



**ATAC RESOURCES LTD.
MANAGEMENT DISCUSSION AND ANALYSIS
for the Three Months and the Six Months ended June 30, 2016
(including any Subsequent Events to August 11, 2016)**

The following discussion and analysis of the results of operations and financial condition of ATAC Resources Ltd. (“ATAC”) for the three months and the six months ended June 30, 2016 should be read in conjunction with ATAC’s audited consolidated financial statements and related notes for the twelve months ended December 31, 2015, which are prepared in accordance with the International Financial Reporting Standards (“IFRS”).

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible for ensuring that information disclosed externally, including the financial statements and this Management Discussion and Analysis (“MD&A”), is complete and reliable.

The ATAC financial statements, MD&A and all other continuous disclosure documents are filed with Canadian securities regulators and are available for review under the ATAC Resources Ltd. profile at www.sedar.com.

FORWARD-LOOKING STATEMENTS

Except for statements of historical fact, certain information contained herein constitutes forward-looking statements. Forward-looking statements are usually identified by ATAC’s use of certain terminology, including “will”, “may”, “expects”, “should”, “anticipates” or “intends” or by discussions of strategy or intentions. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause ATAC’s actual results or achievements to be materially different from any future results or achievements expressed or implied by such forward-looking statements.

Forward-looking statements are statements that are not historical facts and include but are not limited to: estimates and their underlying assumptions; statements regarding plans; objectives and expectations with respect to the effectiveness of ATAC’s business model; future operations; products and services; the impact of regulatory initiatives on ATAC’s operations; the size of and opportunities related to the market for ATAC’s products; general industry and macroeconomic growth rates; expectations related to possible joint or strategic ventures; and statements regarding future performance.

Forward-looking statements used in this MD&A are subject to various risks and uncertainties, most of which are difficult to predict and generally beyond the control of ATAC. If risks or uncertainties materialize, or if underlying assumptions prove incorrect, the actual results may vary materially from those expected, estimated or projected. ATAC undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Given these uncertainties, the reader of the information included herein is cautioned not to place undue reliance on such forward-looking statements.

DESCRIPTION OF BUSINESS

ATAC is in the business of exploring for metals and minerals with a particular emphasis on gold. It does not own interests in any producing mines. At present, management is concentrating most of its efforts on its wholly-owned Rackla Gold project in central Yukon. See “Exploration and Property Transactions” for additional information.

OVERALL PERFORMANCE

As of August 11, 2016, ATAC had no debt and had working capital in excess of its anticipated expenditures for 2016. Such expenditures include costs related to administrative overhead and future exploration programs. See “Risks and Uncertainties” for additional information.

The focus of most of ATAC’s human and financial resources is the Rackla Gold project and the included geological trends (the “Rau Trend” and the “Nadaleen Trend”). See “Exploration and Property Transactions” for additional information.

SELECTED ANNUAL INFORMATION

	December 31, 2015	December 31, 2014	December 31, 2013
Revenues	Nil	Nil	Nil
Net (Loss)	(\$1,791,192)	(\$2,490,325)	(\$2,814,918)
Net (Loss) per Share - Basic and Diluted	(\$0.02)	(\$0.02)	(\$0.03)
Total Assets	\$109,390,324	\$110,195,593	\$105,062,045
Total Long-term Financial Liabilities	Nil	Nil	Nil
Cash Dividends Declared per Share	Nil	Nil	Nil

SUMMARY FINANCIAL INFORMATION (for the eight quarters ended June 30, 2016)

The following table shows the results for the last quarter compared to those from the previous seven quarters.

Period Ending	Revenues	Net Income (Loss)	Net Income (Loss) per Share
June 30, 2016	Nil	(\$540,839)	(\$0.00)
March 31, 2016	Nil	(\$161,567)	(\$0.00)
December 31, 2015	Nil	(\$232,155)	(\$0.00)
September 30, 2015	Nil	(\$592,606)	(\$0.01)
June 30, 2015	Nil	(\$759,497)	(\$0.01)
March 31, 2015	Nil	(\$206,934)	(\$0.00)
December 31, 2014	Nil	(\$705,636)	(\$0.01)
September 30, 2014	Nil	(\$800,912)	(\$0.01)

RESULTS OF OPERATIONS

ATAC is an exploration stage company and has no operating revenues from mines. Most of its expenditures are exploration related and are capitalized (not accounted as operating expenses). The variations in losses from quarter to quarter over the previous eight financial quarters are largely attributable to variations in share-based payments, write-downs of mineral properties, gains or losses on sale or option of mineral properties and gains or losses on marketable securities.

The decrease in net loss between the quarters ended June 30, 2016 and June 30, 2015 is largely due to decreases in share-based payments and property examination costs and an increase in the value of marketable securities.

LIQUIDITY AND CAPITAL RESOURCES

As of June 30, 2016, working capital totalled \$17,018,349 compared to \$18,447,725 at June 30, 2015.

On April 22, 2016, ATAC closed a non-brokered private placement consisting of the sale of 5,000,000 flow-through common shares at \$0.65 per share, for gross proceeds of \$3,250,000. A finder's fee of \$191,100 was paid to Secutor Capital Management Corp. ("Secutor"), of Toronto, Ontario. The finder's fee represents 6% of the proceeds received from investors identified by Secutor.

The placement proceeds of \$3,250,000 are being used to incur Canadian Exploration Expenditures as defined in the Income Tax Act (Canada). All expenditures will be incurred by December 31, 2016. All shares issued under the placement will be subject to a four month hold period in Canada expiring on August 23, 2016.

As of August 11, 2016, ATAC owned marketable securities of other publicly traded junior resource companies with a total market value of approximately \$141,000. These securities were acquired by ATAC pursuant to various property option or sales agreements. See “Risks and Uncertainties” and “Forward Looking Statements” for additional information.

OFF-BALANCE SHEET ARRANGEMENTS

ATAC does not utilize off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

1. Management

During the quarter ended June 30, 2016, legal fees and disbursements totalling \$19,843 were incurred with a personal law corporation controlled by Glenn R. Yeadon (“Yeadon”), a director and Secretary of ATAC, compared to \$14,830 incurred with Yeadon in the quarter ended June 30, 2015. During the six months ended June 30, 2016, legal fees and disbursements totalling \$39,743 were incurred with Yeadon, compared to \$25,664 incurred for the six months ended June 30, 2015.

During the quarter ended June 30, 2016, accounting fees and disbursements totalling \$9,900 were incurred with Donaldson Grassi, Professional Chartered Accountants (“Donaldson Grassi”), a firm in which ATAC’s Chief Financial Officer Larry Donaldson is a partner, compared to \$8,400 incurred with Donaldson Grassi in the quarter ended June 30, 2015. During the six months ended June 30, 2016, accounting fees and disbursements totalling \$18,650 were incurred with Donaldson Grassi, compared to \$19,900 incurred for the six months ended June 30, 2015.

During the quarter ended June 30, 2016, consulting fees totalling \$10,500 were paid to Douglas O. Goss Professional Corporation (“Goss P.C.”), a private company controlled by Douglas O. Goss, a director and the Chairman of ATAC, compared to \$10,500 paid to Goss P.C. during the quarter ended June 30, 2015. During the six months ended June 30, 2016, consulting fees totalling \$21,000 were paid to Goss P.C., compared to \$21,000 paid for the six months ended June 30, 2015.

During the quarter ended June 30, 2016, consulting fees totalling \$10,500 were paid to Ian Talbot (“Talbot”), ATAC’s Chief Operating Officer compared to \$10,500 paid to Talbot in the quarter ended June 30, 2015. During the six months ended June 30, 2016, consulting fees totalling \$21,000 were paid to Talbot, compared to \$20,344 paid for the six months ended June 30, 2015.

During the quarter ended June 30, 2016, consulting fees totalling \$19,115 were paid to Carvest Holdings Ltd. (“Carvest”), a private company controlled by Robert Carne, the former President and a current director of ATAC, compared to \$45,815 paid to Carvest in the quarter ended June 30, 2015. During the six months ended June 30, 2016, consulting fees totalling \$23,790 were paid to Carvest, compared to \$57,270 paid for the six months ended June 30, 2015.

2. Archer, Cathro & Associates (1981) Limited

During the quarter ended June 30, 2016, \$447,123 in property location, acquisition, exploration, management, office rent and administration costs were billed by Archer, Cathro & Associates (1981) Limited (“Archer Cathro”), compared to \$464,636 billed by Archer Cathro for the quarter ended June 30, 2015. During the six months ended June 30, 2016, \$773,342 in property location, acquisition, exploration, management, office rent and administration costs were billed by Archer Cathro compared to \$761,889 billed for the six months ended June 30, 2015.

Included in the costs billed to ATAC by Archer Cathro during the quarter ended June 30, 2016, was \$36,040 in salary paid to Graham Downs, the President and Chief Executive Officer of ATAC compared to \$37,845 paid to Graham Downs in the quarter ended June 30, 2015. Included in the costs billed to ATAC by Archer Cathro for the six months ended June 30, 2016, was \$71,948 in salary paid to Graham Downs compared to \$70,026 paid to Graham Downs for the six months ended June 30, 2015. The only direct remuneration Graham Downs receives from ATAC is by way of stock options.

Archer Cathro is a geological consulting firm with offices in Vancouver and Squamish, British Columbia and Whitehorse, Yukon. Douglas Eaton is the President of Archer Cathro and is the President, Chief Executive Officer and a director of Strategic Metals Ltd., one of ATAC’s larger shareholders. Julia Lane is the Vice President of Exploration of ATAC and a shareholder of Archer Cathro.

Douglas Eaton and Julia Lane are not employees or directors of ATAC and do not receive any salary, bonuses or benefits directly from ATAC other than by way of incentive stock options as a consultant. Both receive indirect compensation from ATAC through their interests in Archer Cathro. This indirect compensation depends on Archer Cathro’s profitability and is highly variable, because of the cyclical nature of the mineral exploration industry. Archer Cathro’s profits are only partially derived from ATAC’s exploration activities and are strongly influenced by the amount of work it does on behalf of other companies and capital outlays it must make to sustain its business.

Archer Cathro does not: (i) own any ATAC shares or warrants; or (ii) hold any interests or royalties relating to any of the ATAC mineral properties. The majority of the ATAC mineral properties are registered in the name of Archer Cathro and are held by Archer Cathro as bare trustee for ATAC under the terms of a trust indenture. In addition to holding legal title to mineral properties for ATAC, Archer Cathro provides the following administrative services related to the ATAC mineral properties: (i) mineral tenure management; (ii) the filing of annual assessment reports; and (iii) the management of land use (exploration) permits.

ATAC has no contractual obligation to use Archer Cathro’s exploration or administrative services and Archer Cathro’s continued engagement depends entirely upon the approval of the

ATAC board of directors. Exploration and administrative activities conducted by Archer Cathro are designed and monitored by the senior management of ATAC and are approved by the ATAC board of directors. Formulation of exploration programs begins with a review of previous exploration results and assessment needs by management, who then instruct Archer Cathro geologists to prepare draft exploration programs and budgets, which are submitted to management for review and, where necessary, revised before final proposals are taken to the ATAC board of directors for consideration and approval.

The exploration and administrative fees paid by ATAC to Archer Cathro are based on a schedule of fees prepared by Archer Cathro and agreed to in advance by ATAC. These fees are periodically reviewed by Archer Cathro and independent members of ATAC board of directors to ensure that the fees are at or below industry standard rates.

Included in the fees paid to Archer Cathro for the period ended June 30, 2016 is rent for furnished space in Archer Cathro's Vancouver office. Office rental fees are charged on a month-to-month basis with no ongoing contractual obligation on the part of ATAC to continue to occupy its current office space. The monthly office rental paid by ATAC amounts to less than 20% of Archer Cathro's monthly lease costs for its Vancouver office. The rental payment also allows ATAC to use space in Archer Cathro's Squamish office and its Whitehorse office, warehouse and storage compound, at no additional cost to ATAC.

The ongoing relationship between Archer Cathro and ATAC includes access by ATAC to Archer Cathro's proprietary exploration data base. This data base has been assembled by Archer Cathro over its 50 years of operation. ATAC does not pay Archer Cathro for access to the data base and it is made available to ATAC on a voluntary, goodwill basis by Archer Cathro. Archer Cathro is paid for the time its geologists spend researching the data, but it and its geologists do not receive any cash bonuses, shares or royalty interests as compensation for access to the data base or for the identification of attractive exploration targets that result from the data base research. Most of ATAC's current mineral properties were staked or acquired on the basis of research done by Archer Cathro geologists.

RISKS AND UNCERTAINTIES

In conducting its business, ATAC faces a number of risks and uncertainties related to the mineral exploration industry. Some of these risk factors include risks associated with land title, exploration and development, government and environmental regulations, permits and licenses, competition, fluctuating metal prices, the requirement and ability to raise additional capital through future financings and price volatility of publicly traded securities.

(a) Title Risks

Although ATAC has exercised due diligence with respect to determining title to the properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. Third parties may have valid claims underlying portions of ATAC's interests. Its claims, permits or tenures may be subject to prior unregistered agreements or transfers or to native land claims. Title to the claims, permits or tenures comprising ATAC's properties may also be affected by undetected defects. If a title defect exists, it is possible that ATAC may lose all or part of its interest in the property to which such defect relates.

(b) Exploration and Development

Resource exploration and development is a highly speculative business, characterized by a number of significant risks including, but not limited to, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production.

(c) Environmental Regulations, Permits and Licenses

ATAC's operations may be subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas that 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 assessments. Environmental legislation is evolving in a manner that means standards are stricter, and enforcement, fines and penalties for noncompliance are more stringent.

(d) Competition

The mineral exploration industry is intensely competitive in all its phases, and ATAC competes with other companies that have greater financial and technical resources. Competition could adversely affect ATAC's ability to acquire suitable properties or prospects in the future.

(e) Fluctuating Metal Prices

Factors beyond the control of ATAC have a direct effect on global metal prices, which have fluctuated widely, particularly in recent years. Consequently, the economic viability of any of ATAC's exploration projects and ATAC's ability to finance the development of its projects cannot be accurately predicted and may be adversely affected by fluctuations in metal prices.

(f) Future Financings

ATAC's continued operation will be dependent in part upon its ability to generate operating revenues and to procure additional financing. To date, ATAC has done so through equity financing.

Fluctuations of global equity markets can have a direct effect on the ability of exploration companies, including ATAC, to finance project acquisition and development through the equity markets. There can be no assurance that funds from ATAC's current income sources can be generated or that other forms of financing can be obtained at a future date. Failure to obtain additional financing on a timely basis may cause ATAC to postpone exploration or development plans, forfeit rights in some or all of the properties or joint ventures, or reduce or terminate some or all of the operations.

(g) Price Volatility of Publicly Traded Securities

During recent years, global equity markets have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price that have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur.

CRITICAL ACCOUNTING ESTIMATES AND FINANCIAL INSTRUMENTS

ATAC prepares its financial statements in conformity with IFRS. ATAC lists its significant accounting policies and its financial instruments in Notes 2 and 13, respectively, to its annual audited consolidated financial statements for the twelve months ended December 31, 2015. Of the accounting policies, ATAC considers the following policy to be the most critical to the reader's full understanding and evaluation of ATAC's reported financial results.

Deferred Exploration Costs

ATAC is in the exploration stage with respect to its investment in natural resource properties and accordingly follows the practice of capitalizing all costs related to each exploration project, until such time as the project is put into commercial production, sold or abandoned. Management reviews capitalized costs on its mineral properties for signs of impairment both quarterly and annually and will recognize impairment in value based upon current exploration results and upon management's assessment of the future probability of profitable revenues from production on the property or proceeds from the sale or option of the property.

MANAGEMENT AND BOARD OF DIRECTORS

An annual general meeting of the ATAC shareholders was held on May 26, 2016 (the "AGM"). At the AGM, the following persons were re-elected as directors of ATAC for the ensuing year:

Douglas O. Goss
Robert C. Carne
Bruce Kenway
Glenn Yeadon
Bruce Youngman

Helmut Wober, a long serving director did not run for re-election at the AGM.

On June 7, 2016, Don Poirier was appointed to the ATAC board of directors.

INVESTOR RELATIONS

All investor relations functions are performed by ATAC management. Vanessa Pickering is the Manager of Corporate Communications. Ms. Pickering is an employee of Archer Cathro and the only direct remuneration she receives from ATAC is by way of stock options.

EXPLORATION AND PROPERTY TRANSACTIONS

The primary focus of ATAC is the exploration and development of the Rackla Gold project. Although no longer considered core business assets, ATAC continues to hold interests in a number of other mineral properties outside of the Rackla Gold project area.

1. Rackla Gold Project

ATAC's wholly-owned Rackla Gold project is located in the Mayo Mining District of central Yukon. The approximate centre of the project area is 100 km northeast of Keno City. The Rackla Gold project area is comprised of 8,723 mineral claims and covers an east-west extending land package approximately 185 km long by 15 km wide and covers an area of approximately 1,700 km². ATAC has acquired the claims through its own staking for the purpose of covering the projected extensions of the favourable geology in what is now referred to as the "Rackla Gold Belt".

The Rackla Gold Belt lies within a zone of regional-scale thrust faults, which imbricate basal sediments and platform carbonate rocks. The thrust panel that contains the Rackla Gold property approximately straddles the boundary between Selwyn Basin and Mackenzie Platform and contains units belonging to both tectonic elements. ATAC has carried out an aggressive geochemical sampling and prospecting program over most of the property to evaluate areas of future exploration focus.

Within the Rackla Gold Belt, ATAC has identified what are referred to as: (i) the Rau Trend; and (ii) the Nadaleen Trend. Each is described in more detail below.

(i) Rau Trend

The Rau Trend lies at the western end of the 185 km long Rackla Gold Project and consists of a 22 kilometre long geophysically and geochemically anomalous trend extending north westerly from the 63 million year old felsic Rackla Pluton. The trend hosts the Tiger Deposit as well as the Ocelot silver-lead-zinc discovery. Limited work conducted along trend of the Tiger Deposit since 2008 has led to the discovery of ten additional sediment hosted gold targets (Airstrip, Bengal, Caracal, Cheetah, Condor, Cougar, Jaguar, Panther, Puma and Serval), five gold+/- copper +/- tungsten skarn targets (Bobcat, Kathy, Hogsback, Ridgecrest and Flat Top) and numerous untested gold, gold-pathfinder and silver-lead-zinc anomalies.

Mineralization at the Rau Trend occurs within a highly prospective geological setting, situated between the regional scale Dawson and Kathleen Lakes fault zones. Mineralization styles within the Rau Trend are diverse and likely directly related to a broad hydrothermal mineralizing system centered around the Rackla Pluton, located 3 km southeast of the Tiger Deposit.

(a) Tiger Deposit

The Tiger Deposit is located approximately 55 km northeast of Keno City, Yukon. Current access is by air via a 2,500 foot airstrip located 8 km from the deposit.

The Tiger Deposit is a thick northwesterly trending body of carbonate-replacement style gold mineralization hosted by a moderately northeast dipping karsted limestone horizon. It is currently 700 m long, 100 to 200 m wide, up to 95 m thick and open to expansion down-dip and along strike to the east. Complete oxidation extends to a depth of 250 m below surface.

In 2014, ATAC completed a preliminary economic assessment of the Tiger Deposit. A technical report dated effective July 23, 2014 and entitled “Preliminary Economic Assessment NI 43-101 Technical Report on the Tiger Gold Project, Yukon Territory, Canada” (the “2014 PEA”) was filed under the ATAC profile on SEDAR (www.sedar.com) on September 4, 2014.

On May 31, 2016 released an updated preliminary economic assessment report for the Tiger Deposit, The report dated effective May 31, 2016 and entitled “Technical Report and Preliminary Economic Assessment For The Tiger Deposit, Rackla Gold Project, Yukon Territory, Canada” (the “2016 PEA”) was filed under the ATAC profile on SEDAR (www.sedar.com) on July 14, 2016. The 2016 PEA incorporated results from geotechnical and infill drilling conducted in 2015 and metallurgical studies completed in early 2016.

Tetra Tech WEI Inc. (“Tetra Tech”) (mining, processing, infrastructure, financial analysis) was contracted to complete the 2016 PEA in cooperation with Blue Coast Metallurgy Ltd. (metallurgy), Knight Piésold Ltd. (tailings), Resource Strategies (environmental and permitting), Giroux Consultants Ltd. (mineral resource) and Archer, Cathro & Associates (1981) Limited (geology, mineralization and exploration).

Key changes from the 2014 PEA consisted of the inclusion of both oxide and sulphide resources and the adoption of a simplified year-round agitated tank carbon-in-pulp (“CIP”) leaching process. The 2014 PEA only investigated the extraction of oxide resources by means of a seasonal hybrid heap-leach and agitated tank carbon-in-leach (“CIL”) process.

2016 PEA Highlights:

The 2016 PEA was completed using a base case gold price of US\$1,250/oz and a currency exchange rate of US\$0.78 equal to CA\$1.00. Unless specified otherwise, all values are shown in Canadian dollars.

- Net present value (“NPV”)_(5%) of \$106.6 million and an internal rate of return (“IRR”) of 34.8% before tax, and an NPV_(5%) of \$75.7 million and an IRR of 28.2% after tax, with an all-in sustaining cost of US\$864/oz;
- Compared to the 2014 PEA, the 2016 PEA extends the mine life by 2 years, more than doubles the pre-tax NPV_(5%) and increases the pre-tax IRR by 4.8%;
- Approximately 302,307 ounces of gold produced at an average undiluted grade of 3.81 g/t gold;
- Total project life increases to approximately 9 years, including 1 year of construction and pre-stripping followed by 6 years of owner-operated open-pit mining and 2 years of reclamation; and,
- Pre-production capital cost of \$109.4 million and life-of-mine (“LOM”) sustaining capital costs totaling \$8.3 million.

Table I: Comparison of Key Results and Parameters

	2014 PEA	2016 PEA*
Gold Price (US\$/oz)	\$1250	\$1250
Exchange Rate (US\$/CA\$)	0.92	0.78
Pre-tax NPV _(5%) (millions)	\$52.2	\$106.6
Pre-tax IRR	30.0%	34.8%
Post-tax NPV _(5%) (millions)	\$33.67	\$75.71
Post-tax IRR	21.5%	28.2%
Recovered Gold	221,558 oz	302,307 oz
Average Gold Grade	3.72 g/t	3.81 g/t
Average Oxide Recovery	89.8%	90.3%
Average Sulphide Recovery	0%	57.7%
Pre-production Capital (millions)	\$92.3	\$109.4
Sustaining Capital (millions)	\$26.5	\$8.3
Payback (pre-tax)	2.2 years	1.85 years
Payback (post-tax)	2.6 years	1.93 years
Pre-production Period	1 year	1 year
Mine Life	4 years	6.2 years
Closure Period	2 years	2 years
Project Life	7 years	9.2 years
Process	Hybrid CIL/Heap Leach	CIP
Production Rate	3,300 tpd	1,500 tpd
Operational Period	Seasonal (158 days)	Year-round (365 days)
Strip Ratio	5.6:1	4.9:1
Access Method	Winter Road	Tote Road

* The 2016 PEA does not consider silver resources.

Key Improvements over the 2014 PEA:

The 2016 PEA envisions a conventional year-round operation and has improved upon all aspects of the 2014 PEA. The key improvements include:

- Increased the pre-tax NPV_(5%) by \$54.4M;
- 36% increase in total recovered ounces;
- Project life extended by 2 years;
- Pre-tax payback period reduced to 1.85 years;
- Tote road access supports year-round operations and simplifies project logistics;
- 100% CIP process has been simplified and the conventional process allows for year-round operations and reduces LOM sustaining capital costs;

- Relocated and consolidated project infrastructure reduces overall environmental footprint and haulage costs; and,
- Year-round operations alleviate logistical and staffing challenges associated with seasonal access and seasonal operations.

Economic Results and Sensitivities

The following tables demonstrate the sensitivity of the Tiger Deposit pre-tax economics to changes to the price of gold and exchange rates. The base case, highlighted in Tables II and III below, assumes US\$1,250 per ounce of gold at a currency exchange rate of US\$0.78 equal to CA\$1.00.

Table II: Summary of Gold Price Sensitivity (US\$0.78/CA\$1.00)

Gold Price (US\$/oz)	\$1,200	\$1,250	\$1,300
Pre-tax Cumulative Net Cash Flow (\$M)	\$130.1	\$149.4	\$168.7
Pre-tax NPV _(5%) (\$M)	\$90.8	\$106.6	\$122.3
Pre-tax IRR	30.8%	34.8%	38.8%

Table III: Summary of Exchange Rate Sensitivity (US\$1,250/oz Gold)

Exchange Rate (US\$/CA\$)	0.76 US\$/CA\$	0.78 US\$/CA\$	0.80 US\$/CA\$
Pre-tax Cumulative Net Cash Flow (\$M)	\$162.0	\$149.4	\$137.4
Pre-tax NPV _(5%) (\$M)	\$116.9	\$106.6	\$96.8
Pre-tax IRR	37.4%	34.8%	32.3%

Mining and Processing

The Tiger Project has been modeled as an owner-operator, conventional truck-and-shovel open-pit mining operation with a conventional CIP gold recovery process. Year-round operations would be supported via a 68 km tote road, which connects the project to the Yukon highway system, near Keno City.

Mineralized material will be loaded into 40 tonne articulated trucks and delivered to the process plant, located 1 km southwest of the pit. High-grade mineralized material will be sent directly to the primary crusher, while low-grade stockpile material will be stored close to the primary crusher. Waste material from the pit will be stored in two waste dumps, located at the northwest and southwest sides of the pit. A total of 3.2 Mt of the Mineral Resource and 15.6 Mt of waste rock will be produced from the pit during the 7 years of mining operations and pre-stripping. The LOM average gold grade of mined oxide and sulphide resources is 4.06 g/t and 2.99 g/t, respectively. The LOM stripping ratio (defined as waste material mined divided by Mineral Resources mined) is 4.9.

Due to the soft nature of the mineralization and host rock, a single stage of crushing will be performed by a MMD sizer. Crushed material will be ground to 80% passing 75 microns using a

semi-autogenous grinding mill and a ball mill in series before cyanide leaching in a conventional CIP circuit. The leach tailings will be detoxified and stored in a lined facility within the Tiger Valley. Gold will be refined into doré bars on site through a standard adsorption, desorption and recovery treatment. Based on the results of metallurgical test work and the mining schedule, projected LOM average recoveries are 90.3% for oxide mineralization and 57.7% for sulphide mineralization.

The processing plant will operate year-round at a rate of 1,500 tonnes per calendar day, and will achieve full throughput in Year 2. Peak annual production will be approximately 86,555 oz of gold in Year 2, with a LOM average annual production of approximately 50,000 oz gold, excluding the final year which will operate for a reduced period.

Capital and Operating Costs

Total LOM capital costs are \$117.7 million, with \$109.4 million in pre-production costs and \$8.3 million in sustaining capital. To minimize initial capital costs, the 2016 PEA has assumed that modular equipment would be used where possible and that some equipment and facilities will be leased.

Project capital and operating costs are summarized below in Tables IV and V.

Table IV: Pre-Production and Sustaining Capital Costs

Area	Pre-Production (\$M)*	Sustaining (\$M)*	LOM (\$M)*
Site Infrastructure	\$8.1	-	\$8.1
Tote Road	\$11.0	-	\$11.0
Open Pit Mining**	\$13.2	\$0.03	\$13.2
Materials Crushing and Handling	\$2.0	-	\$2.0
Process Plant	\$29.7	-	\$29.7
Tailings and Water Management	\$7.9	\$6.1	\$14.0
Project Indirect Costs	\$19.8	-	\$19.8
Owner's Costs	\$1.2	-	\$1.2
Contingencies***	\$16.5	\$2.2	\$18.7
Total	\$109.4	\$8.3	\$117.7

* Totals may not add exactly due to rounding.

** Includes capitalized pre-production mining costs. Major mining equipment is leased.

*** Contingencies were factored on an area-by-area basis depending on the detail level of each estimate.

Table V: Operating Costs

Description	LOM Average
Mining Cost (\$/t mined)*	\$4.31
Processing Cost (\$/t processed)	\$26.98
General and Administrative (\$/t processed)	\$12.38
Surface Services (\$/t processed)	\$3.80
Equipment Leasing (\$/t processed)	\$1.68

* Not including capitalized pre-production mining costs

Opportunities to Enhance Value

The ATAC board and management are very pleased with the increased value of the Tiger Deposit shown in the updated 2016 PEA relative to the initial 2014 PEA and believe that opportunities exist to further enhance the economics of the project. Some key opportunities include:

- Potential to increase the resource base and life expectancy of the project with the exploration of more than 15 early-stage satellite oxide gold targets and geochemical anomalies;
- Additional geotechnical studies may permit steeper pit slopes, which would further reduce the strip ratio and could potentially allow additional known resources to be accessed;
- Additional diamond drilling within the sulphide zone would convert inferred resources to the indicated category and could potentially lead to the inclusion of additional known sulphide resources; and,
- Additional diamond drilling targeting high-grade oxide structures (including 162.0 g/t gold over 2.90 m in Rau-09-019) could better define high-grade domains for inclusion in future resource estimates.

Metallurgy

Metallurgical test work has been previously conducted in several phases on both the oxide and sulphide material, including work by G&T Metallurgical, SGS Canada, and Kappes, Cassidy & Associates in support of the 2014 PEA. Additional variability cyanide leach test work was conducted on the Tiger Deposit by Blue Coast Research Ltd. in 2016 for the 2016 PEA. Bottle roll testing was conducted on eight oxide and eight sulphide composites, and master composites samples. Samples were selected to evaluate potential variability in grade and mineralization throughout the deposit. Oxide recoveries from 24-hr bottle roll tests ranged from 77% to 98%. Sulphide recoveries from 24-hour bottle roll tests ranged from 13% to 88%.

Mineral Resources

The mineral resource estimate used in the 2016 PEA was completed by Gary Giroux, P.Eng., M.A.Sc. (Giroux Consultants Ltd.) using 6,222 assays taken from 150 diamond drill holes,

totalling 26,844 m. The effective date of the mineral resource estimate was October 28, 2015. A three dimensional solid model was constructed to constrain oxide and sulphide mineralization. Gold distribution, within the mineralized solids, was examined using a lognormal cumulative frequency plot to determine appropriate capping levels. Three metre composites were formed, honouring solid boundaries, using the capped assay data. Ordinary Kriging was used to interpolate gold and silver values into a 5x5x5 m block model.

Mineral resources are reported at a 0.5 g/t cut-off in oxides and 1.0 g/t cut-off in sulphides are reported in Table VI below. These cut-off grades were selected based on comparison to other analogous deposits.

Table VI: Combined Oxides and Sulphide Resource

Type	Classification	Au Cut-off (g/t)	Tonnes > Cut-off	Grade>Cut-off		Contained Metal	
				Au (g/t)	Ag (g/t)	Au (oz)	Ag (oz)
Oxides	Measured	0.50	2,600,000	3.10	4.77	259,100	398,700
	Indicated	0.50	1,720,000	2.47	4.10	136,300	226,700
Sulphides	Indicated	1.00	1,360,000	2.07	0.56	90,300	24,500
Total	M+I		5,680,000	2.66	3.56	485,700	649,900
Oxides	Inferred	0.50	280,000	1.52	5.67	13,700	51,000
Sulphides	Inferred	1.00	2,950,000	1.84	0.47	174,800	44,600
Total	Inferred		3,230,000	1.81	0.92	188,500	95,600

The primary difference between the mineral resource used in the 2016 PEA and the mineral resource used in the 2014 PEA is an increase in measured resources within the oxide domain. There is little difference in the total tonnes and contained ounces of gold between the two mineral resources.

Tiger Tote Road

Access to the Rau Trend and Tiger Gold Deposit, 55 km northeast of Keno City, would be by means of a tote road. ATAC intends to permit and construct the tote road to support advanced exploration activities.

The proposed tote road would branch off the Hanson Lake Road west of Keno City and is envisioned as a gated, single-lane (5 m wide) and radio-controlled road suitable for vehicles that support advanced exploration at the Tiger Deposit and throughout the Rau Trend. The total length of the tote road would be approximately 68 km and would consist of 51 km of new road and 17 km of upgraded pre-existing winter road.

For the purposes of the 2016 PEA, the full cost of the tote road is included in the pre-production capital costs.

ATAC has been active in preparing for permitting the tote road to the Rackla Gold Project. Discussions related to access and the development of the Tiger Deposit with the First Nation of

Na Cho Nyak Dun (“NNDNFN”), local communities and other interested parties has been ongoing for more than seven years. Discussions in 2016 have included several town meetings in Mayo and Keno City to present the tote road proposal. Details of this consultation can be found on ATAC’s website.

Environmental and Community Engagement

Since 2008, ATAC has completed comprehensive water, heritage, wildlife and fisheries studies. ATAC will continue environmental baseline work and ongoing studies as it advances the Tiger Deposit and other targets throughout the Rackla Gold Project.

Community and First Nation engagement began in 2008, and an Exploration Cooperation Agreement with the NNDNFN was signed in 2010. This Exploration Cooperation Agreement provides a framework within which exploration activities and environmental regulatory process on ATAC’s Rackla Gold Project have been and will continue to be carried out. The Rackla Gold Project lies exclusively within the Traditional Territory of the NNDNFN.

(b) Bengal Showing

As part of its 2015 exploration program, ATAC completed a wide spaced soil sampling grid extension southeast of the Bengal Showing which is located 3.2 km south of the Tiger Deposit. The Bengal Showing occurs within a broad intermittent gold-in-soil geochemical anomaly hosted in an underexplored package of variably calcareous siltstone sediments in a lower slope to basal stratigraphic setting. The 2012 channel sampling of an exposure of highly friable interbedded limestone and pyritic siltstone yielded numerous elevated gold results including 3.19 g/t gold over 1 m.

(c) Airstrip Anomaly

The 2015 soil sampling program was successful in identifying the Airstrip Anomaly. This broad 5 km by 2 km gold-in-soil anomaly remains open in all directions. The anomaly consists of eleven targets, based on clusters of strongly anomalous gold-in-soil values. All will receive priority follow-up work in 2016.

Figures outlining the Rau Trend gold-in-soil geochemistry and the new Airstrip Anomaly are available on ATAC’s website at www.atacresources.com.

(d) Serval Target

The Serval oxide gold target is located on a ridge top 5.8 km along trend of the Tiger Deposit. Samples of variably silicified limonitic oxide float occur in association with an area of intense calcite flooding proximal to a fault that prominently offsets stratigraphy. Gold values from hand samples collected in proximity to this fault in 2015 returned a range of values from below detection up to 1.44 g/t gold.

(e) Jaguar Target Extension

The Jaguar Target occurs 2.5 km northwest of the Tiger Deposit. Oxide mineralization was originally discovered along trend of the Tiger Deposit at the Jaguar target in 2009. Gold mineralization at Jaguar typically occurs within dense goethite-rich limonite float samples scattering the hillside over a 200 m by 300 m area. Prospecting 350 m west of this area in 2015 revealed a northwest trending linear located directly beneath a gossanous exposure. Float samples of oxidized limestone collected in this area in 2015 returned gold values between 0.01-2.55 g/t gold.

(f) Cheetah, Puma and Now Targets

Five satellite oxide gold targets have been discovered by prospecting and geochemical sampling within a five km distance of the Tiger Deposit. In 2010 four reconnaissance drill holes were completed at the Cheetah target. In 2011, three drill holes were completed at the Cheetah and Now targets. Two drill holes were also completed in 2011 at the Puma target. Low-grade gold intersections in most of these holes satisfactorily explained the targeted anomalies. Subsequent drilling has not identified any significant gold mineralization at any of the Cheetah, Puma or Now targets.

(g) Ocelot Zone

In 2010 ATAC made a significant silver-lead-zinc-indium discovery at the Ocelot target located in the western portion of the Rau Trend. It is situated in lowlands 1.5 km west of the Wind River Winter Road and 15 km northwest of the Tiger Deposit.

A total of 4,918 m in 24 holes was drilled at Ocelot during 2010 and 2011. Mineralization consists of medium to coarse grained pyrite and varying concentrations of low iron sphalerite and medium to coarse grained galena. Sulphide mineralization occurs within a steeply dipping northeast trending fault that cuts an extensive dolomite sequence locally exhibiting structural and fluidized breccias. Drilling to date has identified mineralization over a 230 m strike length and to a depth of 150 m. Mineralization remains open downdip and possibly along strike to the northeast.

In 2012, ATAC completed geophysical and geochemical surveys on the Ocelot target. No subsequent exploration has been carried out on the Ocelot Zone since 2012. A summary of assays from the drilling to date at the Ocelot Zone is available on ATAC's website at www.atacresources.com.

(ii) Nadaleen Trend

In July of 2010, the Osiris gold showing was discovered approximately 100 km to the east of the Tiger Deposit (the "Osiris Showing"). Since that time, the eastern portion of the Rackla Gold Belt has been referred to as the "Nadaleen Trend".

The Nadaleen Trend mineralization is distinctly different in character from the Tiger Deposit mineralization in that fine-grained pyrite, realgar and orpiment appear to be the primary minerals associated with gold, rather than coarse-grained pyrite and arsenopyrite. The mineralization

occurs in limestone debris flows and turbidite deposits characteristic of an offshore sedimentary environment, whereas the Tiger Deposit is hosted by shallow water dolomitized limestone. The mineralogy, chemistry and geological setting of the Nadaleen Trend Showings are characteristic of Carlin-type mineralization in contrast to the Tiger Deposit, which has characteristics of intrusive-related gold deposits.

(a) Osiris Zone

Gold mineralization at the Osiris Zone is hosted by carbonate rocks of uncertain age that are folded into a southerly plunging anticline and occurs in the form of narrow veins, veinlets, stockworks and disseminations of fine grained pyrite associated with realgar and orpiment (both are arsenic sulphide minerals) accompanied by decarbonitization, silicification and peripheral calcite flooding. The discovery has been traced for an 800 m strike length on both limbs of the fold. The strongest mineralization occurs within a 40 m wide zone that lies along the fold axis near the crest of the anticline.

Drill campaigns from 2010 through 2012 tested two distinct structural settings for Carlin-type gold mineralization: (i) the steeply dipping west limb of the anticline; and (ii) the near-surface mineralization in the south-dipping east limb. Assay results from all Osiris drilling to date can be viewed on ATAC's website at www.atacresources.com.

(b) Ibis Zone

The Ibis (formerly the Isis East) Zone is located about 500 m southwest of the Osiris Zone. Gold mineralization here is stratabound and is localized in the same southerly plunging anticline that hosts the Osiris Zone. The style of mineralization in the two zones is very similar, with the best gold grades occurring at or near the contact between silty limestone and overlying dolostone. The axial crest of the anticline contains the widest and best mineralized intervals.

Mineralization has been intersected over an unfolded strike length of 200 m to the current maximum depth of 400 m below surface. The mineralized area remains open to expansion to depth. Results from the 2011 through 2013 drill programs at the Ibis Zone can be viewed on ATAC's website at www.atacresources.com.

(c) Conrad Zone

The Conrad Zone was discovered in 2010 and it lies 1 km east-northeast of the Osiris Zone. Carlin-type mineralization at the Conrad Zone is contained within several structural and stratigraphic settings. In the Conrad Upper Zone, gold mineralization occurs along the stratigraphic contact between limestone and an overlying pyritic siltstone cap unit. The Upper Zone has been continuously traced by shallow drilling over a strike length of 800 m. The thickest and best mineralized parts of the Upper Zone occur along the crest of an anticlinal fold where OS-13-219 intersected 68.58 m of 4.23 g/t gold (from 7.62 m to 76.20 m).

Mineralization at the Conrad Middle Zone has been traced by wide-spaced drill holes for 300 m. It is characterized by alteration and mineralization within and adjacent to a relatively flat-lying fault. A solution collapse breccia body located at and above the intersection of the flat-lying fault with a near-vertical, east-west trending fracture system was identified in two drill holes in

2012. One of these holes (OS-12-116) intersected two intervals in this zone which returned 56.93 m of 4.68 g/t gold and 27.43 m of 4.09 g/t gold.

In 2013, a drill hole (OS-13-219) was collared 50 m west of the 2012 holes and tested the strike extension of the solution collapse breccia zone. The hole intersected 33.86 m of 5.40 g/t gold. Limited drilling further west intersected the mineralized flat-lying fault for a total strike length of 300 m. However, the potential strike extension of the breccia body has not been tested along the full length of the Middle Zone.

In 2014, four holes totaling 2,911m were drilled at the Conrad Zone. These holes tested the western projection of the Middle Zone. Hole OS-14-227 intersected 4.40 m grading 5.50 g/t gold and 30.79 m grading 9.50 g/t gold. Holes OS-14-228 and OS-14-229 further demonstrate the lateral continuity and high grade nature of the Middle Zone with intercepts of 40.22 m of 6.57 g/t gold and 36.57 m of 5.06 g/t gold, respectively. The fourth hole, OS-14-230 intersected two new significant gold intervals that returned 42.67 m of 3.03 g/t gold and 21.71 m of 3.15 g/t gold, beneath previously known Conrad mineralization. The intersections in the fourth hole are collectively referred to as the Conrad Lower Zone. All Conrad Zones remain open along strike and at depth.

One diamond drill hole was completed at the Conrad Zone in 2015. Hole OS-15-231 was specifically drilled to: (i) test a possible link between the Conrad Upper and Middle zones; (ii) determine the continuity of mineralization within the Upper and Middle zones; (iii) better understand the favourable near vertical contact zone between limestone and siltstone; and (iv) step out from the Conrad Lower Zone mineralization discovered in hole OS-14-230.

Hole OS-15-231 intersected 124.96 m of 3.02 g/t gold and successfully demonstrated the potential for mineralization between the Conrad Upper and Middle Zones. In addition, the hole indicated that both the limestone and siltstone are mineralized in the vicinity of the near vertical contact between the two rock units. Due to technical complications, Hole OS-15-231 was lost within the mineralized limestone/siltstone contact corridor at 482.50 m, approximately 170 m short of the expected Lower Zone target.

Results from all drilling at the Conrad Zone can be viewed on ATAC's website at www.atacresources.com.

(d) Sunrise Zone

The Sunrise Zone is located 300 m east of the main Osiris anticline zone and upslope of a strong gold-in-soil geochemical anomaly that was drill-tested late in the 2012 drill season. Mineralization in the Sunrise Zone occurs as two apparently sub-parallel zones that dip moderately south-southeast. The lower and northernmost zone of stratabound mineralization was intersected in holes OS-12-171 and OS-12-173. The best mineralized interval from the three holes completed in 2012 was intersected at the top of hole OS-12-173 where intensely decalcified limestone is adjacent to a steeply dipping fault that separates the Osiris carbonate sequence from overlying shale. The hole was collared directly within mineralization and returned 14.86 m of 10.54 g/t gold.

In 2013, ATAC completed an additional seven drill holes at the Sunrise Zone. The 2013 drilling to the east and west of the 2012 discovery hole (OS-12-173) successfully extended the strike length of mineralization to 200 m and to a depth of 250 m from surface.

Drilling in 2014 was carried out for the purpose of expanding the western end of the Sunrise Zone toward the high-grade part of the Osiris anticline. Step out drilling to the west of the 2013 holes intersected additional mineralization at depth. The higher grade part of the Sunrise Zone is a 200 m long, steeply south dipping and southwest-plunging body of stratabound, structurally controlled Carlin-type gold mineralization that remains open at depth.

Results from all drilling at the Sunrise Zone can be viewed on ATAC's website at www.atacresources.com.

(e) Anubis Area

In September of 2012, ATAC made a major new discovery of Carlin-type mineralization in the Nadaleen Trend. The new zone, named Anubis, was discovered through follow-up prospecting of reconnaissance soil geochemical sampling anomalies about 10 km west of the Osiris area.

The Anubis target area is underlain by a sequence of mid-Paleozoic carbonate rocks with interbedded calcareous siltstone and shale. Systematic grid soil sampling has identified 8 km (in cumulative length) of northwest trending linear arsenic, antimony and mercury soil geochemical anomalies with intermittently coincident gold soil response that are associated with well-defined recessive regional-scale faults.

The Anubis discovery consists of a partially exposed outcrop of highly fractured, strongly folded, silicified and decarbonated sanded limestone breccia. The breccia occurs within calcareous siltstone and shale units along one of the regional fault zones. Four samples collected along the one metre long exposure returned 139 g/t gold, 125 g/t gold, 122 g/t gold and 84.2 g/t gold.

The discovery drill hole at Anubis (AN-12-001) intersected 19.85 g/t gold over 8.51 m. Drill holes AN-12-002 and 003 targeted the on-section, downdip potential of the discovery hole. Hole AN-12-002 intersected anomalous gold intermittently throughout the hole while hole AN-12-003 intersected a broad zone of high-grade gold mineralization that yielded 9.08 g/t gold over 16.76 m (69.19 m to 85.95 m) and bottomed in 4.54 g/t gold over 1.52 m (153.01 m to 154.53 m).

Although the geometries and controls of gold mineralization at Anubis are not fully understood due to limited drilling, the zone remains open in all directions and results warrant additional drilling.

In 2013, a program of soil geochemistry, prospecting, excavator pitting and mapping successfully outlined a highly prospective 12 km² area centred within a major fault network. Six new Carlin-type gold targets (Corona, Columba, Dorado, Draco, Zodiac and Lyra) were identified. Preliminary sampling at the Dorado gold target, located 2 km northwest of the Anubis 2012 drill discovery returned assays of 4.64, 3.98, 3.54, 2.63 and 2.62 g/t gold from hand pit grab samples.

Assay results returned greater than 1 g/t gold from initial grab samples taken from test pits at the Zodiac, Corona and Draco gold targets. In addition, highlight silver values from Zodiac and Corona included 900 g/t (26.25 oz/ton) silver and 2,910 g/t (84.88 oz/ton) silver, respectively. In addition, Anubis and Ana gold targets were advanced through detailed mapping.

Follow up drilling in 2014 tested the Anubis Zone at 25 m step-outs to the north and south of the 2012 discovery hole as well as at depth. None of the three 2014 holes intersected significant gold mineralization.

The systematic 2014 exploration program was very successful in achieving ATAC's objective of tracing known gold bearing faults and identifying new mineralized crosscutting faults over the largely untested regional-scale mineralizing system that underlies the Nadaleen Trend. As with many Carlin-type deposits in Nevada, understanding mineralizing structures and where they interact with receptive calcareous host rocks is a critical step before targeting drill holes.

As part of the 2015 exploration program, ATAC completed a six week rotary air blast ("RAB") drill campaign in the Anubis Area. The drilling was carried out at the 18 sq/km Anubis Cluster located 10 km west of the Osiris cluster of gold zones. The RAB drilling successfully identified what are believed to be the bedrock sources of numerous surface soil geochemical anomalies. A number of surface anomalies remain untested.

Results from all work carried out to date in the Anubis Area can be viewed on ATAC's website at www.atacresources.com.

(f) Orion Target

The Orion target is located 300 m west of the 2012 Anubis discovery drill hole in an area of strongly anomalous gold in soil geochemical response that had not been drill tested prior to 2015. Mineralization at Orion occurs in both a debris flow-bearing fossiliferous limestone and a variably calcareous pyritic siltstone. However, mineralization is most prevalent in a highly deformed and fractured structural setting in the hanging wall pyritic siltstone assemblage where a secondary cross fault intersects the Anubis Fault.

In 2015, ARB-15-026 was the only RAB drill hole oriented north to test the pyritic siltstone. It intersected 47.24 m of 3.79 g/t gold starting at 15.24 m and continuing to the bottom of the hole.

Mapping and prospecting in the Anubis area suggests that the pyritic siltstone that hosts the most significant mineralization at Orion is a regionally extensive unit and is in contact with the Anubis Fault for a strike length of over 1.5 km. The area will receive priority follow-up work in 2016.

RAB drill results, an updated Orion target area map and RAB drill photo are available on ATAC's website at www.atacresources.com.

2016 Exploration Program

ATAC is currently carrying out a \$3,500,000 exploration program in the Rackla gold project area. The 2016 program includes the following:

- RAB drilling to follow-up the 2015 discovery hole at the Orion target;
- permitting of a 69 km tote road to the Rau trend and Tiger gold deposit;
- soil sampling around the Airstrip gold anomaly;
- detailed prospecting, trenching and mapping of all high priority gold targets within the Airstrip gold anomaly area; and
- subject to positive results and available time, RAB drill testing of Airstrip gold anomalies.

Field work began in early June and is expected to be completed by late September. The program is partially completed and the results are as follows:

(i) Airstrip Anomaly

The 2016 RAB drilling, prospecting, geological mapping and soil sampling at the Airstrip anomaly has been completed. The RAB drilling included seven shallow holes at two priority Airstrip targets. Near-surface gold mineralization was encountered at both targets and is hosted in a favourable, variably calcareous siltstone unit. Outcrop exposure is limited across the Airstrip anomaly and nine additional targets remain to be tested in the future. An updated Airstrip anomaly map can be viewed on the ATAC website (www.atacresources.com).

Highlights from the Airstrip RAB drilling are presented in the following table.

Airstrip Highlight RAB Drill Results

RAB Drill Hole	From (m)	To (m)	Interval* (m)	Gold (g/t)
ASR-16-004	53.34	59.44	6.10	1.04
<i>and</i>	67.06	68.58	1.52	0.73
<i>and</i>	70.10	71.63	1.53	1.11
ASR-16-005	6.10	12.19	6.09	0.97
<i>incl.</i>	10.67	12.19	1.52	3.68
ASR-16-006	10.67	13.72	3.05	3.75
<i>incl.</i>	10.67	12.19	1.52	6.00
<i>and</i>	51.82	65.53	13.71	1.43

* RAB drill hole intersections are drilled thicknesses. True widths are unknown.

Results from the 2016 mapping, prospecting and soil sampling are being interpreted in combination with the RAB drill information and will be used to define future drill targets.

(ii) Tiger East Exploration

2016 work in the Tiger East area included prospecting, geological mapping and sampling at a gold-in-soil geochemical anomaly located 125 m from the south-eastern limit of the proposed Tiger Deposit pit. Twenty-one oxide float composite grab samples were collected over a 150 m long area upslope of the east end of the Tiger Deposit. Ten of these samples returned values greater than 1 g/t gold. Assay values ranged from below detection up to 18.30 g/t gold.

The identification of a new area of high-grade, at-surface oxide gold mineralization is a significant exploration development for the Tiger area. Follow-up trenching and diamond drilling is warranted to determine if this mineralization could complement the current Tiger Deposit mineral resource as contained in the 2016 PEA.

Additional results from the 2016 exploration program will be reported after they have been received and interpreted by ATAC.

Analytical Procedures

Drill core samples were forwarded to ALS Minerals in Whitehorse, Y.T. or North Vancouver, B.C. where they were fine crushed before a 250 gram split was pulverized to better than 85% passing 75 microns. The pulverizing circuit was cleaned with quartz sand twice between samples. Pulps were then analysed at ALS Minerals in North Vancouver where splits of the pulverized fraction were routinely dissolved in a multi-acid solution and analyzed for 49 elements using inductively coupled plasma (ICP) together with mass spectrometry (MS) or atomic emission spectroscopy (AES). Gold analyses were by the Au-AA26 procedure that involves fire assay preparation using a 50 gram charge with an atomic absorption spectroscopy (AAS) finish. Mercury analyses were digested with aqua regia and analyzed by inductively coupled plasma mass spectrometry (ICP-MS).

Rigorous procedures are in place regarding sample collection, chain of custody and data entry. Certified assay standards, duplicate samples and blanks are routinely inserted into the sample stream to ensure integrity of the assay process.

2. Rosy Property

ATAC holds a 100% interest in the Rosy property which covers a large system of gold-silver veins located in the Whitehorse Mining District of southern Yukon. Property-wide, helicopter-borne VTEM and magnetic surveys were flown during 2007 and soil geochemical surveys, prospecting and geological mapping were conducted in July 2008. This work identified two main areas of vein mineralization and a number of gold-in-soil anomalies.

ATAC carried out further soil sampling and prospecting in 2009 and identified additional weakly mineralized veins. In July 2010 Bonaparte Capital Corp. (“Bonaparte”) conducted a two hole, 263 m diamond drill program. Results were disappointing and Bonaparte terminated its option on the property in December 2010. A small prospecting program was carried out in the early summer of 2016 and partially funded through the Yukon Mineral Exploration Program. Results are pending.

3. Connaught Property

The Connaught property is owned 100% by ATAC and is located in the Dawson Mining District in west-central Yukon. It lies immediately south of the Sixtymile placer gold camp, approximately 65 km west of Dawson City.

The property hosts a number of silver-lead-gold veins within a 13 by 5 km area of anomalous soil geochemical response which approximately coincides with a pronounced magnetic high.

Although the area has good road access, follow-up work has been limited to trenching and a few drill holes along lightly vegetated ridge tops. Where exposed, the veins are typically 0.3 to 2 m wide and grade 100 to 2,000 g/t silver with 0.3 to 2 g/t gold and 3 to 60% lead. A 218 tonne bulk sample test completed by a previous operator in 2011 averaged 2,228.5 g/t silver and 60% lead.

An \$80,000 work program at the Connaught property consisting of soil sampling, prospecting and geological mapping was completed in 2015. ATAC has received a reimbursement of approximately \$32,000 of these costs from the Yukon Government through the Yukon Mineral Exploration Program.

No work program is planned for the 2016 exploration field season.

4. Panorama Property

ATAC holds a 100% interest in the Panorama property which consists of 36 mineral claims located in Dawson Mining District of west-central Yukon. The property is a bulk-tonnage gold prospect modelled on the former Brewery Creek Mine, 15 km to the west.

Work in 2015 consisted of a helicopter borne geophysical survey. No work program is planned for the 2016 exploration field season.

4. Rusty Property (T claims)

ATAC holds a 100% interest in the 73 mineral claims comprising the Rusty property, located 125 km northeast of the community of Mayo, Yukon. The property is a silver-lead-zinc exploration target. A minor geochemical sampling program was completed in 2014.

5. Idaho Creek Property

In 2006 ATAC staked the 58 claims comprising the Idaho Creek property in the Whitehorse Mining District in west-central Yukon. The property hosts gold and silver mineralization, geophysical anomalies and extensive soil geochemical anomalies, some of which were drill tested in 2006 and 2007 under the terms of an option agreement that was terminated in November 2007. Drill results were generally disappointing and accumulated costs were written-off by ATAC.

The property was held under option by a third party during the period January 2010 through November 2014. Work in 2015 consisted of a helicopter borne geophysical survey. No work program is planned for the 2016 exploration field season.

6. Dawson Gold Joint Venture

On August 2, 2016, ATAC concluded an agreement with Arcus Development Group Inc. ("Arcus") under which Arcus will acquire ATAC's 50% interest in the Dawson Gold joint venture (the "Joint Venture"). Formed in 2012, the Joint Venture contains four mineral properties: the Dan Man, Touleary, Green Gulch and Shamrock. All four properties are located in the White Gold District of west-central Yukon with the Dan Man sharing its southern property boundary with Goldcorp Inc.'s newly acquired Coffee Gold Project.

As payment for ATAC's 50% interest in the four Joint Venture properties, Arcus will issue ATAC 10,869,910 common shares and 5,000,000 share purchase warrants. The warrants will entitle ATAC to purchase an additional 5,000,000 Arcus common shares at a price of \$0.20 per share at any time within five years of the closing of the transaction. ATAC will also retain a 1% net smelter return royalty interest in any future production from any of the four properties.

The 10,869,910 common shares being issued to ATAC will result in ATAC holding 19.99% of the Arcus issued share capital following the completion of the transaction. As a condition of the 5,000,000 share purchase warrants, ATAC is required to provide both Arcus and the TSX Venture Exchange (the "Exchange") with an undertaking that it will not exercise warrants if doing so will result in ATAC holding 20% or more of the issued Arcus share capital following the exercise of the warrants. The transaction is subject to Exchange acceptance.

The transaction remains subject to Exchange acceptance and is expected to be completed by the middle of August.

TECHNICAL REVIEW

Technical information disclosed in this MD&A has been reviewed by Julia Lane, B.Sc., P. Geo., a qualified person for the purposes of National Instrument 43-101. Julia Lane is a geological consultant to and the Vice President of Exploration of ATAC.

SUBSEQUENT EVENTS

On July 14, 2016, ATAC filed an updated preliminary economic assessment report related to its Tiger deposit. See "Tiger Deposit" for additional information.

On August 2, 2016, ATAC agreed to sell its Dawson Gold joint venture interests to Arcus. See "Dawson Gold Joint Venture" for additional information.

SHARE CAPITAL INFORMATION

Shares

The authorized share capital of ATAC consists of the following classes of shares:

- (a) an unlimited number of common shares without par value; and
- (b) an unlimited number of Class A preferred shares with a par value of \$1.00 each.

As of August 11, 2016, there were 122,794,577 ATAC common shares issued and outstanding.

Stock Options

As of August 11, 2016, ATAC had outstanding stock options to acquire 8,555,000 common shares as follows:

Number of Options Outstanding	Exercise Price	Expiry Date
1,840,000	\$1.80	January 29, 2018
2,195,000	\$0.75	February 3, 2019
1,800,000	\$0.75	January 23, 2020
2,470,000	\$0.31	January 21, 2021
250,000	\$0.76	June 7, 2021
8,555,000		

Warrants

As of August 11, 2016, ATAC had no outstanding warrants to acquire common shares.

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CORPORATE INFORMATION

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Glenn R. Yeadon, Vancouver, B.C.	Secretary and Director
Robert C. Carne, Burnaby, B.C.	Director
Bruce J. Kenway, Calgary, Alberta	Independent Director
Bruce A. Youngman, Surrey, B.C.	Independent Director
Don Poirier, West Vancouver, B.C.	Independent Director
Graham N. Downs, Squamish, B.C.	President and Chief Executive Officer
Ian J. Talbot, North Vancouver, B.C.	Chief Operating Officer
Larry B. Donaldson, Port Moody, B.C.	Chief Financial Officer
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