ATHA Energy Corp.
Management's Discussion and Analysis
For the year ended December 31, 2024

INTRODUCTION

The following management's discussion and analysis ("MD&A") of the financial condition and results of the operations of ATHA Energy Corp. ("ATHA", "we", "our" or the "Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the year ended December 31, 2024. This MD&A is intended to help the reader understand ATHA, and our operations, financial performance, current and future business environment and the opportunities and risks facing the Company. The risks are explicitly set out in the "Business Risks and Uncertainties" section of this MD&A. In addition, certain statements in this MD&A incorporate forward-looking information and readers are advised to review the cautionary note regarding forward-looking statements in the "Forward-Looking Statements" of this MD&A.

This MD&A was written to comply with the requirements of National Instrument 51-102 – *Continuous Disclosure Obligations*. This discussion should be read in conjunction with the annual financial statements (the "Financial Statements") for the Company for the year ended December 31, 2024, and the related notes thereto. Results are reported in Canadian dollars, unless otherwise noted. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. The results presented for the reporting period are not necessarily indicative of the results that may be expected for any future period. The financial statements and the financial information contained in this MD&A were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. Further information about the Company and its operations can be obtained from SEDAR+ on www.sedarplus.ca.

This MD&A contains information up to and including April 23, 2025.

FORWARD-LOOKING INFORMATION

This MD&A includes "forward-looking information", within the meaning of applicable securities legislation, which is 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 information. While this forward-looking information, and any assumptions upon which it is 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 information is 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. This information involves 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 information. This forward-looking information includes, but is not limited to, information concerning:

- the Company's ability to identify, successful negotiate and/or finance an acquisition of mineral properties;
- 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; and
- 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, such forward-looking information. 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 1240 – 1066 West Hastings Street, Vancouver, British Columbia V6E 3X1.

The Company's common shares began trading on the Canadian Securities Exchange (the "CSE") under symbol "SASK" on April 11, 2023. The Company applied to voluntarily delist its common shares from the CSE in March 2024 in tandem with the Company's listing on the TSX Venture Exchange ("TSXV") which was effective at TSXV open on March 4, 2024. The Company's common shares continue to trade under the symbol "SASK".

The Company is principally engaged in the acquisition, exploration, and evaluation of mineral resources in the Athabasca Basin located in Saskatchewan, Canada, and the Angikuni and Thelon Basins located in the Nunavut, 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 is expected to be raised primarily through share offerings.

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.

On March 30, 2023, the Company completed the acquisition of mineral properties from the New Saskatchewan Syndicate ("NSS") for the NSS property. As consideration for the acquisition, the Company paid to the vendors $1,000,000 ($2,000,000 total including previously paid deposits) and issued to the vendors an aggregate of 38,040,000 common shares of the Company.

Also on March 30, 2023, an aggregate of 33,725,000 common shares were issued on conversion of the subscription receipts from the non-brokered private placement financings that closed on October 28, 2022 and November 8, 2022 for aggregate proceeds of $33,725,000.

On March 7, 2024, the Company completed the acquisition of Latitude Uranium Inc. ("LUR") and on April 11, 2024, the Company completed the acquisition of 92 Energy Limited ("92E"), pursuant to which the Company acquired all of the issued and outstanding common shares of LUR and all of the issued and outstanding fully-paid ordinary shares of 92E (together, the "LUR/92E Acquisitions").

The Company's core objective is discovery and development of its portfolio of uranium focused projects. With the completion of the LUR/92E Acquisitions, ATHA's portfolio now totals 7.3 million acres across Canada's three most prospective jurisdictions for uranium discovery and development. The Company's portfolio is highly diversified across the exploration risk curve with projects ranging from: the advanced exploration stage like Angilak, which host's the Lac 50 Deposit; post discovery projects like Gemini – which contains GMZ – a recent shallow, basement style, high-grade uranium discovery; through to highly prospective greenfields projects with numerous uranium occurrences and high-priority de-risked geophysical targets. ATHA's exploration approach is designed to provide maximum exploration exposure by investing at scale in a large number of early-stage projects, derisking those targets, and seeking to deliver advanced exploration upside through the expansion of known uranium deposits and additional discoveries.

Going concern

The Financial Statements to which this MD&A relates, have been prepared applicable to a going concern organization. Continuity of operations and realization of assets and settlement of liabilities in the normal course of business for the foreseeable future is assumed, at least, but not limited to, one year from December 31, 2024. The Company is subject to risks and challenges similar to companies in a comparable stage of exploration and development. As a result of these risks, there is material uncertainty that may raise significant doubt as to the Company's ability to continue as going concern. There is no assurance that the Company's funding initiatives will continue to be successful.

The Financial Statements do not reflect the adjustments that would be necessary if the going concern assumption was inappropriate. Adjustments to the carrying value of assets, liabilities, reported expenses and statements of financial position classifications could be material. To advance its exploration and development efforts, the Company will have to raise additional funds. While the Company has been successful in doing so in the past, there can be no assurance that it will be able to do so in the future.

EXPLORATION AND EVALUATION ASSETS

Saskatchewan/ Alberta Exploration Properties

On September 20, 2022, the Company entered into an agreement (the "NSS Purchase Agreement") to acquire a diversified portfolio of mineral exploration assets and carried interests in the Athabasca Basin (the "NSS Assets") from "NSS, which includes a 10% carried interest and 2% net smelter returns ("NSR") royalty on certain land owned and operated by NexGen Energy Ltd. and IsoEnergy Ltd. (the "NSS Acquisition").

In accordance with the terms of the NSS Purchase Agreement, and as consideration for the NSS Assets, the Company:

- paid to the NSS $2,000,000 as follows:
  - $200,000 non-refundable deposit upon execution of the term sheet signed between the parties on January 11, 2022;
  - $800,000 non-refundable deposit upon execution of the NSS Purchase Agreement; and
  - $1,000,000 upon the public listing of our common shares;

- upon the public listing of our common shares, issued to the NSS 38,040,000 common shares, representing 30% of the then issued and outstanding common shares of the Company, on a fully diluted basis; and

- made available to the NSS $3,000,000, which acquired additional prospective uranium exploration properties on behalf of, and for the benefit of, the Company.

In connection with the NSS Acquisition, the Company issued to a third party as a finder's fee 1,000,000 common shares with a then fair value of $1,000,000.

The NSS, pursuant to an amending agreement signed in December 2023, will retain a 5% interest in any additional prospective mineral exploration properties acquired by ATHA. The Company has also agreed to grant the Vendors a 1% net smelter returns royalty and a 5% carried interest in and to the NSS Acquired Assets and, ATHA agreed to issue 5,000,000 common shares to the Vendors prior to June 30, 2024 (issued on April 11, 2024).

The initial $1,000,000 deposit was paid to the NSS through promissory notes issued to various entities who paid the funds to the NSS. These promissory notes bore no interest and were repaid by the Company within ten days after demand.

Stallion Discoveries Option

On May 16, 2023 the Company entered into a binding letter of intent ("LOI") with Stallion Discoveries Corp. ("Stallion"), and on July 18, 2023 the parties entered a definitive option and joint venture agreement (the "Stallion Agreement") providing Stallion an ability to earn an option (the "Option") to acquire a 70% interest in 47 of the Company's mineral claims in Saskatchewan, Canada (the "Claims") by acquiring the requisite portion of the Company's current 90% interest, after meeting certain milestones.

The milestones included in the Stallion Agreement are:

- Within two days of the closing date (expected to be upon approval of the Canadian Securities Exchange ("CSE" and TSX Venture Exchange ("TSX-V")), Stallion shall issue 3,333,333 Stallion shares to the Company (shares received with a then corresponding fair value of $683,333);

- within twelve months after the closing date, Stallion shall incur $3,311,770 of Saskatchewan Exploration Expenditure Credits towards the exploration of the Claims; and

- within sixty months after the closing date, Stallion shall incur a further $8,688,230 of Saskatchewan Exploration Expenditure Credits towards the exploration of the Claims.

Upon exercise of the Option, a joint venture agreement (the "Joint Venture Agreement") shall be entered into by the Company and Stallion, with Stallion and the Company (including the carried over interest of the legacy owner) holding a 70% and a 30% interest, respectively.

On May 31, 2024, Stallion provided ATHA with written notice that it reasonably anticipates that it will not have incurred the required expenditures related to the mineral claims under the Stallion Agreements. The amount of the deficiency between the required amount and the incurred amount for the period from June 13, 2023, to August 8, 2024 (inclusive), was $564,854. As such, pursuant to the Stallion Agreement, Stallion was obligated to issue to ATHA such number of shares equal to 150% of the amount of such deficiency.

On March 28, 2025, Stallion and ATHA executed a settlement agreement in respect of Stallion decreasing its land package from 438,000 acres to 255,000 acres, and addressing the unrecovered refundable claim deposits. Subsequent to ATHA receiving from the Saskatchewan government $492,601.22 on Stallion's account, ATHA and Stallion agreed that the remainder of the deficiency, being $72,252.78, would be paid by Stallion issuing to ATHA shares equal to 150% of such remainder. This issuance is expected to take place in 2025.

During the year ended December 31, 2023, ATHA paid refundable claim deposits totaling $4,654,651 to the Ministry of Energy and Resources of Saskatchewan. The majority of the deposits relate to Claims to be optioned to Stallion. During the year ended December 31, 2024, the Company received refunds totaling $3,637,399.

Inspiration Energy Option Agreement

On April 24, 2024, the Company announced an agreement (the "IEC Option Agreement") with Inspiration Energy Corp. ("IEC") whereby it granted IEC an option to acquire an undivided 70% interest in each of the Company's Plateau and Ledge properties, subject to option considerations and work commitments outlined in the option agreement.

In accordance with the terms of the IEC Option Agreement, IEC can earn a 70% undivided interest (subject to underlying 2.0% NSR royalties on each property) in the Plateau and Ledge properties through the issuance of 4,330,228 common shares of IEC (the "Consideration Shares") to the Company and incurring a total of $8,000,000 in exploration expenditures broken down as described below. Additionally, the Company is entitled to anti-dilution provisions during the option period, such that the number of common shares issuable will be adjusted upwards to maintain a 9% shareholder interest upon any issuance of new common shares by IEC out of treasury. The anti-dilution feature will not be triggered by any shares issued upon exercise of outstanding stock options, warrants or other convertible securities.

IEC may exercise the option on the Plateau Property by satisfying all of the following conditions:

1. issuing an aggregate of 2,165,114 Consideration Shares to the Company within two business days following regulatory approval at the market price of the common shares of IEC; and

2. incurring exploration expenditures on the Plateau Property in the following amounts:
   (i) $400,000 by September 1, 2024;
   (ii) an additional $400,000 by September 1, 2025;
   (iii) an additional $3,000,000 by September 1, 2028.

IEC issued a notice of non-compliance with the option agreement during the year ended December 31, 2024, resulting in its termination.

IEC may exercise the option on the Ledge Property by satisfying all of the following conditions:

- Issuing an aggregate of 2,165,114 Consideration Shares to the Company within two (2) business days following regulatory approval at the market price of the common shares of IEC; and
- Incurring Exploration Expenditures on the Ledge Property in the following amounts:
  (i) $600,000 by September 1, 2024;
  (ii) an additional $600,000 by September 1, 2025;
  (iii) an additional $3,000,000 by September 1, 2028; and

IEC issued a notice of non-compliance with the IEC Option Agreement during 2024, resulting in the termination of the agreement.

IEC issued a total of 4,330,228 common shares to the Company in accordance with the IEC Option Agreement. On June 27, 2024, IEC received Canadian Securities Exchange approval for consolidation of its shares on the basis of a one post-consolidated share for each five pre-consolidated shares. On a post-consolidated basis, the Company held 866,046 common shares of ICE held as at December 31, 2024.

Latitude Uranium Inc. and 92 Energy Limited Acquisitions

On December 7, 2023 the Company announced that, consistent with its growth strategy, it had entered into binding agreements to acquire all of the issued and outstanding shares of LUR by way of a court-approved plan of arrangement and to acquire all of the issued and outstanding fully-paid ordinary shares of 92E by way of a scheme of arrangement.

The Acquisitions had the potential transition ATHA to become the premier Canadian focused uranium company with exposure to the largest exploration acreage package in one of the highest-grade uranium districts in the world, with significant expansion potential across three major Canadian uranium districts, including:

- the underexplored Angilak Project, which hosts a historical resource of 43 million lbs of U_3O_8[1] with an average grade of 0.69% U_3O_8;

[1,2,3] *These estimates are considered to be "historical estimates" under National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101") and are not considered by the Company to be current mineral resources. A qualified person has not done sufficient work to classify the historical estimate as current mineral resource.*

- entry to Labrador's prolific Central Mineral Belt through the Central Mineral Belt uranium project, in Newfoundland and Labrador, which hosts an underexplored historical resource of 14 million lbs U_3O_8[2,3] with an average grade of 0.04% U_3O_8 and is located adjacent to Paladin Energy's Michelin Deposit; and
- adds exposure to the Gemini Discovery, with significant expansion and discovery upside potential within the Athabasca Basin's newest discovery corridor.

The projects acquired through the LUR/92E Acquisitions are complimentary to the Company's Athabasca Basin exploration portfolio and the 10% carried interest in key exploration claims operated by NexGen Energy Ltd. and Iso Energy Ltd. within the Athabasca Basin. The LUR/E92 Acquisitions also provide the Company with increased scale, providing greater access to capital, liquidity, research coverage, technical, management and board expertise, with the demonstrated track record in all facets of uranium exploration, development, operations and capital formation needed to drive growth in the uranium resource and build shareholder value.

The Company completed the acquisition of LUR and issued 64,444,004 common shares on March 7, 2024, pursuant to the terms of the arrangement and 4,000,000 common shares were issued on March 6, 2024 pursuant to the escrow release of subscription receipts conditional on the LUR acquisition. The Company completed the 92E acquisition and issued 64,101,404 common shares in connection with the completion of the 92E scheme on April 11, 2024, and issued 1,693,278 common shares to a sales agent on April 10, 2024, in connection with an elective selling scheme for ineligible foreign holders of 92E.

Riverboat Energy Option Agreement

On May 28, 2024, ATHA Energy announced a definitive option agreement, dated May 20, 2024, with Riverboat Energy Corporation ("Riverboat"), a privately-held Canadian exploration company. The option agreement grants Riverboat an exclusive option to acquire an undivided 70% interest in ATHA's Vista property, situated within the Company's East Rim Exploration District, located in the Athabasca Basin, Saskatchewan. The option agreement is subject to Riverboat fulfilling the option considerations and exploration expenditures detailed below in the Vista Option.

In accordance with the terms of the Option Agreement, Riverboat can earn a 70% undivided interest (subject to underlying 2.0% NSR royalties on the property) in the Vista Property by making cash payments to ATHA, issuing common shares to ATHA and incurring and funding certain expenditures on the property, as described below. Riverboat may exercise the option on the property by satisfying all of the following conditions:

1. making an aggregate of $600,000 in cash payments (collectively, the "Cash Payments") to ATHA as follows:
    a. $50,000 on or before the date that is 30 days from May 28, 2024 (the "Effective Date") (received on July 3, 2024);
    b. $350,000 on or before the listing date on which the common shares of Riverboat are listed for trading on a Canadian stock exchange;
    c. $100,000 on or before the second anniversary of the Effective Date; and
    d. $100,000 on or before the third anniversary of the Effective Date;

2. issuing to ATHA of such number of common shares in the capital of Riverboat equal to the quotient obtained by dividing $800,000 by the then price per share, as follows:
    a. such number of common shares equal to the quotient obtained by dividing $600,000 by the then price per share issuable on the listing date;
    b. such number of common shares equal to the quotient obtained by dividing $100,000 by the then price per share issuable on or before the first anniversary of the Effective Date; and

   c. such number of common shares equal to the quotient obtained by dividing $100,000 by the then price per share issuable on or before the second anniversary of the Effective Date;

3. Riverboat incurring and funding aggregate expenditures in the amount of $9,300,000 on the property over a three-year period, as follows:
   a. a minimum of $500,000 of expenditures on or before the first anniversary of the Effective Date;
   b. not less than an aggregate of $2,900,000 of expenditures before the second anniversary of the Effective Date; and
   c. not less than an aggregate of $9,300,000 of expenditures on or before the third anniversary of the Effective Date.

Upon exercise of the option, a joint venture agreement (the "Joint Venture Agreement") shall be entered into by ATHA and Riverboat, with Riverboat and ATHA (including the carried over interest of the legacy owner) holding a 70% and a 30% interest, respectively.

The option agreement is subject to the policies of the TSX Venture Exchange on the part of ATHA, and other customary conditions as set out in the agreement.

Collins Bay Option Agreement

On July 18, 2024, the Company agreed to purchase a 100% interest in Collins Bay Property from the NSS, along with a NSR. The Company paid US$100,000 (CAD$139,360 as of December 31, 2024) and agreed to reimburse $21,000 for legal fees. Additionally, the Collins Bay property is subject to a 2% NSR/gross overriding royalty and a 5% carried interest by the Vendor.

Terra Uranium Limited Option Agreements

On October 11, 2024, ATHA announced that the Company had executed a definitive option agreement with Terra Uranium Ltd. (ASX: T92) ("T92") to earn an option to acquire a 70% interest in ATHA's Spire and Horizon properties (together, the "Spire Horizon Projects") and a definitive option agreement for ATHA to earn an option to acquire up to a 60% interest in T92's Pasfield Lake property (the "Pasfield Project").

<u>Spire Horizon Option</u>

Under the option agreement, ATHA granted to T92 the sole and exclusive right and option to acquire up to a 70% interest in the Spire Horizon Projects (the "Spire Horizon Option") in consideration for T92 incurring a minimum of $4,750,000 exploration expenditures as set out below:

1. on or before December 20, 2024, at least $750,000 of statutory exploration expenditure, which must also include the costs associated with the payment for a mineral exploration assessment report (the "First Expenditure");

2. on or before September 21, 2025, additional statutory exploration expenditures of at least $1,000,000 (the "Second Expenditure");

3. On or before September 21, 2026, additional statutory exploration expenditures of at least $1,000,000 (the "Third Expenditure");

4. On or before September 21, 2027, additional statutory exploration expenditures of at least $1,000,000 (the "Fourth Expenditure"); and

5. On or before September 21, 2028, additional statutory exploration expenditures of at least $1,000,000 (the "Fifth Expenditure").

ATHA and T92 agree to form a joint venture on the Spire Horizon Projects upon the satisfaction of the First Expenditure, Second Expenditure and the Third Expenditure, with the initial interest of T92 being a 50% participating interest and ATHA's being a 50% carried interest (subject to the 5% carried interest in favor of a third party).

Upon the satisfaction of the Fourth Expenditure and the Fifth Expenditure, T92's interest will increase to a 70% participation interest and ATHA's interest will adjust to a 30% participation interest. If at any time during the period where ATHA holds a carried interest, T92 prepares and delivers a "preliminary economic assessment" prepared in accordance with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* in respect of the Spire Horizon Projects to ATHA, ATHA's carried interest may be converted into a participating interest at the election of ATHA.

<u>Pasfield Option</u>

Under the option agreement, T92 granted to ATHA four exclusive and separate rights and options to acquire undivided legal and beneficial interests in the Pasfield Project (together the "Pasfield Options" and each, a "Pasfield Option") as follows:

(i) an undivided 15% interest in the Pasfield Project, which may be exercised by either:
- (a) funding exploration expenditures totaling $1,000,000; or
- (b) successfully completing one deep hole of at least 1,000 m into the geophysical target on or before December 31, 2025;

(ii) an undivided 15% interest for a total of 30% interest in the Pasfield Project, which may be exercised by either:
- (a) funding exploration expenditures totaling $2,000,000; or
- (b) successfully completing two deep holes of at least 1,000 m into the geophysical target on or before December 31, 2026;

(iii) an undivided 15% interest in the Pasfield Project, which may be exercised by either:
- (a) funding exploration expenditures totaling $3,000,000; or
- (b) successfully completing three deep holes of at least 1,000 m into the geophysical target on or before December 31, 2027; and

(iv) an undivided 15% interest in the Pasfield Project (the "Fourth CP Option"), which may be exercised by either:
- (a) funding exploration expenditures totaling $4,000,000; or
- (b) successfully completing four deep holes of at least 1,000 m into the geophysical target on or before December 31, 2028.

After exercising each Pasfield Option and upon written notice by ATHA to T92, each undivided 15% interest in the Pasfield Project can, at ATHA's election, be converted into a 1% NSR for an aggregate maximum NSR of 4%. Upon the satisfaction of the Fourth CP Option and assuming ATHA has not converted its interests in the Pasfield Project into an NSR, the parties will be deemed to form a joint venture on the Pasfield Project with T92 holding an initial 40% participating interest in the joint venture and ATHA holding a 60% participation interest. ATHA will also have the sole and exclusive right to access and use all camp facilities located on the Pasfield Project for a daily fee to be negotiated between ATHA and T92.

(Expressed in Canadian dollars, unless otherwise noted)

ATHA ENERGY URANIUM PROPERTIES

ATHA has mineral claims totaling 7.3 million acres across Canada's three of the most prospective jurisdictions for uranium discovery and development globally. The Company's portfolio is highly diversified across the exploration risk curve with projects ranging from: the advanced exploration stage Angilak Project which host's the Lac 50 Deposit – one of the largest, highest grade uranium deposits outside of the Athabasca Basin; post discovery projects like Gemini – which contains the Gemini Mineralized Zone – a recent shallow, basement style, high-grade uranium discovery; through to highly prospective greenfields projects with numerous uranium occurrences and high-priority de-risked geophysical targets. ATHA's exploration approach is designed to provide maximum exploration exposure by investing at scale in a large number of early-stage projects, derisking those targets, and seeking to deliver advanced exploration upside through the expansion of known uranium deposits and additional discoveries. ATHA's exploration portfolio is further complimented by the Company's 10% carried interest on claims held by NexGen Energy Ltd. (TSX: NXE) and IsoEnergy Ltd. (TSX-V: ISO).

ATHA Energy Corp Holdings	
Exploration District	**Area (ac)**
North Rim (Athabasca)	760,598
Cable Bay (Athabasca)	584,473
East Rim (Athabasca)	950,671
West Rim (Athabasca)	797,370
Nunavut (Thelon and Baker Lake Basins)	2,752,024
Angilak Regional	410,611
CMB - Labrador	399,322
Totals	**6,655,069**
Carried Interest - Option Agreements	
Company	**Area (ac)**
Terra Uranium (Athabasca)	150,584
Riverboat (Athabasca)	74,707
Atha (Pasfield) (Athabasca)	118,750
Stallion (Athabasca)	438,026
Isoenergy (Athabasca)	8,800
Nexgen (Athabasca)	202,795
Totals	**993,662**

**Stallion Uranium, Terra Uranium, and Riverboat JV properties included in ATHA's 7.3 million acres of mineral claims*

Nunavut - Angilak Project

The Angilak Uranium Project was acquired in March of 2024 with the acquisition of LUR. The Company subsequently staked additional mineral claims proximal and contiguous with Angilak - the project now comprises a total area of 410,611 acres. Angilak is situated within the Angikuni Basin approximately 225 km southwest of Baker Lake in the Kivalliq Region of Nunavut. It is host to the Lac 50 Uranium Deposit, which has a 2013 historical mineral resource estimate of 43.3M lbs at an average grade of 0.69% U_3O_8 and a 2024 Exploration Target, ranging between 60.8 M lbs $U_3O_8$and 98.2 M lbs U_3O_8, with an average grade range of 0.37% $U_3O_8$and 0.48%

U_3O_8. The Exploration Target is restricted to drill results from the Lac 48, 50, 52, and 54 mineralized Trends (known as the "Lac 50 Deposit"). The Lac 50 Deposit area is prospective to host uranium mineralization in excess of the Exploration Target, with only a cumulative ~24% of the Lac 48, 50, 52, and 54 Trends having been drill tested to date. The Deposit remains open along strike and at depth, with the corridor remaining highly prospective for the discovery of additional parallel mineralized horizons. Further unrealized prospectivity is also demonstrated by numerous showings – such as the Rib, Dipole, and Nine Iron showings – at the Angilak Project outside of the Lac 50 Deposit area.

In 2024 ATHA completed a highly successful maiden exploration program at Angilak comprised of diamond drilling, geophysics, and soil sampling. The results of the 2024 program are discussed further below in this MD&A.

<u>Saskatchewan - Gemini Property</u>

With the closing of ATHA's acquisition of 92E, the Company also owns the post discovery Gemini Project. The Gemini Project is located on the eastern margin of the Athabasca Basin, 27 km southeast of the McArthur River uranium mine and 32 km northeast of the Key Lake uranium mill. Gemini consists of 13 granted mineral claims with a total area of 445.3 km. 92E conducted its first exploration on Gemini after developing targets based on VTEM (Versatile Time Doman Electromagnetic) anomalies. During the summer of 2021, 92E targeted VTEM conductors located in an up-ice direction from the historic radioactive samples identified on surface. Diamond drilling intersected uranium mineralization at the GMZ.

GMZ is a shallow (mineralization begins at <60 m depth,) basement hosted, high-grade uranium discovery. The style and geological setting of mineralization is analogous to Cameco's Rabbit Lake Mine, which produced 203 million lbs of uranium concentrate. The discovery is structurally controlled by a graphitic shear zone, hosted within meta-sediments (Psammitic through to Pelitic Wollaston Domain) lithologies, and with associated alteration halos comprised predominately of illitic clays – typical of other high-grade uranium deposits.

Successive diamond drilling exploration programs at the GMZ, conducted between 2021 through to 2023 are highlighted by high-grade uranium drill hole intersections such as: GEM22-025 intersected 43.0 m grading 0.62% U_3O_8, including 18.0 m grading 1.16% $U_3O_8$and GEM23-061 intersected 5.0 m grading 1.47% U_3O_8, including 1.5 m grading 4.69% U_3O_8 and another sub-interval of 9.66% U_3O_8 over 0.5 m.

<u>Alberta – Saskatchewan: Greenfields Exploration Properties</u>

ATHA Energy's mineral claims in Alberta and Saskatchewan are within the Athabasca Basin, home to the largest high-grade uranium deposits and mines, globally. The Company is the largest land holder within the Athabasca Basin, with projects encompassing all major producing, past producing and developing uranium mining camps within the Basin. In total, ATHA has 26 named exploration projects within four defined exploration districts: East Rim, West Rim, North Rim and Cable Bay. These projects are at the early stages of exploration; however, previous work has identified numerous prospective geophysical, geochemical, and structural anomalies across the project areas along with numerous uranium occurrences.

Historic exploration at the North Rim began in the early to mid 1900's with production ending at mines located near Uranium City, once the Eldorado mining and milling facility closed in the early 1980's. Uranium in the Beaverlodge mining district is structurally controlled with mineralization found in vein-filled fractures, breccias, and faults. The North Rim District remains highly prospective and is vastly under explored with modern exploration techniques. Furthermore, mining method innovation, proximity to surface, and the presence of existing infrastructure contribute to the prospectivity of this district.

The East Rim of the Athabasca Basin has seen intense exploration activity over the last fifty years, which has led to the discovery of numerous high-grade uranium deposits and the development of the largest high-grade uranium mines globally, such as Eagle Point, Cigar Lake and McArthur River. Of the more than one billion pounds of uranium produced or in reserve from the Athabasca Basin, the majority of those reserves are located on the eastern side of the Basin. Accordingly, the area has significant infrastructure in place to support mining and exploration activities. On the East Rim side of the Athabasca Basin uranium mineralization is typically found in two deposit types: crystalline basement-hosted or unconformity, with mineralization being structurally controlled in both occurrences.

The Cable Bay Exploration District derives its name from the Cable Bay Shear Zone ("CBSZ"), a crustal-scale structure that extends North to South across the Athabasca Basin. The CBSZ represents one of the last truly untested corridors in the Basin. During previous uranium cycles, only limited exploration activities were completed along the CBSZ. Exploration focused on the southern and northern margins of the Athabasca Basin where uranium mineralization was discovered. With the development of new technologies and a better understanding of controls on uranium mineralization the Cable Bay Exploration District has seen renewed interest, with a significant increase in exploration along the corridor. The CBSZ is highly prospective for the discovery of both unconformity and basement styles of uranium mineralization.

The West Rim Exploration District is made up of 41 tenements across 797,370 acres of ground over the Athabasca Basin in the northeast part of Alberta. Historically, exploration activities were focused on the outer edges of the Athabasca Basin as the basin morphology in this area is sloped steeply into the interior of the basin. The Alberta portion of the Athabasca basin has seen only limited exploration and has been dormant since the last uranium cycle in the early 2000's. In 2002-2003 the Maybelle River deposit was advanced from an early-stage unconformity related uranium showing.

Nunavut - Thelon and Baker Lake Basins

Beginning in October 2023 ATHA Energy began to acquire prospective uranium mineral claims in the Canadian Territory of Nunavut. The Company focused its claim staking on known uranium jurisdictions of the Thelon Basin, Baker Lake Basin, and Aberdeen (north and south). Consequently, ATHA owns 2,752,024 acres of mineral claims across five regions and is the largest land holder of prospective uranium mineral claims in the territory.

Newfoundland & Labrador – Central Mineral Belt (CMB)

The CMB Project is situated in Labrador and comprises a total of 399,322 acres. The CMB Project spans 125 km and is located adjacent to Paladin's Michelin Deposit (127.7 M lbs U3O8). The CMB Project hosts two uranium deposits with historic resources totaling 14.5M lbs U_3O_8. Additionally, over 140 prospective targets have been identified during previous regional exploration campaigns.

EXPLORATION ACTIVITIES

The Company's core objective is discovery and development of its portfolio of uranium focused projects. Post the LUR/E92 Acquisitions, ATHA's portfolio now totals 7.3 million acres across Canada's three most prospective jurisdictions for uranium discovery and development. The Company's portfolio is highly diversified across the exploration risk curve with projects ranging from: the advanced exploration stage Angilak Project, which host's the Lac 50 Deposit – one of the largest, highest grade uranium deposits outside of the Athabasca Basin; post discovery projects like Gemini – which contains GMZ – a recent shallow, basement style, high-grade uranium discovery; through to highly prospective greenfields projects with numerous uranium occurrences and high-priority de-risked geophysical targets. ATHA's exploration approach is designed to provide maximum exploration exposure by investing at scale in a large number of early-stage projects, derisking those targets, and seeking to deliver advanced exploration upside through the expansion of known uranium deposits and additional discoveries.

2024 Program: Angilak and Lac-50 Uranium Deposit, Nunavut

The 2024 Angilak exploration program consisted of diamond drilling, airborne geophysical surveys and surficial sampling and mapping programs, prioritized to expand the footprint of known uranium mineralization, while also advancing regional exploration targets.

2024 ANGILAK DIAMOND DRILL PROGRAM

The 2024 diamond drill program at the Angilak Uranium Project commenced in June and was completed by late August, with the program comprising of 25 diamond drill holes totaling of approximately 10,051 metres. All objectives were successfully achieved with the expansion of the historic footprint of mineralization along the Lac 50 Trend and the identification of new parallel mineralized trends called the Lac 48, Lac 52, and Lac 54 Trends.

The Lac 48, Lac 50 (host to the historic Lac 50 Deposit), Lac 52 and Lac 54 Trends remain open in all directions with high prospectivity for further discovery and expansion of uranium mineralization. Additionally, untested areas between the newly identified trends are also prospective for discovery of new mineralized trends. Assay results are consistent with the grade profile of the Exploration Target and are highlighted by grades of up to 5.85% U_3O_8 over 0.5 m.

Results from the 2024 diamond drill program were compiled with previous drill results culminating in the release of a third-party Technical Report (with an effective date November 25, 2024) establishing a baseline Exploration Target for the Lac 50 Deposit, ranging between 60.8 M lbs U_3O_8 and 98.2 M lbs U_3O_8, with an average grade range of 0.37% U_3O_8 and 0.48% U_3O_8. The stated potential quantity and grade is conceptual in nature, and there has not been sufficient exploration to define a mineral resource, and it is uncertain if further exploration will result in the target being delineated as a mineral resource.

2024 EXPLORATION TARGET

Understood Mineral Resources Ltd. ("UMR"), a geological consulting firm, provided ATHA with ranges for potential uranium quantity and grade as a target for further exploration on Angilak's Lac 50 Deposit. The ranges were derived from interpreted vein wireframes, drill core assays, grade interpolation/extrapolation, and applied uncertainty bandwidths.

The drillhole database provided to UMR contained reverse circulation (RC) and diamond (core) drilling. The RC drilling results were deemed to be imprecise relative to the validated core drilling results, and, thus, the RC drilling was not considered in the exploration target. A total of 615 drillholes were considered for the exploration target, representing 105,015 metres of drilling and 12,427 assay samples. Of the 615 drillholes, 453 drillholes were used to define the wireframes.

The wireframes were modelled in Seequent's Leapfrog Geo software (version 2024.1.1) using the assay results and a grade intercept limit equal to or greater than a minimum grade of 0.01% U_3O_8, although lower grades were incorporated in places to maintain continuity and represent the structural setting of the mineralized system. Extension distance for the mineralized wireframes was halfway to the next hole, or 200 metres in areas of no drilling, representing the potential at the deposit. No minimum thickness was used for modeling purposes. In total, 34 wireframes were created to represent the Lac 50 Deposit.

The wireframes were exported from Leapfrog and imported into Maptek's Vulcan software (version 2023.1). In Vulcan, uranium grade from drill core assays, after standardization and outlier management, was interpolated/extrapolated in the wireframes as informed by spatial continuity analysis. UMR applied an uncertainty bandwidth to define a range for potential uranium using the interpolated grade and average density of the wireframes as the midpoint. The well-informed portions of the wireframes with < 50 metres drillhole spacing used a bandwidth of ± 5 % tonnes and ± 15 % metal content. An uncertainty bandwidth of ± 10 % tonnes and ± 30 % metal content was used for the lesser informed wireframes with a spacing greater than 50 metres. The grade uncertainty was back calculated from the ranges in tonnes and metal content.

The Exploration Target is restricted to drill results from the Lac 48, 50, 52, and 54 mineralized Trends (known as the "Lac 50 Deposit"). The Lac 50 Deposit area is prospective to host uranium mineralization outside of the Exploration Target, with only a cumulative ~24% of the Lac 48, 50, 52, and 54 Trends having been drill tested to date.

The Lac 50 Deposit remains open along strike and at depth, with the corridor remaining highly prospective for the discovery of additional parallel mineralized horizons. Further unrealized prospectivity is also demonstrated by numerous showings – such as the Dipole and Nine Iron showings – at the Angilak Project outside of the Lac 50 Deposit area.

2024 ANGILAK SURFICIAL MAPPING

Surficial mapping was completed as part of the 2024 Angilak Exploration Program (the "Mapping Program"), which also included expansion-focused diamond drilling and geophysics. The Mapping Program has successfully achieved its objective by discovering high-grade uranium mineralization on surface beyond the extents of the Lac 50 Deposit's exploration target (the "Exploration Target"). Highlights include:

- high-grade surficial uranium mineralization was identified between Lac 48, Lac 50, Lac 52, and Lac 54 trends, collectively known as the Lac 50 Deposit, along prospective new parallel trends;

- discovery of outlined outcrops containing high-grade uranium mineralization along strike from the Lac 50 Deposit provide basis for future exploration and significantly de-risk expansion efforts; and

- identification of a zone of extensive bedrock outcrop with radioactivity up to >60,000 counts per second (cps) (>10,000 cps is indicative of high-grade uranium mineralization) over a 3 km strike length. The new discovery is located between the Mushroom Lake zone on the Lac 52 trend and the Hot zone on the Lac 54 trend. This has not been drill tested, nor was it included in the 2024 Exploration Target.

Results from the surficial outcrop mapping further demonstrate the robust metal endowment present, not only at the Lac 50 Deposit area, but throughout the entire Angilak Project. The Lac 50 Deposit remains open along strike and at depth and is highly prospective for the discovery of additional parallel mineralized horizons. Additionally, numerous uranium surficial showings – such as the Dipole and Nine Iron showings – have been made at the Angilak Project outside of the Lac 50 Deposit area, demonstrating further unrealized prospectivity at Angilak.

2024 ANGILAK MOBILE MAGNETOTELLURICS (MMT) SURVEY

The MMT survey at Angilak was completed in September of 2024 by Expert Geophysics, a company specializing in airborne geophysical surveys worldwide. The system combines the latest advances in electronics, airborne system design, and sophisticated signal processing techniques. The objectives of the MMT survey were to:

1. determine the depth extent of prospective conductive horizons hosting uranium mineralization at the Lac 50 Deposit;
2. determine the depth and lateral extent of prospective conductive horizons at regional high-grade uranium showings, such as the Nine-Iron Discovery;
3. map prospective conductors within the Angikuni sub-basin, representing high-priority Athabasca-style unconformity type targets; and

4. identify new high-priority structural targets along the margins of the Angikuni Basin

All objectives were successfully achieved with the identification of conductive lithological horizons hosting sulphides and graphite, which are known indicators for uranium mineralization across the Angilak Project, and which are analogous to Athabasca Basin style uranium deposits. A total of 5,946-line km were flown over the northern half of the Angilak Project, representing approximately 85% of the original project area, pre-2024 staking – inclusive of the Lac 48, 50, 52, and 54 mineralized trends (known as the "Lac 50 Deposit"), as well as the eastern, western and northern margins of the Angikuni Basin.

Results from the MMT survey confirmed the depth extent of the prospective conductive horizons that host uranium mineralization at the Lac 50 Deposit and Nine Iron Discovery. At the Lac 50 Deposit, the survey indicates that the prospective conductive horizons extend to 1 km in depth, while at Nine Iron Discovery, the prospective horizons extend to approximately 800 m in depth. At both areas the results demonstrate the potential for mineralization to extend well beyond the current envelops of mineralization. Additionally, along the western margin of the Angikuni Basin, a 25 km conductive trend has been identified that is more conductive than Lac 50 and Nine Iron. During the late 1970's several rounds of exploration took place along the Western Margin Trend ("WMT"), inclusive of diamond drilling, trenching and soil sampling, which resulted in the discovery of numerous uranium showings, including Rib and Yat.

2024 Program: Thelon Basin, Nunavut

During 2024 the Company completed its maiden exploration campaign at its Thelon Basin project, comprising a full-tensor gravity (FTG) aerial survey. Results form the survey are still being processed, and the Company expects to finalize its interpretations and plans for the Thelon Basin during the first half of 2025.

2024 Program: Gemini Project, Saskatchewan

At the 100%-owned Gemini Project, acquired from 92E, the Company's objective is to build upon the work completed by the 92E team. The 2024 Gemini Project Exploration Program's objective is expansion of mineralization at the GMZ and discovery of additional zones of mineralization within the GMZ Trend. The program consisted of three progressive phases designed to increase the probability of discovery and optimise capital expenditure. Phase I Geophysics was designed to provide additional data needed to identify areas of expansion at GMZ and de-risk regional targets within the GMZ Trend. Phase II Target Development and Diamond Drilling Optimization compiled all available data collected during exploration programs at the Gemini Project. The comprehensive data set was used in the development of a 3D geological model and coupled with machine learning technologies to further enhance and de-risk targets. Phase III Diamond Drilling was designed to target expansion of the mineralized footprint at GMZ and discovery of additional zones of uranium mineralization within the GMZ Trend. Phases I and II were completed during the second quarter of 2024. Phase III was completed in the third quarter of 2024, and the Company anticipates receiving assay results during the first half of 2025.

2024 Program: Athabasca Basin, Saskatchewan

The Company's 2024 Athabasca Basin Exploration Program is built upon the results from the maiden 2023 campaign, which saw the completion of 17 electromagnetic (EM) surveys within 3.8 million acres of ATHA's mineral claims located in the Athabasca Basin. The objective of the 2024 Exploration program was to further mature high-priority project areas with the use of airborne and ground geophysical surveys. The surveys targeted each of the Company's four exploration districts – i.e. North Rim, Cable Bay, East Rim and West Rim – which encompass all currently producing, past producing and developing uranium mining jurisdictions within the Athabasca Basin.

The 2024 Athabasca Basin Exploration Program was completed in the fourth quarter of 2024. The program deployed seven different airborne and ground survey types, consisting of: EM, magnetic, gravity, and ambient noise tomography (ANT). The Company anticipates receiving survey results and interpretation during the first half of 2025. The objective of the 2024 Athabasca Basin Program was to further derisk, delineate refine prospective trends and corridors, adding prospective targets to the Company's pipeline of high-priority project areas in advance of drill testing.

(Expressed in Canadian dollars, unless otherwise noted)

Joint Venture Exploration and Development Strategy

To accelerate the exploration and development of ATHA's industry leading exploration land package comprising more than 7.3 million acres of uranium prospective acreage, the Company continues to evaluate and negotiate with arms' length parties to secure funding via option agreements, earn-in/farm-outs and joint ventures.

The Company's full 2024 exploration program comprising activities in Nunavut and Saskatchewan represents one of the largest uranium focused exploration programs globally.

Qualified Person

The scientific and technical information contained in this MD&A report as it relates to the claims and projects, has been reviewed and approved by Cliff Revering, P.Eng., a "qualified person" as defined under National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*

RESULTS OF OPERATIONS

The following table highlights our quarterly results for the eight most recently completed quarters:

	Three months ended			
	December 31, 2024 $	September 30, 2024 $	June 30, 2024 $	March 31, 2024 $
Total revenue	-	-	-	-
Net loss	(4,254,448)	(946,768)	(1,787,215)	(4,421,212)
Comprehensive income / (loss)	(4,984,644)	(669,903)	(1,702,489)	(4,671,212)
Basic loss per share	(0.02)	(0.00)	(0.01)	(0.03)
Diluted loss per share	(0.02)	(0.00)	(0.01)	(0.03)

	Three months ended			
	December 31, 2023 $	September 30, 2023 $	June 30, 2023 $	March 31, 2023 $
Total revenue	-	-	-	-
Net income / (loss)	(5,999,811)	(6,449,345)	(1,536,448)	9,977
Comprehensive income / (loss)	(5,999,811)	(6,449,345)	(1,536,448)	9,977
Basic earnings (loss) per share	(0.06)	(0.05)	(0.01)	0.00
Diluted earnings (loss) per share	(0.06)	(0.05)	(0.01)	0.00

The Company's business operating activity has expanded significantly over the last eight fiscal quarters. In the second quarter of 2023 the Company completed its public listing on the CSE and began an exploration program which included undertaking the largest ever multi-platform electromagnetic ("EM") survey in the history of the Athabasca Basin. The Company's net loss in the second half of 2023 were a direct result of spending on its exploration program. In the fourth quarter of 2023, the Company executed two definitive agreements to acquire LUR and 92E. A concurrent private placement financing was also closed in the fourth quarter of 2023. Consequently, the net losses in the second half of 2023 incorporated significant expenditures relating to consulting fees, professional fees and business development fees in connection with all the activities and due diligence related to the acquisitions and execution of the financing transactions. The Company also incurred $8 million in share-based compensation in connection with options and RSUs granted to employees and consultants of the Company. In the second quarter of 2024, the Company completed its acquisition of LUR and 92E, thereby significantly increasing its mineral property footprint in Canada. As a result, the Company now holds the largest cumulative prospective exploration land package (7.3 million acres) in two of the world's most prominent basins for uranium discoveries. Significant exploration expenditures were incurred during 2024 in connection with exploration of previously held and newly acquired properties. The Company recognized $8,860,473 in share-based compensation expense in connection with options and RSUs granted in fiscal 2023. The net loss in 2024 was offset by a flow-through premium recovery of $5,334,532. In the fourth quarter of 2024, the Company recognized total expenses of $2,239,184, which was offset by a flow-through premium recovery of $1,407,700 and a deferred income tax expense of $3,475,001, resulting in a net loss of $4,254,448.

(Expressed in Canadian dollars, unless otherwise noted)

Comparative Results for the year ended December 31, 2024 and 2023

The following table presents information about the results of our operations during the years ended December 31, 2024 and 2023:

Year ended		December 31, 2024		December 31, 2023	Variance $	Variance %
Operating Expenses						
Business development		724,831		688,750	36,081	5%
Consulting and advisory fees		428,402		2,124,049	(1,695,647)	-80%
Depreciation		227,131		29,958	197,173	658%
Management and director fees		168,787		339,500	(170,713)	-50%
Marketing and shareholder relations		1,891,242		1,867,885	23,357	1%
Office and administration		706,374		233,583	472,791	202%
Professional fees		1,480,613		482,946	997,667	207%
Rent expense		52,720		-	52,720	100%
Salaries and wages		1,144,362		157,658	986,704	626%
Share-based compensation		5,172,956		8,860,473	(3,687,517)	-42%
Transfer agent and filing fees		670,937		83,424	587,513	704%
Travel		748,855		264,139	484,716	184%
Total Operating Expenses	**$**	**(13,417,210)**	**$**	**(15,132,365)**		
Other expenses						
Foreign exchange loss		(40,257)		-	(40,257)	100%
Interest expense		(659,447)		-	(659,447)	100%
Interest income		862,379		1,156,738	(294,359)	-25%
Other expense		(14,639)		-	(14,639)	100%
Loss before tax		**(13,269,174)**		**(13,975,627)**		
Flow-through premium recovery		5,334,532		-	5,334,532	100%
Deferred income tax expense		(3,475,001)		-	(3,475,001)	100%
Net loss	**$**	**(11,409,643)**	**$**	**(13,975,627)**		
Translation adjustment		21,020		-	21,020	100%
Unrealized loss on marketable securities		(639,626)		-	(639,626)	100%
Total comprehensive loss	**$**	**(12,028,249)**	**$**	**(13,975,627)**		

Overall, the Company's operations for 2024 as compared to 2023 have changed and grown significantly. This is largely due to the acquisitions of LUR and 92E. The Company incurred significantly more operating expenses in connection with the acquisitions resulting in increased expenses related to professional fees, transfer agent and filing fees, marketing and shareholder relations fees. The Company increased office, administration and business development expenses in connection with its increased corporate activities, including continued efforts to identify and assess potential exploration assets for acquisition. There was greater share-based compensation expense recognized in 2023 as compared to 2024 as there were no new issuances of stock options or RSUs in 2024. The Company significantly increased its employee headcount and had greater salary and wage expenses in 2024, including salaried key management, when compared to 2023. With the increase of salaried employees, the

Company relied less on external consultants and subsequently consulting and advisory fees were significantly lower in 2024 compared to 2023. The Company earned less interest income in 2024 compared to 2023, as it did not hold as much cash in interest bearing accounts during 2024. The Company incurred eligible expenditures in 2024 and reduced its flow-through liability to $nil as at December 31, 2024. In addition, the Company recognized a flow-through premium recovery of $ 5,334,532 in 2024 (2023 - $nil) as it incurred eligible Canadian exploration expenditures on its properties throughout the year. As the Company had just completed its flow-through financing in December 2023, no eligible expenditures were incurred, and no flow through recovery income was recognized in 2023.

As a result of the acquisition of 92E, the ATHA group of companies now includes a wholly-owned subsidiary with a functional currency denominated in Australian dollars (AUD). Subsequently, the Company realizes foreign exchange losses and translation adjustments in connection with the consolidation of its foreign subsidiary.

The Company also recorded 2024 unrealized loss on marketable securities due to fair-value remeasurements at each reporting date. In the comparative period of 2023, the Company did not hold any marketable securities.

ACQUISITION OF LATITUDE URANIUM INC.

On March 7, 2024, the Company completed its acquisition of LUR pursuant to the terms of an arrangement agreement (the "Latitude Agreement"). On closing, the Company issued 64,444,004 common shares of the Company in exchange for 100% of the issued and outstanding common shares of LUR. LUR is an entity that was incorporated on July 13, 2021, under the laws of the Province of Ontario. LUR's primary business activity prior to acquisition was the exploration of mineral properties in Canada.

Under the Latitude Agreement, LUR shareholders received 0.2769 of a common share of the Company for each LUR common share held (the "LUR Ratio"). Additionally, incentive stock option of LUR were exchanged for incentive stock options of the Company at the LUR Ratio. Similarly, LUR common share purchase warrants ("warrants") were exchanged for common share purchase warrants of the Company at the LUR Ratio. Consequently, 5,371,854 incentive stock options and 11,285,962 common share purchase warrants were issued respectively. The stock options and warrants have been recognized at fair value as determined using the Black Scholes option pricing model.

This transaction has been accounted for as an asset acquisition as LUR did not meet the definition of a "business" as defined under IFRS 3.

Purchase price consideration		
Fair value of 64,444,004 common shares issued at $0.95	$	61,221,804
Fair value of 5,371,854 stock options issued		1,676,337
Fair value of 11,285,962 warrants issued		2,316,866
Total purchase price	**$**	**65,215,007**
Total acquisition costs (i)	**$**	**414,238**
Total amount allocated to net assets acquired	**$**	**65,629,245**
Assets acquired and liabilities assumed:		
Cash and cash equivalents	$	6,346,619
Restricted cash		35,000
Receivables		297,583
Prepaid expenses		231,585
Right-of-use asset		354,090
Exploration and evaluation asset		58,873,460
Property and equipment		67,487
Accounts payable and accrued liabilities		(222,489)
Lease liability		(354,090)
Total amount allocated	**$**	**65,629,245**

(Expressed in Canadian dollars, unless otherwise noted)

(i) Acquisition costs relate entirely to legal fees incurred as part of completing the acquisition transaction. $235,368 of this balance was presented as deferred acquisition costs as at December 31, 2023.

All GIC balances are presented as cash and cash equivalents in the Company's statement of financial position as at December 31, 2024.

ACQUISITION OF 92 ENERGY LIMITED

On April 11, 2024, the Company completed its acquisition of 92E pursuant to the terms of Scheme Implementation Deed (the "Scheme"). On closing, the Company issued 65,794,682 common shares of the Company in exchange for 100% of the issued and outstanding common shares of 92E. Pursuant to the Scheme, shareholders of 92E received 0.5834 (the "92E Ratio") common shares of the Company per one 92E common share held. Prior to acquisition, 92E was an exploration stage uranium company listed on the Australian Securities Exchange (the "ASX") with a focus on exploration of its uranium exploration projects located within the Athabasca Basin region of Canada.

The Transaction has been accounted for as an asset acquisition as 92E did not meet the definition of a "business" as defined under IFRS 3.

Purchase price consideration		
Fair value of 65,794,682 common shares issued at $0.83	$	54,609,586
Total purchase price	**$**	**54,609,586**
Total acquisition costs (i)	**$**	**507,099**
Total amount allocated to net assets acquired	**$**	**55,116,685**
Assets acquired and liabilities assumed:		
Cash and cash equivalents (ii)	$	2,704,321
Receivables		304,359
Property and equipment		18,282
Exploration and evaluation assets		53,318,110
Trade and other payables		(1,228,387)
Total amount allocated	**$**	**55,116,685**

(i) Acquisition costs relate entirely to legal fees incurred as part of completing the acquisition transaction. $187,105 of this balance was presented as deferred acquisition costs as at December 31, 2023.

All GIC balances are presented as cash and cash equivalents in the Company's statement of financial position as at December 31, 2024.

LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2024, the Company had working capital of $9,815,521 (December 31, 2023 - $33,851,353). This balance includes cash and cash equivalents, and a restricted cash balance of $8,145,541 (December 31, 2023 - $37,202,911) to settle current liabilities of $1,925,216 (December 31, 2023 - $6,056,810).

The Company has not pledged any of its assets as security for loans or otherwise, and is not subject to any debt covenants.

Cash Flow Analysis

The following table summarizes our sources and uses of cash during the years ended December 31, 2024 and 2023:

(Expressed in Canadian dollars, unless otherwise noted)

Cash provided by (used in):		**December 31, 2024**		**December 31, 2023**
Operating activities	$	(10,349,150)	$	(4,208,995)
Investing activities		(18,099,963)		(18,316,430)
Financing activities		(608,257)		19,026,653
Increase (decrease) in cash	**$**	**(29,057,370)**	**$**	**(3,498,772)**

Operating Activities

Cash flows from operating activities can vary significantly from period to period as a result of the Company's working capital requirements, which are dependent primarily on exploration activities over its mineral properties, as well as corporate activities associated with executing its business strategies. Overall, the net cash used for operating activities during 2024 and 2023 was $10,349,150 and $4,208,995, respectively.

Investing Activities

Cash flows received in investing activities during 2024 was due to $6,381,619 in cash received on the acquisition of LUR, $2,704,321 in cash received on the acquisition or 92E, $3,687,399 received as a refund of mineral claim deposits previously paid, $236,200 received from the government of Newfoundland and Labrador in connection with the Company's application for grants through the Junior Exploration Assistance program and $50,000 received pursuant to the Company entering into mineral option agreements in 2024. This was offset by $30,444,726 spent on the exploration and evaluation of mineral assets, $570,974 spent to acquire mineral properties and $143,802 to acquire property and equipment.

Financing Activities

During 2023, the Company raised $19,494,532 from share issuances and $4,000,000 from subscriptions received in advance, which was offset by cash share issuance costs of $4,347,879. During 2024, the Company incurred cash share issuance costs of $551,032 in connection with private placements and financing activities from fiscal 2023 that were closed subsequent to December 31, 2023. The Company did not undertake any financing activities in 2024.

OUTSTANDING SHARE DATA

The authorized capital of ATHA consists of an unlimited number of common and preferred shares without par value. As at April 23, 2025, the Company had the following outstanding:

a) 298,136,564 common shares;
b) 10,061,991 incentive stock options to purchase common shares;
c) 3,950,000 restricted common share units; and
d) 9,245,663 warrants to purchase common shares.

There are voluntary and TSX-V-imposed resale restrictions on certain of these securities.

SHARE-BASED PAYMENT RESERVE AND CONTRIBUTED SURPLUS

On January 20, 2023, the Company adopted a new equity incentive plan (the "Equity Incentive Plan"). The Equity Incentive Plan is a 10% rolling plan that allows the Company to grant incentive stock options, deferred share units ("DSUs"), performance share units ("PSUs"), and restricted share units ("RSUs"), ("Awards").

Pursuant to the Equity Incentive Plan, the Company can grant Awards to directors, officers, employees and consultants of the Company. The maximum number of shares that may be reserved for issuance under the Equity Incentive Plan is limited to 10% of the issued common shares of the Company at any time. The vesting period for all incentive stock options is at the discretion of the Board of Directors of the Company. The exercise price of incentive stock options will be set by the Board of Directors of the Company at the time of grant and cannot be less that the discounted market price of the Company's common shares. The maximum term for all incentive stock options is 10 years.

(Expressed in Canadian dollars, unless otherwise noted)

The Equity Incentive Plan provides that the number of common shares that may be reserved for the issuance to any one individual upon exercise of all Awards held by such an individual may not exceed 5% of the issued common shares, if the individual is a director or officer, or 2% of the issued common shares, if the individual is a consultant or engaged in providing investor relations services, on a yearly basis. All incentive stock options granted under the Equity Incentive Plan will expire not later than the date that is ten years from the date that such options are granted. Incentive stock 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) 90 days from the date of death or disability. Incentive stock options granted under the Equity Incentive Plan are not transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession.

During the years ended December 31, 2024 and 2023, the Company recognized the following share-based compensation:

		December 31, 2024		December 31, 2023
Stock Options (a)	$	2,167,369	$	7,203,061
RSUs (b)		3,005,587		1,657,412
Total share-based compensation	**$**	**5,172,956**	**$**	**8,860,473**

a. Incentive stock options

The following is a summary of changes in stock options:

	Weighted average exercise price per stock option	Number of options
As at January 1, 2023	**$0.50**	**687,500**
Granted	$1.33	7,900,000
As at December 31, 2023	**$1.27**	**8,587,500**
Granted as replacement for LUR stock options	$1.16	5,371,854
Expired	$0.95	(13,844)
As at December 31, 2024	**$1.23**	**13,945,510**
Vested and exercisable as at December 31, 2024	**$1.22**	**13,912,178**

On April 20, 2023, the Company granted a total of 4,700,000 incentive stock options to certain directors, officers, and consultants of the Company, having an exercise price of $1.44 per common share, and an expiry date of April 20, 2033. 200,000 of the options vest monthly over a period of two years, and 4,500,000 vest quarterly over a period of one year.

On June 30, 2023, the Company granted a total of 1,600,000 incentive stock options to certain directors, officers, and consultants of the Company, having an exercise of $1.34 per share, and an expiry date of June 30, 2033. The options vest quarterly over a period of one year.

On December 6, 2023, the Company granted a total of 1,600,000 incentive stock options to certain directors, officers, and consultants of the Company, having an exercise of $1.01 per share, and an expiry date of December 6, 2033. The options vest quarterly over a period of one year.

On March 7, 2024, the Company granted 5,371,854 replacement stock options in connection with the LUR acquisition.

The options were fair-valued using the Black-Scholes option pricing model. The weighted average inputs used in the Black-Scholes model were as follows:

(Expressed in Canadian dollars, unless otherwise noted)

For the year ended:	December 31, 2024		December 31, 2023	
Share price on grant date	$	0.95	$	1.32
Exercise price	$	1.16	$	1.33
Risk-free interest rate		3.92%		2.96%
Expected annualized share volatility		66%		100%
Expected dividend yield		0%		0%
Expected life of options (years)		1.89		10.00
Fair value of stock option	**$**	**0.31**	**$**	**1.19**

The total fair value of options granted on the LUR acquisition was $1,676,337 and has been presented within contributed surplus as at December 31, 2024.

Stock options outstanding as at December 31, 2024 and 2023 have the following expiry dates and exercise prices:

Grant date	Expiry date	Exercise price	Stock options December 31, 2024	Stock options December 31, 2023
August 29, 2022	August 29, 2027	$0.50	687,500	687,500
April 20, 2023	April 20, 2033	$1.44	4,700,000	4,700,000
June 30, 2023	June 30, 2033	$1.34	1,600,000	1,600,000
December 6, 2023	December 6, 2033	$1.01	1,600,000	1,600,000
March 7, 2024	March 7, 2025	$0.62	948,382	-
March 7, 2024	March 7, 2025	$1.02	1,592,175	-
March 7, 2024	March 7, 2025	$1.09	415,350	-
March 7, 2024	March 7, 2025	$1.27	491,496	-
March 7, 2024	March 7, 2025	$2.53	436,116	-
March 7, 2024	February 22, 2027	$2.53	256,131	-
March 7, 2024	October 13, 2027	$2.53	13,845	-
March 7, 2024	January 6, 2028	$1.27	235,365	-
March 7, 2024	June 19, 2028	$1.02	595,335	-
March 7, 2024	November 28, 2028	$0.62	373,815	-
Total			**13,945,510**	**8,587,500**

The weighted average remaining life of outstanding stock options as at December 31, 2024 is 5.57 years (December 31, 2023 - 9.01 years).

b. Restricted share units

The Company has implemented a restricted share unit plan (the "RSU Plan") whereby the board of directors may, from time to time, grant RSUs to employees, consultants, officers or directors of the Company. The board of directors may determine the time during which the RSUs shall vest and the method of vesting, or that no vesting restriction shall exist. The following is a summary of changes in RSUs:

	Number of RSUs
As at January 1, 2022	**-**
Granted (i)	4,000,000
Balance, December 31, 2023	**4,000,000**
Exercised (ii)	(50,000)
Balance, December 31, 2024	**3,950,000**

(i) 2,300,000 RSUs were granted on June 30, 2023 to certain directors, officers and consultants of the Company. The RSUs vest one year from the date of grant.

(ii) 1,700,000 RSUs were granted on December 6, 2023 to certain directors, officers and consultants of the Company. The RSUs vest one year from the date of grant.

(Expressed in Canadian dollars, unless otherwise noted)

(iii) During the year ended December 31, 2024, the Company had 4,000,000 RSUs vest, 50,000 of which were exercised. No RSUs remain unvested as at December 31, 2024. During the year ended December 31, 2023, the Company had no RSUs that vested and 4,000,000 unvested RSUs were outstanding as at December 31, 2023.

c. Warrants

On March 7, 2024, the Company granted 11,285,962 warrants in connection with the LUR acquisition. The warrants were fair-valued using the Black-Scholes Option Pricing Model. The weighted average inputs used in the Black-Scholes model were as follows:

For the year ended:		December 31, 2024
Share price on grant date	$	0.95
Exercise price	$	1.85
Risk-free interest rate		4.08%
Expected annualized share volatility		65%
Expected dividend yield		0%
Expected life of options (years)		1.64
Fair value of stock option	**$**	**0.21**

The total fair value of warrants granted on the LUR acquisition was $ 2,316,866 and has been presented within contributed surplus as at December 31, 2024. The following is a summary of changes in warrants:

	Number of Warrants		Weighted Average Exercise Price
Balance, January 1, 2024	**-**	**$**	**-**
Issued on acquisition or LUR	11,285,962		1.85
Expired	(2,040,299)		3.66
Balance, December 31, 2024	**9,245,663**	**$**	**1.45**

Warrants outstanding as at December 31, 2024 have the following expiry dates and exercise prices:

Number of Warrants Outstanding	Number of Warrants Exercisable		Exercise Price	Expiry Date	Weighted Average Remaining Contractual Life in Years
4,229,018	4,229,018	$	1.08	November 28, 2025	0.91
443,407	443,407	$	1.26	April 5, 2026	1.26
4,573,238	4,573,238	$	1.81	April 5, 2026	1.26
9,245,663	**9,245,663**	**$**	**1.45**		**1.10**

RELATED PARTY TRANSACTIONS AND BALANCES

Key Management Compensation

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.

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.

(Expressed in Canadian dollars, unless otherwise noted)

The remuneration of directors and other members of key management personnel during the years ended December 31, 2024 and 2023 are as follows:

Exploration and evaluation expenditures (i)	$	6,765,153	$	-
Consulting and advisory fees (ii)		180,000		60,000
Management and director fees (iii)		313,087		309,500
Rent (iv)		9,288		-
Salaries and wages (v)		630,241		152,500
Share-based payments (vi)		3,478,828		5,563,081
Total	**$**	**11,376,597**	**$**	**6,085,081**

(i) Exploration and evaluation expenditures paid to the legal entity controlled by a managing director of the Company.
(ii) Consulting fees paid to the legal entity controlled by an officer of the Company.
(iii) Management and director fees paid to legal entities controlled by officers or directors of the Company, and director fees paid to the members of the Board of Directors.
(iv) Rent fees paid to a legal entity with an officer and a director in common.
(v) Salaries paid to officers of the Company.
(vi) Non-cash expense related to graded vesting of stock options and RSUs granted to directors and officers of the Company.

As at December 31, 2024, $25,665 were amounts due (December 31, 2023 - $136,500) within accounts payable and accrued liabilities to companies controlled by key management personnel or directors. There were no other related party transactions during 2024.

BUSINESS RISKS AND UNCERTAINTIES

The Company is in the business of acquiring and exploring mineral properties. It is exposed to several risks and uncertainties that are common to other mineral exploration companies in the same business. The industry is capital intensive at all stages and is subject to variations in commodity prices, market sentiment, exchange rates for currency, inflation and other risks. The Company currently has no source of revenue. The Company relies primarily on equity financings to fund exploration activities on its mineral properties.

The risks and uncertainties described in this section are not inclusive of all the risks and uncertainties to which the Company may be subject.

An investment in the Company's common shares should be considered highly speculative due to the nature of the Company's existing business and operations.

The Company requires financing in order to maintain and continue its operations

The Company's ability to continue will largely be reliant on its continued attractiveness to equity investors and its ability to obtain additional financing to maintain and grow operations. Failure to obtain sufficient financing may result in delaying, scaling back, elimination of, or indefinite postponement of, the exploration schedule and its current or future programs. Additionally, should the Company require additional capital to continue, failure to raise such capital could result in the Company going out of business. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favorable to the Company.

From time to time, the Company may issue new shares, seek debt financing, dispose of assets, or enter transactions to acquire assets or the shares of other corporations. These transactions may be financed wholly or partially with debt, which may temporarily increase the Company's debt levels above industry standards.

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 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 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
Unfavorable economic conditions may negatively impact the Company's financial viability. Unfavorable 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
Certain of the Company's mineral exploration properties are 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.

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's financial instruments are exposed to the same financial risks, including currency risk, credit risk, liquidity risk and commodity price risk as disclosed in the Company's audited financial statements for the year ended December 31, 2024.

Fair value hierarchy

The Company applied the following fair value hierarchy for financial instruments that are carried at fair value. The hierarchy prioritizes the inputs used in the valuation methodologies in measuring fair value into three levels.

The three levels are defined as follows:

- Level 1 – inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 – inputs to valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 – inputs to the valuation methodology are unobservable and significant to the fair value measurement.

As at December 31, 2024, the Company's financial instruments consist of cash and cash equivalents, restricted cash, receivables, marketable securities and accounts payable and accrued liabilities. These financial instruments are classified as amortized cost other than marketable securities, which is classified as a financial asset at FVOCI, and measured using level 1 inputs. The fair value of financial instruments other than marketable securities approximate their carrying values because of their short-term nature.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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 and warrants
Determining the fair value of stock options and warrants 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.

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 JUDGMENTS

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:

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.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The information provided in the condensed interim consolidated financial statements and the accompanying MD&A is the responsibility of management. Management is required to make a number of judgments, assumptions and estimates when preparing these financial statements and MD&A, including estimates to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on prudent judgments and have been properly reflected in the accompanying financial statements, but actual results may differ from these estimates. The estimates and underlying assumptions 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.

Management is responsible for the internal controls over the operations and financial reporting, including internal controls related to maintaining records that reflect the transactions, acquisitions, and dispositions of the assets of the Company. As all controls and processes are subject to certain limitations, management acknowledges that the internal controls may not prevent or detect all misstatements due to error or fraud.

EVENTS AFTER REPORTING PERIOD

- On November 5, 2024, the Company signed a lease amendment to increase the number of office units being leased on their office property in Saskatoon. The amendment resulted in an increase to monthly gross rent at market rates for the additional units. The lease amendments are effective January 1, 2025, subsequent to the year ended December 31, 2024. The additional office units will be accounted for as a separate lease in accordance with IFRS 16.

- On March 7, 2025, 3,883,519 stock options with exercise prices ranging from $0.62 to $2.53 expired unexercised.

- On April 22, 2025, the Company completed a private placement offering and issued:

  (i) 3,475,000 charitable federal flow-through common shares of the Company (the "CTF Shares") at an issuance price per Federal CFT Shares of $0.61; and

  (ii) 16,766,490 flow-through common shares of the Company) the "FT Shares") at an issuance price per FT Share of $0.47.

  The Company received aggregate gross proceeds of approximately $10,000,000 in the offering.