As at September 30, 2022 and the date of this MD&A, outstanding options were as follows:

Grant Date	Number of Options Outstanding and Exercisable	Exercise Price	Expiry Date	Remaining Contractual Life (Years)
July 21, 2022	500,000	\$0.10	July 21, 2027	4.81
August 29, 2022	1,437,500	\$0.50	August 29, 2027	4.92
Fully vested and exercisable, September 30, 2022 and the date of this MD&A	1,937,500	\$0.40		

LIQUIDITY AND CAPITAL RESOURCES

The Company defines capital as consisting of shareholder's equity (deficiency) (comprised of issued share capital, share-based payment reserve, and deficit). Management's objective is to provide investment management services to shareholders which includes investing in marketable securities for the purpose of returns in the form of investment income and capital appreciation, as well as the ability to meet its on-going operational obligations as they become due.

The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital, but rather relies on the expertise of the Company's management to sustain the future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. As at September 30, 2022 the Company is not subject to any externally imposed capital requirements or debt covenants.

A summary of the Company's cash flows during the nine months ended September 30, 2022 compared to the period from incorporation on January 14, 2021 to September 30, 2021 is as follows:

	For the nine months ended September 30, 2022	For the period from incorporation on January 14, 2021 to September 30, 2021
Cash flows used in operating activities	\$ (78,093)	\$ (6,643)
Cash flows used in investing activities	(1,110,000)	-
Cash flows provided by financing activities	8,391,837	25,000
Change in cash for the period	7,203,744	18,357
Cash, beginning of the period	18,339	-
Cash, end of the period	\$ 7,222,083	\$ 18,357

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Cash flows used in operating activities were \$78,093 during the nine months ended September 30, 2022 as compared to \$6,643 for the period from incorporation on January 14, 2021 to September 30, 2021. The cash was used to pay for administrative expenditures.

Cash flows used in investing activities were \$1,110,000 during the nine months ended September 30, 2022 compared to \$nil for the period from incorporation on January 14, 2021 to September 30, 2021. \$110,000 of the cash was used to acquire the option on the Golden Rose Property, and \$1,000,000 was used to pay the non refundable deposit on the NSS Properties, both of which are included in the Company's exploration and evaluation assets.

Cash flows provided by financing activities were \$8,391,837 for the nine months ended September 30, 2022. \$8,405,000 (less \$13,163 in share issuance costs) was provided through the issuance of 26,450,000 common shares. An additional \$23,844 in share issuance costs related to the financing activities was included in accounts payable at the end of the period. During the comparative period, \$25,000 was provided through the issuance of 3,602,305 common shares.

At September 30, 2022, the Company has no sources of revenue and has a cash balance of \$7,222,083 to settle current liabilities of \$129,560. On October 28, 2022 and November 8, 2022, the Company completed non-brokered private placements totalling 33,725,000 Subscription Receipts for aggregate gross proceeds of \$33,725,000; the proceeds from these Subscription Receipts are being held in escrow, pending the listing of the Company's common shares on a recognized Canadian stock exchange. Upon completion of the Listing, each Subscription Receipt will automatically be exchanged for no further consideration and with no further action on the part of the holder, for 1 common share of the Company. In the event that the Listing is not completed on or prior to January 31, 2023, each Subscription Receipt will be cancelled, and the subscription funds will be returned to the subscribers.

Since inception the Company has relied solely on private placements to fund its operations. Management believes these financings will fund the Company's exploration work on its resource projects, as well as the existing administrative needs. The Company may require additional financing to accomplish long-term strategic objectives. Future funding may be obtained by means of issuing share capital and/or debt financing. There can be no certainty of the Company's ability to raise additional financing through these means. If the Company is unable to continue to finance itself through these means, it is possible that the Company will be unable to continue as a going concern.

The Financial Statements have been prepared in accordance with IFRS applicable to a going concern, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. The accompanying Financial Statements do not reflect adjustments that may be necessary if the going concern assumption were not appropriate. If the going concern basis were not appropriate, adjustments may be necessary to the carrying amounts and/or classification of assets and/or liabilities and the reported expenses in these financial statements. Such adjustments could be material.

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RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

As of September 30, 2022, \$nil was due to related parties.

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has identified its directors and certain senior officers as its key management personnel and the compensation costs for key management personnel and companies related to them are recorded at their exchange amounts as agreed upon by transacting parties.

During the period ended September 30, 2022, \$161,429 (2021 - \$179) in share-based payments was recorded related to stock options granted to directors of the Company.

RISKS AND UNCERTAINTIES

Strategic Risk

At present, the Company has very limited sources of funding from which to repay its existing obligations and fund on-going operating costs. If the Company is unable to obtain adequate additional financing, management might be required to curtail the Company's operations. If future financing is unavailable, the Company may not be able to meet its ongoing obligations, in which case its ability to continue as a going concern may be adversely affected.

There is also no guarantee that the Company will be able to complete the acquisition of or participation in a new business opportunity. If an acquisition of or the participation in corporations, properties, assets, or businesses is identified, the Company may find that even if the terms of an acquisition or participation are economic, it may not be able to finance such acquisition or participation and additional funds will be required to enable the Company to pursue such an initiative. There is no guarantee that additional financing will be available or that it will be available on terms acceptable to management of the Company. The Company will be competing with other companies, many of which will have far greater resources and experience than the Company. No assurance can be given that the Company will be successful in raising the funds required for an acquisition.

Exploration and Development

Mineral exploration and development is a speculative business, characterized by several significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits, but also from finding mineral deposits that, though present, are of insufficient size and/or grade to return a profit from production. All the mineral claims in which the Company has a right to acquire an interest are in the exploration stages only and are without a known body of commercial ore. Upon discovery of a mineralized occurrence, several stages of exploration and assessment are required before

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its economic viability can be determined. Development of the subject mineral properties would follow only if favorable results are determined at each stage of assessment. Few precious and base metal deposits are ultimately developed into producing mines.

Operating Hazards and Risks

Mining operations involve many risks which even a combination of experience, knowledge and careful evaluation may not be able to overcome. During exploration, development and production of mineral properties, certain risks, and in particular unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding, and earthquakes, may occur. Operations in which the Company has a direct or indirect interest are subject to all the hazards and risks normally incidental to exploration, development, and production of mineral deposits, any of which could result in damage to or destruction of mines and other producing facilities, damage to life and property, environmental damage, and possible legal liability for any or all damage. Although the Company maintains liability insurance in an amount which it considers adequate, the nature of these risks is such that liabilities could exceed policy limits, in which event the Company could incur significant costs that could have a materially adverse effect upon its financial conditions.

Supplies and Infrastructure

The Company's property interests are often located in remote, undeveloped areas and the availability of infrastructures such as surface access, skilled labor, fuel, and power at an economic cost cannot be assured. These are integral requirements for exploration, production, and development facilities on mineral properties. Power may need to be generated onsite.

Metal Prices

The mining industry, in general, is intensely competitive and there is no assurance that a profitable market will exist for the sale of metals produced, even if commercial quantities of precious and/or base metals are discovered. Factors beyond the control of the Company may affect the marketability of metals discovered. Pricing is affected by numerous factors beyond the Company's control, such as international economic and political trends, global or regional consumption and demand patterns, increased production, and smelter availability. There is no assurance that the price of metals recovered from any mineral deposit will be such that it can be mined at a profit.

Title Risks

Although the Company has exercised the usual due diligence with respect to determining title to properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. The Company's mineral property interests may be subject to prior unregistered agreements, transfers or native claims, and title may be affected by undetected defects.

Environmental Regulations, Permits and Licenses

The Company's operations are subject to various laws and regulations governing the protection of the environment, exploration, development, production, taxes, labor standards, occupational health, waste disposal, safety, and other matters. Environmental legislation provides restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailing disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of

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operations require the submission and approval of environmental impact statements. Environmental legislation is evolving in a direction of stricter standards and enforcement, and higher fines and penalties for non-compliance. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and their directors, officers, and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. The Company intends to fully comply with all environmental regulations. The current operations of the Company require permits from various Canadian authorities and such operations are governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labor standards, occupational health, waste disposal, toxic substances, land use, environmental, mine safety and other matters. The Company believes that it is in compliance with all material laws and regulations which currently apply to its activities. However, there can be no assurance that all permits which the Company may require for its operations and exploration activities will be obtainable on reasonable terms, a timely basis or that such laws and regulations would not have an adverse effect on any mining project which the Company might undertake.

Competition and Agreements with Other Parties

The mining industry is intensely competitive in all its phases and the Company competes with other companies that have greater financial resources and technical capacity. Competition could adversely affect the Company's ability to acquire suitable properties or prospects in the future. The Company may, in the future, be unable to meet its share of costs incurred under such agreements to which it is a party, and it may have its interest in the properties subject to such agreements reduced as a result. Also, if other parties to such agreements do not meet their share of such costs, the Company may not be able to finance the expenditures required to complete recommended programs.

Economic Conditions

Unfavourable economic conditions may negatively impact the Company's financial viability. Unfavourable economic conditions could also increase the Company's financing costs, decrease net income, or increase net loss, limit access to capital markets and negatively impact the availability of credit facilities to the Company.

Properties held under option

One of the Company's mineral exploration properties is currently held under option. The Company has no ownership interest in its properties until all required property expenditures and cash payments have been made. If the Company is unable to fulfill the requirements of the option agreement, it is likely that the Company would be considered in default of the agreement and the option agreement could terminate resulting in the complete loss of all expenditures and option payments made on the property to that date.

Lack of Dividend Policy

The Company does not presently intend to pay cash dividends in the foreseeable future, as any earnings are expected to be retained for use in developing and expanding its business. However, the actual amount of dividends received from the Company will remain subject to the discretion of the Company's Board of Directors and will depend on results of operations, cash requirements and future prospects of the Company and other factors.

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Possible Dilution to Present and Prospective Shareholders

The Company's plan of operation, in part, contemplates the accomplishment of business negotiations by the issuance of cash, securities of the Company, or a combination of the two, and possibly, incurring debt. Any transaction involving the issuance of previously authorized but unissued common shares would result in dilution, possibly substantial, to present and prospective holders of common shares.

Dependence of Key Personnel

The Company strongly depends on the business and technical expertise of its management and key personnel. There is little possibility that this dependence will decrease in the near term. As the Company's operations expand, additional general management resources will be required, especially since the Company encounters risks that are inherent in doing business in several countries.

FINANCIAL INSTRUMENTS

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Market Risk

Market risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate because of changes in market prices or prevailing conditions. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk and are disclosed as follows:

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company holds no financial instruments that are denominated in a currency other than Canadian dollars. As at September 30, 2022, the Company is not exposed to currency risk.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in market risk. The Company's sensitivity to interest rates relative to its cash balances is currently immaterial. The Company also has no long-term debt with variable interest rates, so it has no negative exposure to changes in the market interest rate.

(iii) Price rate risk

The Company has no exposure to price risk with respect to equity prices as the Company is not listed. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market.

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Credit Risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits the exposure to credit risk by only investing its cash with high-credit quality financial institutions. Management believes that the credit risk related to its cash is negligible. The Company's maximum exposure to credit risk is equal to the carrying amount of cash, and GST receivable.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. At September 30, 2022, the Company has no sources of revenue and has a cash balance of \$7,222,083 to settle current liabilities of \$129,560. Subsequent to the period end, the Company completed a non-brokered private placement of 33,725,000 Subscription Receipts for aggregate gross proceeds of \$33,725,000. See Share Capital section for details.

Since inception the Company has relied solely on private placements to fund its operations. Management believes these financings will fund the Company's exploration work on its resource projects, as well as the existing administrative needs. The Company may require additional financing to accomplish long-term strategic objectives. Future funding may be obtained by means of issuing share capital and/or debt financing. There can be no certainty of the Company's ability to raise additional financing through these means. If the Company is unable to continue to finance itself through these means, it is possible that the Company will be unable to continue as a going concern.

As at September 30, 2022, the Company was exposed to a low level of liquidity risk.

Fair Value Measurements

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, and
- Level 3 – Inputs that are not based on observable market data.

As of September 30, 2022 the Company's financial instruments consist of cash, GST receivable, and accounts payable and accrued liabilities. These financial instruments are classified as amortized cost. The fair values of these financial instruments approximate their carrying values because of their short-term nature and/or the existence of market related interest rates on the instruments.

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CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

CRITICAL ACCOUNTING ESTIMATES

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial year included:

Deferred tax assets and liabilities

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected.

Stock options

Determining the fair value of stock options requires estimates related to the choice of a pricing model, the estimation of stock price volatility, the expected forfeiture rate, and the expected term of the underlying instruments. Any changes in the estimates or inputs utilized to determine fair value could have a significant impact on the Company's future operating results or on other components of shareholders' equity.

Exploration and evaluation assets

The carrying amount of the Company's exploration and evaluation assets does not necessarily represent present or future values, and the Company's exploration and evaluation assets have been accounted for under the assumption that the carrying amount will be recoverable. Recoverability is dependent on various factors, including the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development and upon future profitable production or proceeds from the disposition of the mineral properties themselves.

Additionally, there are numerous geological, economic, environmental, and regulatory factors and uncertainties that could impact management's assessment as to the overall viability of its properties or to the ability to generate future cash flows necessary to cover or exceed the carrying value of the Company's exploration and evaluation assets.

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Provision for environmental rehabilitation

Liabilities for environmental provisions are recognized at the time of environmental disturbance, in amounts equal to the discounted value of expected future reclamation. The provision for environmental rehabilitation represents management's best estimate of the present value of the future cash outflows required to settle the liability.

Factors that affect the final cost of remediation include estimates of the extent and costs of rehabilitation activities, the expected timing, technological changes, cost increases and changes in discount rates. Changes in the above factors can result in a change to the asset retirement obligation. This liability is reassessed and re-measured at each reporting date.

CRITICAL ACCOUNTING JUDGEMENT

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the statements are, but are not limited to, the following:

Going Concern

The Company's management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. The factors considered by management are disclosed in Note 1 of the Financial Statements.

OFF-BALANCE SHEET ARRANGEMENT

The Company currently has no off-balance sheet arrangement.

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JANUARY 14, 2021 TO DECEMBER 31, 2021**

Dated: March 22, 2022

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

This management's discussion and analysis ("MD&A") reports on the operating results and financial condition of Inglenook Ventures Ltd. (the "Company" or "Inglenook") for the period from incorporation on January 14, 2021 to December 31, 2021 and is prepared as at March 22, 2022. Throughout this MD&A, unless otherwise specified, "Inglenook", "Company", "we", "us" and "our" refer to Inglenook Ventures Ltd. This MD&A should be read in conjunction with the financial statements as at and for the period from incorporation on January 14, 2021 to December 31, 2021, which were prepared in accordance with International Financial Reporting Standards ("IFRS") (the "Financial Statements"). Other information contained in these documents has also been prepared by management and is consistent with the data contained in the Financial Statements. All dollar amounts referred to in this MD&A are expressed in Canadian dollars except where indicated otherwise.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A includes "forward-looking statements", within the meaning of applicable securities legislation, which are based on the opinions and estimates of management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith, and reflect our current judgment regarding the direction of our business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein.

Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words suggesting future outcomes or statements regarding an outlook. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. These forward looking statements include but are not limited to statements concerning:

- The Company's ability to identify, successfully negotiate and/or finance an acquisition of a new business opportunity
- The Company's success at completing future financings
- The Company's strategies and objectives
- General business and economic conditions
- The Company's ability to meet its financial obligations as they become due
- The positive cash flows and financial viability of new business opportunities
- The Company's ability to manage growth with respect to a new business opportunity
- The Company's tax position, anticipated tax refunds and the tax rates applicable to the Company

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Readers are cautioned that the preceding list of risks, uncertainties, assumptions, and other factors are not exhaustive. Events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in, or implied by these forward looking statements. Due to the risks, uncertainties, and assumptions inherent in forward-looking statements, investors in securities of the Company should not place undue reliance on these forward-looking statements.

CORPORATE OVERVIEW AND OUTLOOK

Inglenook was incorporated under the British Columbia Business Corporations Act on January 14, 2021. The Company's head office and records and registered office is located at 1600 – 609 Granville Street, Vancouver, British Columbia V7Y 1C3.

The Company is currently investigating and evaluating business opportunities to either acquire or in which to participate.

In January 2021, the Company received \$25,000 in consideration of the issuance of 3,602,305 common shares of the Company (See Share Capital section).

On March 22, 2021, ECC Diversified Inc. ("ECC") completed a strategic reorganization of its assets in which it spun out Inglenook. The transaction was carried out by way of a plan of arrangement (the "Arrangement") pursuant to the Business Corporations Act (British Columbia). Under the terms of the Arrangement, shareholders of ECC received one common share of the Company for every common share of ECC they held as of March 22, 2021; as a result, 14,359,083 common shares of the Company were issued.

On March 8, 2022 the Company completed a consolidation of its issued and outstanding common shares on a 1.388:1 basis and settled \$138,600 of outstanding indebtedness with certain creditors through the issuance of 6,930,000 post consolidated common shares of the Company with a fair value of \$0.007 per share. All share and per share information in the Financial Statements and this MD&A have been retroactively adjusted to reflect the consolidation.

SELECTED ANNUAL INFORMATION¹

			Period from incorporation on January 14, 2021 to December 31, 2021
Loss and comprehensive loss:			
(i) total for the year			\$ (210,706)
(ii) per share-basic and fully diluted			\$ (0.01)
Total assets			\$ 23,561
Total current liabilities			\$ 109,178
Total long-term financial liabilities			\$ Nil

¹ Audited financial information prepared in accordance with International Financial Reporting Standards ("IFRS")

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JANUARY 14, 2021 TO DECEMBER 31, 2021**

SUMMARY OF QUARTERLY RESULTS¹

	For the three months ended December 31, 2021	For the three months ended September 30, 2021	For the three months ended June 30, 2021	For the period from incorporation on January 14, 2021 to March 31, 2021
Loss and comprehensive loss	\$(38,235)	\$(33,284)	\$(33,602)	\$(105,585)
Basic/diluted loss per share	\$(0.00)	\$(0.00)	\$(0.00)	\$(0.01)

¹ Unaudited financial information prepared in accordance with IFRS

RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED DECEMBER 31, 2021 AND PERIOD FROM INCORPORATION ON JANUARY 14, 2021 TO DECEMBER 31, 2021

Administration and bank charges for the three months ended December 31, 2021 were \$3,017, and for the period from incorporation on January 14, 2021 to December 31, 2021 were \$9,067. These charges were incurred for the maintenance of the Company's bank account and office occupancy and administrative costs.

Management fees for the three months ended December 31, 2021 were \$30,000, and for the period from incorporation on January 14, 2021 to December 31, 2021 were \$95,000. This expense was for services related to the incorporation and management of the Company's role in the Arrangement and for ongoing accounting and administrative services.

Professional fees for the three months ended December 31, 2021 were \$5,196, and for the period from incorporation on January 14, 2021 to December 31, 2021 were \$5,461. This expense was for legal and auditing services.

Share-based compensation for the three months ended December 31, 2021 was \$nil, and for the period from incorporation on January 14, 2021 to December 31, 2021 was \$437 and was a non-cash expense used to value stock options granted to a director and consultants to the Company.

Transfer agent and filing fees for the three months ended December 31, 2021 were \$22, and for the period from incorporation on January 14, 2021 to December 31, 2021 were \$1,089. The fees include costs associated with incorporating the Company.

Transaction costs for the three months ended December 31, 2021 were \$nil, and for the period from incorporation on January 14, 2021 to December 31, 2021 were \$99,652 and were a non-cash value associated with the 14,359,083 common shares of the Company issued pursuant to the Arrangement.

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JANUARY 14, 2021 TO DECEMBER 31, 2021**

Loss and comprehensive loss for the period

As a result of the activities discussed above, the Company experienced a loss and comprehensive loss for the three months ended December 31, 2021 of \$38,235, and for the period from incorporation on January 14, 2021 to December 31, 2021 a loss and comprehensive loss of \$210,706.

PLAN OF ARRANGEMENT

On March 22, 2021, ECC completed a strategic reorganization of its assets in which it spun out Inglenook. The transaction was carried out by way of the Arrangement pursuant to the Business Corporations Act (British Columbia). Under the terms of the Arrangement, shareholders of ECC received one common share of the Company for every common share of ECC they held as of March 22, 2021; as a result, 14,359,083 common shares of the Company were issued.

SHARE CAPITAL

Authorized

Unlimited number of common and preferred shares without par value.

Issued and outstanding

As at December 31, 2021 the Company had 17,961,388 common shares issued and outstanding. As at the date of this MD&A the Company has 24,891,388 common shares issued and outstanding.

On January 14, 2021, the Company received \$25,000 through the issuance of 3,602,305 common shares at \$0.007 per share.

On March 22, 2021, ECC Diversified Inc. ("ECC") completed a strategic reorganization of its assets in which it spun out Inglenook. The transaction was carried out by way of a plan of arrangement (the "Arrangement") pursuant to the Business Corporations Act (British Columbia). Under the terms of the Arrangement, shareholders of ECC received one common share of the Company for every common share of ECC they held as of March 22, 2021; as a result, 14,359,083 common shares of the Company were issued.

The value associated with these shares is \$0.007 per share for a total of \$99,652 recorded to transaction costs.

On March 8, 2022 the Company completed a consolidation of its issued and outstanding common shares on a 1.388:1 basis and settled \$138,600 of outstanding indebtedness with certain creditors through the issuance of 6,930,000 post consolidated common shares of the Company with a fair value of \$0.007 per share. All share and per share information in the Financial Statements and this MD&A have been retroactively adjusted to reflect the consolidation.

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	Number of Shares	Amount \$
Balance, (incorporation) January 14, 2021	-	-
January 14, 2021 – share issuance	3,602,305	25,000
March 22, 2021 – plan of arrangement	14,359,083	99,652
Balance, December 31, 2021	17,961,388	124,652
March 8, 2022 – debt settlement	6,930,000	138,600
Balance, as at the date of this MD&A	24,891,388	263,252

Stock options

On January 14, 2021, the Company adopted a stock option plan (the “Stock Option Plan”) whereby it can grant incentive stock options to directors, officers, employees, and technical consultants of the Company. The maximum number of shares that may be reserved for issuance under the Stock Option Plan is limited to 10% of the issued and outstanding common shares of the Company at any time. The vesting period for all options is at the discretion of the Board of Directors. The exercise price will be set by the Board of Directors at the time of grant and cannot be less than the discounted market price (if any) of the Company’s common shares.

The Stock Option Plan provides that the number of common shares that may be reserved for the issuance to any one individual upon exercise of all stock options held by such an individual may not exceed 5% of the issued and outstanding common shares, if the individual is a director or officer, or 2% of the issued and outstanding common shares, if the individual is a consultant or engaged in providing investor relations services, on a yearly basis. All options granted under the Stock Option Plan will expire not later than the date that is ten years from the date that such options are granted. Options terminate earlier as follows: (i) immediately in the event of dismissal with cause; (ii) 90 days from date of termination other than for cause; or (iii) one year from the date of death or disability. Options granted under the Stock Option Plan are not transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession.

On March 22, 2021, the Company granted a total of 1,404,899 incentive stock options to a director and consultants to the Company, which vested immediately, having an exercise price of \$0.1388 per share. The fair value of the options granted was determined to be \$437 using the Black-Scholes option pricing model under the following assumptions: risk-free interest rate – .23%; expected life – 2 and 2.57 years; expected volatility – 100% and expected dividends – nil.

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A summary of the Company's stock option activity is as follows:

	Number of Options	Weighted Average Exercise Price
Balance, January 14, 2021	-	\$ -
Granted	1,404,899	0.1388
Balance, December 31, 2021, and the date of this MD&A	1,404,899	\$0.1388

As at December 31, 2021 and the date of this MD&A, outstanding options were as follows:

Grant Date	Number of options Outstanding and Exercisable	Exercise Price	Expiry date	Remaining contractual life (years)
March 22, 2021	900,576	\$0.1388	February 27, 2023	1.16
March 22, 2021	504,323	\$0.1388	October 24, 2023	1.81
Fully vested and exercisable, December 31, 2021 and the date of this MD&A	1,404,899	\$0.1388		

LIQUIDITY AND CAPITAL RESOURCES

The Company defines capital as consisting of shareholder's deficiency (comprised of issued share capital, share-based payment reserve, and deficit). Management's objective is to provide investment management services to shareholders which includes investing in marketable securities for the purpose of returns in the form of investment income and capital appreciation, as well as the ability to meet its on-going operational obligations as they become due.

The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital, but rather relies on the expertise of the Company's management to sustain the future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. As at December 31, 2021 the Company is not subject to any externally imposed capital requirements or debt covenants.

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A summary of the Company's cash flows during the period from incorporation on January 14, 2021 to December 31, 2021 is as follows:

	For the period from incorporation on January 14, 2021 to December 31, 2021	
Cash flows used in operating activities	\$	(6,661)
Cash flows provided by financing activity		25,000
Increase in cash for the period		18,339
Cash, beginning of the period		-
Cash, end of the period	\$	18,339

Cash flows used in operating activities were \$6,661 during the period from incorporation on January 14, 2021 to December 31, 2021. The cash was used to pay for administrative expenditures.

Cash flow provided by financing activity was \$25,000 during the period from incorporation on January 14, 2021 to December 31, 2021. During the period, \$25,000 was provided through the issuance of common shares.

As a result of the above activities, at December 31, 2021, the Company has \$18,339 of cash to settle current liabilities of \$109,178. As such, the Company has insufficient cash to fund corporate overhead costs for the next year.

The Company likely has insufficient funds from which to finance any identified business acquisition and as such will require additional financing to accomplish the Company's long-term strategic objectives. Future funding may be obtained by means of issuing share capital and/or debt financing. There can be no certainty of the Company's ability to raise additional financing through these means. If the Company is unable to continue to finance itself through these means, it is possible that the Company will be unable to continue as a going concern.

The Financial Statements have been prepared in accordance with IFRS applicable to a going concern, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. The accompanying Financial Statements do not reflect adjustments that may be necessary if the going concern assumption were not appropriate. If the going concern basis were not appropriate, adjustments may be necessary to the carrying amounts and/or classification of assets and/or liabilities and the reported expenses in these financial statements. Such adjustments could be material.

RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

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As of December 31, 2021, \$nil was due to related parties.

The Company has identified its directors and certain senior officers as its key management personnel and the compensation costs for key management personnel and companies related to them are recorded at their exchange amounts as agreed upon by transacting parties.

During the period from incorporation on January 14, 2021 to December 31, 2021, \$179 in share-based payments was recorded related to stock options granted to a director of the Company. There were no other related party transactions during the period ended December 31, 2021.

RISKS AND UNCERTAINTIES

Strategic Risk

At present, the Company has very limited sources of funding from which to repay its existing obligations and fund on-going operating costs. If the Company is unable to obtain adequate additional financing, management might be required to curtail the Company's operations. If future financing is unavailable, the Company may not be able to meet its ongoing obligations, in which case its ability to continue as a going concern may be adversely affected.

There is also no guarantee that the Company will be able to complete the acquisition of or participation in a new business opportunity. If an acquisition of or the participation in corporations, properties, assets, or businesses is identified, the Company may find that even if the terms of an acquisition or participation are economic, it may not be able to finance such acquisition or participation and additional funds will be required to enable the Company to pursue such an initiative. There is no guarantee that additional financing will be available or that it will be available on terms acceptable to management of the Company. The Company will be competing with other companies, many of which will have far greater resources and experience than the Company. No assurance can be given that the Company will be successful in raising the funds required for an acquisition.

Lack of Dividend Policy

The Company does not presently intend to pay cash dividends in the foreseeable future, as any earnings are expected to be retained for use in developing and expanding its business. However, the actual amount of dividends received from the Company will remain subject to the discretion of the Company's Board of Directors and will depend on results of operations, cash requirements and future prospects of the Company and other factors.

Possible Dilution to Present and Prospective Shareholders

The Company's plan of operation, in part, contemplates the accomplishment of business negotiations by the issuance of cash, securities of the Company, or a combination of the two, and possibly, incurring debt. Any transaction involving the issuance of previously authorized but unissued common shares would result in dilution, possibly substantial, to present and prospective holders of common shares.

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Dependence of Key Personnel

The Company strongly depends on the business and technical expertise of its management and key personnel. There is little possibility that this dependence will decrease in the near term. As the Company's operations expand, additional general management resources will be required, especially since the Company encounters risks that are inherent in doing business in several countries.

FINANCIAL INSTRUMENTS

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Market Risk

Market risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate because of changes in market prices or prevailing conditions. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk and are disclosed as follows:

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company holds no financial instruments that are denominated in a currency other than Canadian dollars. As at December 31, 2021, the Company is not exposed to currency risk.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in market risk. The Company's sensitivity to interest rates relative to its cash balances is currently immaterial. The Company also has no long-term debt with variable interest rates, so it has no negative exposure to changes in the market interest rate.

(iii) Price rate risk

The Company has no exposure to price risk with respect to equity prices as the Company is not listed. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market.

Credit Risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits the exposure to credit risk by only investing its cash with high-

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credit quality financial institutions. Management believes that the credit risk related to its cash is negligible.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. At December 31, 2021, the Company has a cash balance of \$18,339 to settle current liabilities of \$109,178. As such, the Company has insufficient cash to fund corporate overhead costs for the next year.

The Company likely has insufficient funds from which to finance any identified business acquisition and as such will require additional financing to accomplish the Company's long-term strategic objectives. Future funding may be obtained by means of issuing share capital and/or debt financing. There can be no certainty of the Company's ability to raise additional financing through these means. If the Company is unable to continue to finance itself through these means, it is possible that the Company will be unable to continue as a going concern. Consequently, the Company is exposed to liquidity risk as at December 31, 2021.

Fair Value Measurements

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, and
- Level 3 – Inputs that are not based on observable market data.

The fair value of cash is determined based on Level 1 inputs.

As at December 31, 2021 the Company's financial instruments consist of cash, GST receivable, and accounts payable and accrued liabilities. Cash and GST receivable are classified as amortized cost. Accounts payable and accrued liabilities are classified as amortized cost. The fair values of these financial instruments approximate their carrying values because of their short-term nature.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

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CRITICAL ACCOUNTING ESTIMATES

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial year included:

Deferred tax assets and liabilities

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected.

Stock options

Determining the fair value of stock options requires estimates related to the choice of a pricing model, the estimation of stock price volatility, the expected forfeiture rate, and the expected term of the underlying instruments. Any changes in the estimates or inputs utilized to determine fair value could have a significant impact on the Company's future operating results or on other components of shareholders' equity.

CRITICAL ACCOUNTING JUDGEMENT

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the statements are, but are not limited to, the following:

Going Concern

The Company's management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. The factors considered by management are disclosed in Note 1 of the Financial Statements.

PROPOSED TRANSACTIONS

No transactions are proposed.

OFF-BALANCE SHEET ARRANGEMENT

The Company currently has no off-balance sheet arrangement.

SCHEDULE "C"
AUDIT COMMITTEE CHARTER

**ATHA ENERGY CORP.
AUDIT COMMITTEE CHARTER**

PURPOSE

Atha Energy Corp. (the “**Company**”) shall appoint an audit committee (the “**Committee**”) to assist the board of directors (the “**Board**”) of the Company in fulfilling its responsibilities of oversight and supervision of the accounting and financial reporting practices and procedures on behalf of the Company and its direct and indirect subsidiaries, the adequacy of internal accounting controls and procedures, and the quality and integrity of the financial statements of the Company. In addition, the Committee is responsible for overseeing the audits of the financial statements of the Company, for directing the auditors’ examination of specific areas, for the selection of the independent external auditors of the Company and for the approval of all non-audit services for which the auditors of the Company may be engaged.

I. STRUCTURE AND OPERATIONS

The Committee shall be comprised of at least three members, each of whom shall be a director of the Company, and at least a majority of which shall meet the independence requirements of National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”).

Each member of the Committee shall satisfy, or work towards satisfying, the “financial literacy” requirement of NI 52-110, by having the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that can reasonably be expected to be raised by the financial statements of the Company.

The members of the Committee shall be annually appointed by the Board and shall serve until such member’s successor is duly elected and qualified or until such member’s earlier resignation or removal. The members of the Committee may be removed, with or without cause, by a majority of the Board.

II. CHAIR OF THE COMMITTEE

Unless the Board elects a Chair of the Committee, the members of the Committee shall designate a Chair by the majority vote of the full Committee membership.

The Chair of the Committee shall:

- (a) Call and conduct the meetings of the Committee;
- (b) Be entitled to vote to resolve any ties;
- (c) Prepare and forward to members of the Committee the agenda for each meeting of the Committee, and include, in the agenda, any items proposed for inclusion in the agenda by any member of the Committee;
- (d) Review with the Chief Financial Officer (“**CFO**”) and the auditors for the Company any matters referred to the Chair by the CFO or the auditors of the Company;
- (e) Appoint a secretary, who need not be a member of the Committee, to take minutes of the meetings of the Committee; and
- (f) Act in a manner that the Committee meetings are conducted in an efficient, effective and focused manner.

III. MEETINGS

The Committee shall meet at least quarterly or more frequently as circumstances dictate. As part of its goal to foster open communication, the Committee shall periodically meet with management and the external auditors in separate sessions to discuss any matters that the Committee or each of these groups believes should be discussed privately. The Committee may meet privately with outside counsel of its choosing and the CFO of the Company, as necessary. In

addition, the Committee shall meet with the external auditors and management quarterly to review the Company's financial statements in a manner consistent with that outlined in this Charter.

The Committee may invite to its meetings any partners of the Company, management and such other persons as it deems appropriate in order to carry out its responsibilities. The Committee may exclude from its meetings any persons it deems appropriate in order to carry out its responsibilities.

A majority of the Committee members, but not less than two, shall constitute a quorum. A majority of members present at any meeting at which a quorum is present may act on behalf of the Committee. The Committee may meet by telephone or videoconference and may take action by unanimous written consent with respect to matters that may be acted upon without a formal meeting.

The Committee shall maintain minutes or other records of meetings and activities of the Committee. Notice of the time and place of every meeting shall be given in writing or electronic communication to each member of the Committee at least 24 hours prior to the time fixed for such meeting provided however, that a member may in any manner waive a notice of a meeting. Attendance of a member at a meeting is a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

IV. RESPONSIBILITIES, DUTIES AND AUTHORITY

The following functions shall be the common recurring activities of the Committee in carrying out its responsibilities outlined in this Charter. These functions should serve as a guide with the understanding that the Committee may carry out additional functions and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory, legal and other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of this Committee.

The Committee in discharging its oversight role is empowered to investigate any matter of interest or concern that the Committee deems appropriate. In this regard, the Committee shall have the authority to retain outside counsel, accounting or other advisors for this purpose, including authority to approve the fees payable to such advisors and other terms of retention. In addition, the Committee shall have the authority to communicate directly with both external and internal auditors of the Company.

The Committee shall be given full access to the Board, management, employees and others, directly and indirectly responsible for financial reporting, and external auditors, as necessary, to carry out these responsibilities. While acting within the scope of this stated purpose, the Committee shall have all the authority of the Board.

The Committee shall be responsible for assessing the range of financial and other risks to the business and affairs of the Company that the Board shall focus on, and make recommendations to the Board about how appropriate responsibilities for continuing to identify, monitor and manage these risks are to be delegated. The Committee shall review and discuss with management and the internal and external auditors all major financial risk exposures and the steps management has taken to monitor/control those exposures. In addition, the Committee shall encourage continuous improvement of, and foster adherence to, the Company's financial policies, procedures and practices at all levels in the organization; and provide an avenue of communication among the external auditors, management and the Board.

Absent actual knowledge to the contrary (which shall promptly reported to the Board), each member of the Committee shall be entitled to rely on: (i) the integrity of those persons or organizations within and outside the Company from which it receives information; (ii) the accuracy of the financial and other information provided to the Committee by such persons or organizations; and (iii) representations made by management and the external auditors, as to any information technology, internal audit and other non-audit services provided by the external auditors to the Company and its subsidiaries.

V. SPECIFIC RESPONSIBILITIES AND ACTIVITIES

A. Document Reports/Reviews

2. *Annual Financial Statements.* The Committee shall review with management and the external auditors, both together and separately, prior to public dissemination:
 - (a) the annual audited financial statements;
 - (b) the external auditors' review of the annual financial statements and their report;
 - (c) any significant changes that were required in the external audit plan;
 - (d) any significant issues raised with management during the course of the audit, including any restrictions on the scope of activities or access to information; and
 - (e) those matters related to the conduct of the audit that are required to be discussed under generally accepted auditing standards applicable to the Company.

Following completion of the matters contemplated above and in Section 16, the Committee shall make a recommendation to the Board with respect to the approval of the annual financial statements with such changes contemplated and further recommended, as the Committee considers necessary.

3. *Interim Financial Statements.* The Committee shall review with management and may review with the external auditors, both together and separately, prior to public dissemination, the interim unaudited consolidated financial statements of the Company, including to the extent the Committee considers appropriate, a discussion with the external auditors of those matters required to be discussed under generally accepted auditing standards applicable to the Company.
4. *Management's Discussion and Analysis.* The Committee shall review with management and the external auditors, both together and separately prior to public dissemination, the annual Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") and the Committee shall review with management and may review with the external auditors, interim MD&A.
5. *Approval of Annual MD&A, Interim Financial Statements and Interim MD&A.* The Committee shall make a recommendation to the Board with respect to the approval of the annual MD&A with such changes contemplated and further recommended by the Committee as the Committee considers necessary. In addition, the Committee shall approve the interim financial statements and interim MD&A of the Company, if the Board has delegated such function to the Committee. If the Committee has not been delegated this function, the Committee shall make a recommendation to the Board with respect to the approval of the interim financial statements and interim MD&A with such changes contemplated and further recommended as the Committee considers necessary.
6. *Press Releases.* With respect to press releases by the Company:
 - (a) The Committee shall review the Company's financial statements, MD&A and annual and interim earnings press releases before the Company publicly discloses this information.
 - (b) The Committee shall review with management, prior to public dissemination, the annual and interim earnings press releases (paying particular attention to the use of any "pro forma" or "adjusted non-IFRS" information) as well as any financial information and earnings guidance provided to analysts and rating agencies.
 - (c) The Committee shall be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's

financial statements, other than public disclosure referred to in Section V.A.4 of this Charter, and periodically assess the adequacy of those procedures.

7. *Reports and Regulatory Returns.* The Committee shall review and discuss with management, and the external auditors to the extent the Committee deems appropriate, such reports and regulatory returns of the Company as may be specified by law.
 8. *Other Financial Information.* The Committee shall review the financial information included in any prospectus, annual information form or information circular with management and, at the discretion of the Committee, the external auditors, both together and separately, prior to public dissemination, and shall make a recommendation to the Board with respect to the approval of such prospectus, annual information form or information circular with such changes contemplated and further recommended as the Committee considers necessary.
- B. Financial Reporting Processes
9. *Establishment and Assessment of Procedures.* The Committee shall satisfy itself that adequate procedures are in place for the review of the public disclosure of financial information extracted or derived from the financial statements of the Company and assess the adequacy of these procedures annually.
 10. *Application of Accounting Principles.* The Committee shall assure itself that the external auditors are satisfied that the accounting estimates and judgements made by management, and their selection of accounting principles reflect an appropriate application of such accounting principles.
 11. *Practices and Policies.* The Committee shall review with management and the external auditors, together and separately, the principal accounting practices and policies of the Company.
- C. External Auditors
12. *Oversight and Responsibility.* In respect of the external auditors of the Company:
 - (a) The Committee, in its capacity as a committee of the Board, shall be directly responsible for, or if required by Canadian law shall make recommendations to the Board with respect to, the appointment, compensation, retention and oversight of the work of the external auditors engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditors regarding financial reporting.
 - (b) The Committee is directly responsible for overseeing the work of the external auditors engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditors regarding financial reporting.
 13. *Reporting.* The external auditors shall report directly to the Committee and are ultimately accountable to the Committee.
 14. *Annual Audit Plan.* The Committee shall review with the external auditors and management, together and separately, the overall scope of the annual audit plan and the resources the external auditors will devote to the audit. The Committee shall annually review and approve the fees to be paid to the external auditors with respect to the annual audit.
 15. *Non-Audit Services.*
 - (a) "Non-audit services" means all services performed by the external auditors other than audit services. The Committee shall pre-approve all non-audit services to be provided to the Company or its

subsidiaries by the Company's external auditor and permit all non-audit services, other than non-audit services where:

- (i) the aggregate amount of all such non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Company and its subsidiaries to the Company's external auditor during the fiscal year in which the services are provided;
 - (ii) the Company or its subsidiary, as the case may be, did not recognize the services as non-audit services at the time of the engagement; and
 - (iii) the services are promptly brought to the attention of the Committee and approved, prior to the completion of the audit, by the Committee or by one or more of its members to whom authority to grant such approvals had been delegated by the Committee.
- (b) The Committee may delegate to one or more members of the Committee the authority to grant such pre-approvals for non-audited services. The decisions of such member(s) regarding approval of "non-audit" services shall be reported by such member(s) to the full Committee at its first scheduled meeting following such pre-approval.
- (c) The Committee shall adopt specific policies and procedures for the engagement of the non-audit services if:
- (i) the pre-approval policies and procedures are detailed as to the particular services;
 - (ii) the Committee is informed of each non-audit service; and
 - (iii) the procedures do not include delegation of the Committee's responsibilities to management.
16. *Independence Review.* The Committee shall review and assess the qualifications, performance and independence of the external auditors, including the requirements relating to such independence of the law governing the Company. At least annually, the Committee shall receive from the external auditors, a formal written statement delineating all relationships between the Company the external auditors, actively engage in a dialogue with the external auditors with respect to any disclosed relationships or services that may impact the objectivity and independence of the auditor, and, if necessary, recommend that the Board takes appropriate action to satisfy themselves of the external auditors' independence and accountability to the Committee. In evaluating the performance of the external auditors, the Audit Committee shall evaluate the performance of the external auditors' lead partner and shall ensure the rotation of lead partners as required by law.
- D. *Internal Controls.* Management shall be required to provide the Committee, at least annually, a report on internal controls, including reasonable assurance that such controls are adequate to facilitate reliable and timely financial information. The Committee shall also review and follow-up on any areas of internal control weakness identified by the external auditors with the auditors and management.
- E. *Reports to Board*
17. *Reports.* In addition to such specific reports contemplated elsewhere in this Charter, the Committee shall report regularly to the Board regarding such matters, including:
- (a) with respect to any issues that arise with respect to the quality or integrity of the financial statements of the Company, compliance with legal or regulatory requirements by the Company, or the performance and independence of the external auditors of the Company;

- (b) following meetings of the Committee; and
 - (c) with respect to such other matters as are relevant to the Committee's discharge of its responsibilities.
18. *Recommendations.* In addition to such specific recommendations contemplated elsewhere in this Charter, the Committee shall provide such recommendations as the Committee may deem appropriate. The report to the Board may take the form of an oral report by the Chair or any other member of the Committee designated by the Committee to make such report.
- F. Whistle Blowing
19. *Procedures.* The Committee shall establish procedures for:
- (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
 - (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
20. *Notice to Employees.*
- (a) To comply with the above, the Committee shall ensure each of the Company and its subsidiaries advises all employees, by way of a written code of business conduct and ethics (the "Code"), or if such Code has not yet been adopted by the respective board, by way of a written or electronic notice, that any employee who reasonably believes that questionable accounting, internal accounting controls, or auditing matters have been employed by the Company or their external auditors is strongly encouraged to report such concerns by way of communication directly to the Chair. Matters referred may be done so anonymously and in confidence.
 - (b) None of the Company or its subsidiaries shall take or allow any reprisal against any employee for, in good faith, reporting questionable accounting, internal accounting, or auditing matters. Any such reprisal shall itself be considered a very serious breach of this policy.
 - (c) All reported violations shall be investigated by the Committee following rules of procedure and process as shall be recommended by outside counsel.
- G. General
21. *Access to Advisers and Funding.* The Committee shall have the authority to engage independent counsel and other advisers, as it determines necessary to carry out its duties. The Company shall provide appropriate funding, as determined by the Committee, for payment of (a) compensation to any external auditors engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company; (b) compensation to any advisers employed by the Committee; and (c) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.
22. *Hiring of Partners and Employees of External Auditors.* The Committee shall annually review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
23. *Forward Agenda.* The Committee may annually develop a calendar of activities or forward agenda to be undertaken by the Committee for each ensuing year and to submit the calendar/agenda in the appropriate format to the Board of Directors following each annual general meeting of shareholders.
24. *Annual Performance Evaluation.* The Committee shall perform a review and evaluation, annually, of the performance of the Committee and its members, including a review of the compliance of the Committee with

this Charter. In addition, the Committee shall evaluate, annually, the adequacy of this Charter and recommend any proposed changes to the Board.

25. *Related Party Transactions.* The Committee shall annually review transactions involving directors and officers, including a review of travel expenses and entertainment expenses, related party transactions and any conflicts of interests.

General. The Committee shall perform such other duties and exercise such powers as may, from time to time, be assigned or vested in the Committee by the Board, and such other functions as may be required of an audit committee by law, regulations or applicable stock exchange rules.

CERTIFICATE OF ATHA ENERGY CORP.

Dated: December 21, 2022

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by Atha Energy Corp. as required by the securities legislation of British Columbia and Alberta.

“Mike Castanho” (signed)

Mike Castanho
Chief Executive Officer and Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

“Morgan Tincher” (signed)

Morgan Tincher

“Jeff Barber” (signed)

Jeff Barber

CERTIFICATE OF PROMOTER

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by Atha Energy Corp. as required by the securities legislation of British Columbia and Alberta.

“Mike Castanho” (signed)

Mike Castanho