



**ATAC RESOURCES LTD.  
MANAGEMENT DISCUSSION AND ANALYSIS  
for the Three Months and the Nine Months ended September 30, 2014  
(including any Significant Subsequent Events to November 13, 2014)**

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The following discussion and analysis of the results of operations and financial condition of ATAC Resources Ltd. (“ATAC”) for the three months and the nine months ended September 30, 2014 should be read in conjunction with ATAC’s unaudited interim consolidated financial statements and related notes for the nine months ended September 30, 2014 and the audited consolidated financial statements and related notes for the twelve months ended December 31, 2013, 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 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](http://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. Forward-looking statements in this MD&A are not a prediction of future events or circumstances and those future events or circumstances may not occur. 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 operations. 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 November 13, 2014, ATAC had no debt and had working capital in excess of its anticipated expenditures for 2014. 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, 2013	December 31, 2012	December 31, 2011
Revenues	Nil	Nil	Nil
Net (Loss)	(\$2,814,918)	(\$7,468,607)	(\$24,828,755)
Net (Loss) per Share - Basic and Diluted	(\$0.03)	(\$0.08)	(\$0.26)
Total Assets	\$105,062,045	\$92,913,743	\$75,935,416
Total Long-term Financial Liabilities	Nil	Nil	Nil
Cash Dividends Declared per Share	Nil	Nil	Nil

Total assets have increased year over year mainly due to proceeds received from equity financings. For the most part, funds from such financings have been spent on property acquisition and exploration, which are capitalized.

**SUMMARY FINANCIAL INFORMATION (for the eight quarters ended September 30, 2014)**

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

<b>Period Ending</b>	<b>Revenues</b>	<b>Net Income (Loss)</b>	<b>Net Income (Loss) per Share</b>
September 30, 2014	Nil	(\$800,912)	(\$0.01)
June 30, 2014	Nil	(\$793,201)	(\$0.01)
March 31, 2014	Nil	(\$190,576)	(\$0.00)
December 31, 2013	Nil	(\$335,500)	(\$0.00)
September 30, 2013	Nil	(\$869,020)	(\$0.01)
June 30, 2013	Nil	(\$1,286,611)	(\$0.01)
March 31, 2013	Nil	(\$323,787)	(\$0.00)
December 31, 2012	Nil	(\$1,804,332)	(\$0.02)

**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, gains or losses on sale or option of mineral properties and gains or losses on the sale of marketable securities.

Net loss decreased in the quarter ended September 30, 2014 compared to that in the quarter ended September 30, 2013 is net of deferred tax consequences and is due mainly to a decrease in office and administration costs and share-based compensation.

**LIQUIDITY AND CAPITAL RESOURCES**

As of September 30, 2014, working capital totalled \$20,482,266 compared to \$19,953,635 at September 30, 2013.

As of November 13, 2014, ATAC owned marketable securities of other publicly traded junior resource companies with a total market value of approximately \$134,983. 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.

As a condition of a March 22, 2013 private placement, Agnico Eagle Mines Limited (“Agnico Eagle”) holds the right to participate in any equity financings undertaken by ATAC prior to March 23, 2015. This right to participate in ATAC financings is subject to Agnico Eagle holding

not less than five percent of the issued and outstanding ATAC common shares at the time of such financing.

## **TRANSACTIONS WITH RELATED PARTIES**

### **1. Management**

During the quarter ended September 30, 2014, legal fees and disbursements totalling \$6,548 were incurred with a personal law corporation controlled by Glenn R. Yeadon (“Yeadon”), a director and Secretary of ATAC, compared to \$3,755 incurred with Yeadon in the quarter ended September 30, 2013. During the nine months ended September 30, 2014, legal fees and disbursements totalling \$79,990 were incurred with Yeadon, compared to \$52,088 incurred with Yeadon for the nine months ended September 30, 2013.

During the quarter ended September 30, 2014, accounting fees and disbursements totalling \$9,000 were incurred with Donaldson Grassi, Chartered Accountants (“Donaldson Grassi”), a firm in which ATAC’s Chief Financial Officer Larry Donaldson is a partner, compared to \$8,500 incurred with Donaldson Grassi in the quarter ended September 30, 2013. During the nine months ended September 30, 2014, accounting fees and disbursements totalling \$32,500 were incurred with Donaldson Grassi, compared to \$31,175 incurred with Donaldson Grassi for the nine months ended September 30, 2013.

During the quarter ended September 30, 2014, 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 Chairman of ATAC, compared to \$15,000 paid to Goss P.C. during the quarter ended September 30, 2013. During the nine months ended September 30, 2014, consulting fees totalling \$31,500 were paid to Goss P.C., compared to \$45,000 paid to Goss P.C. for the nine months ended September 30, 2013.

During the quarter ended September 30, 2014, consulting fees totalling \$10,500 were paid to Ian Talbot (“Talbot”), ATAC’s Chief Operating Officer compared to \$9,625 paid to Talbot in the quarter ended September 30, 2013. During the nine months ended September 30, 2014, consulting fees totalling \$31,062 were paid to Talbot, compared to \$28,656 for the nine months ended September 30, 2013.

### **2. Archer, Cathro & Associates (1981) Limited**

During the quarter ended September 30, 2014, \$956,436 in property location, acquisition, exploration, management, office rent and administration costs were billed by Archer, Cathro & Associates (1981) Limited (“Archer Cathro”), compared to \$1,304,127 billed by Archer Cathro for the quarter ended September 30, 2013. During the nine months ended September 30, 2014, \$1,833,728 in property location, acquisition, exploration, management, office rent and administration costs were billed by Archer Cathro compared to \$2,657,526 billed for the nine months ended September 30, 2013.

Included in the costs billed to ATAC by Archer Cathro for the quarter ended September 30, 2014, was \$27,800 in consulting fees paid to Robert Carne, the President and a director of ATAC compared to \$27,540 paid to Robert Carne in the quarter ended September 30, 2013. Included in the costs billed to ATAC by Archer Cathro for the nine months ended September 30, 2014, was

\$96,645 in consulting fees paid to Robert Carne compared to \$97,665 paid to Robert Carne for the nine months ended September 30, 2013. The only direct remuneration Robert Carne receives from ATAC is by way of stock options.

Included in the costs billed to ATAC by Archer Cathro during the quarter ended September 30, 2014, was \$33,665 in salary paid to Graham Downs, the Chief Executive Officer of ATAC compared to \$33,059 paid to Graham Downs in the quarter ended September 30, 2013. Included in the costs billed to ATAC by Archer Cathro for the nine months ended September 30, 2014, was \$100,965 in salary paid to Graham Downs compared to \$99,309 paid to Graham Downs for the nine months ended September 30, 2013. 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.

Douglas Eaton is not an employee, officer or director of ATAC and does not receive any salary, bonuses or benefits directly from ATAC other than by way of incentive stock options as a consultant. Mr. Eaton receives indirect compensation from ATAC through his interest 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. Mr. Eaton's interest in Archer Cathro has varied between 20 and 100% at various times since he became a partner in 1981 and currently stands at 49.5%.

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 September 30, 2014 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 48 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**

ATAC prepares its financial statements in conformity with IFRS. ATAC lists its significant accounting policies in Note 2 to the annual audited consolidated financial statements for the twelve months ended December 31, 2013. Of these 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**

There were no changes to the ATAC board of directors or management during the quarter ended September 30, 2014.

On June 24, 2014, the ATAC shareholders ratified a shareholder rights plan (the "Plan"). The purpose of the Plan is to encourage the fair and equal treatment of shareholders in connection with any take-over bid for ATAC's outstanding securities and will provide the board of directors with additional time to assess the advantages and disadvantages of any particular offer, and to seek out alternative proposals in the best interests of all shareholders. The full text of the Plan is available under the ATAC profile at [www.sedar.com](http://www.sedar.com) or upon request by contacting ATAC.

On June 24, 2014, the ATAC board of directors readopted the advance notice policy (the "Policy") originally adopted on May 29, 2013. The Policy requires advance notice to ATAC in circumstances where nominations of persons for election to the board of directors are made by shareholders of ATAC other than pursuant to: (i) a requisition of a meeting made pursuant to the provisions of the Business Corporations Act (British Columbia) (the "Act"); or (ii) a shareholder proposal made pursuant to the provisions of the Act. The full text of the Policy is available under the ATAC profile at [www.sedar.com](http://www.sedar.com) or upon request by contacting ATAC.

### **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. See "Liquidity and Capital Resources" for additional information.

### **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. Wholly-owned Properties

### (a) 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 over 8,000 mineral claims and covers an east-west extending land package approximately 185 km long by 15 km wide. With the addition of 499 additional claims staked in 2012, the property covers an area of approximately 1,700 km<sup>2</sup>. 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 consists of a 22 kilometre long geophysically and geochemically anomalous trend extending north westerly from a high-level intrusive centre. The Tiger Deposit and the Ocelot Zone, each described in more detail below are both located within the Rau Trend.

In 2006 ATAC staked its initial Rau claims to cover a strong gold and tungsten stream sediment anomaly. Follow-up prospecting identified showings containing several metals, including gold and tungsten, within a broad thermal aureole developed around a high-level granitic intrusive complex of Early Tertiary age. During 2007, soil geochemical surveys, prospecting, mapping, and helicopter-borne VTEM and magnetic surveys were conducted. The highlight from that program was the discovery of a 600 m long by 150 to 300 m wide, gold-arsenic soil geochemical anomaly that contains values ranging from 100 to 11,700 ppb gold over backgrounds of less than 10 ppb. Drilling of that anomaly in 2008 resulted in the discovery of the Tiger Deposit.

#### (1) Tiger Deposit

At the Tiger Deposit, gold occurs with pyrite, arsenopyrite, pyrrhotite, bismuthinite and scheelite, which wholly or partially replace dolomitized limestone. Exploration in 2009 and 2010 focussed on the northwest half of the Tiger Deposit where complete oxidation of sulphide minerals is present to depths exceeding 285 m from surface. Drilling prior to 2010 identified three mineralized units that are stacked about 60 m apart. The middle unit, known as the "Discovery Horizon", was the principal focus of exploration activity from 2008 to 2010.

The Discovery Horizon has been traced approximately 650 m along strike and ranges in thickness from 15 to 96 m. Typically it contains sections that grade in excess of 3 g/t gold, which are surrounded by lower grade material. The mineralization exhibits excellent lateral

continuity. The best oxide intercept to date averaged 24.07 g/t gold over 28.04 m, while the best sulphide interval graded 4.04 g/t gold over 96.01 m. The Discovery Horizon remains open along strike in both directions and downdip to the northeast.

The potential of other stacked horizons has only been partially assessed. Drilling from 2008 to 2010 consisted of 133 holes totalling 26,166 m. No diamond drilling was carried out during any of the 2011 through 2014 field seasons.

### **Preliminary Economic Assessment**

On July 23, 2014, ATAC announced the completion of a positive preliminary economic assessment (the “PEA”) for the oxide portion of the Tiger Deposit. The independent qualified persons responsible for preparing the PEA were Kappes Cassiday & Associates (KCA) (metallurgy, processing, infrastructure, financial analysis) in co-operation with Tetra Tech Inc. (mining), Giroux Consultants Ltd. (mineral resource), Resource Strategies (environmental and permitting) and Dr. Gerald G. Carlson, Ph.D., P.Eng. (history, geology, drilling).

Unless specified otherwise, all values are shown in Canadian dollars using a currency exchange rate of CDN\$1 to US\$0.92. Highlights in the PEA (using a gold price of US\$1,250 per ounce):

- Conventional open-pit mining with single-stage, low-intensity crushing followed by size classification - no grinding or agglomeration needed;
- Life-of-mine (LOM) production of 2.06 million tonnes of oxide material at an average diluted grade of 3.72 grams per tonne gold;
- Overall gold recoveries of 89.8 per cent from hybrid heap-leach (87.8-per-cent recovery) and agitated tank (91.0-per-cent recovery) carbon-in-leach (CIL) process;
- Four-year, seasonal operation with LOM production of 221,558 ounces of gold;
- Pretax net present value (NPV) of \$52.1-million at a 5-per-cent discount rate and internal rate of return of 30 per cent with an all-in sustaining cash cost of gold production of \$626 –per-ounce;
- At a \$1,350-(U.S.)-per-ounce gold price, the pretax NPV increases to \$72.6-million at a 5-per-cent discount rate and IRR of 39.5 per cent;
- Pit slope engineering, Tiger Deposit infill drilling and exploration of numerous untested nearby oxide targets have the potential to enhance the value of the project economics.

### **Economic Results and Sensitivities**

The following table demonstrates the sensitivity of the Tiger Deposit economics to the price of gold. A US\$1,250 per ounce price was used as the base case and is highlighted in the table.

<b>Gold Price US\$/oz</b>	<b>\$1,100</b>	<b>\$1,250</b>	<b>\$1,350</b>	<b>\$1,500</b>
Pre-Tax Cumulative Net Cash Flow \$M	\$36.7	\$72.7	\$96.6	\$132.6
Pre-Tax NPV (5% discount rate) \$M	\$21.4	\$52.1	\$72.6	\$103.3
Pre-Tax IRR	15.5%	30.0%	39.5%	53.5%
Pre-Tax Payback (years)	2.9	2.2	1.8	1.3
After-Tax Cumulative Net Cash Flow	\$26.3	\$51.0	\$67.3	\$91.5

After-Tax NPV (5% discount rate) \$M	\$12.6	\$33.7	\$47.5	\$68.0
After-Tax IRR	11.2%	21.5%	27.9%	37.2%
After-Tax Payback (years)	3.2	2.6	2.3	1.9

### Mining and Processing

The Tiger Deposit has been modeled as an open-pit mining operation with a hybrid heap leach and CIL gold recovery process. A summary of: (i) gold production and processing metrics; (ii) pre-production costs; and (iii) operating costs are presented in the following tables.

### Projected Production and Processing Summary

Total Process Feed	2.06 million tonnes		
Processing Rate (158 days per year)	3,300 tonnes/day		
LOM Strip Ratio	5.6:1		
Proportional Processing Feed	<b>Heap Leach (42%)</b>	<b>CIL (58%)</b>	<b>Combined Average or Total</b>
Average Process Feed Grade	3.45 g/t Au	3.91 g/t Au	3.72 g/t Au
Average Recovery	87.8%	91.0%	89.8%
Average Annual Production LOM (oz)	21,132	34,257	55,389
Total Production (oz)	84,528	137,029	221,558

*Silver is a minor by-product of gold production with an assumed recovery of 19% and process feed grade of 5 g/t. Total recovered silver ounces over LOM is 63,057 oz.*

### Pre-Production and Sustaining Capital Costs (Millions)

Capital Costs	Pre- Production	Sustaining capital	LOM
Site Infrastructure	\$1.7		\$1.7
Heap Leach/Tailings*	\$5.7	\$20.4	\$26.1
Mining Equipment	\$10.1	\$1.7	\$11.8
Pre-Stripping & Stockpiling	\$10.5		\$10.5
Process Plant	\$40.3		\$40.3
Contingency (20%)	\$11.6	\$4.4	\$16.0
Indirect costs	\$12.3		\$12.3
<b>Total**</b>	<b>\$92.3</b>	<b>\$26.5</b>	<b>\$118.8</b>

\* Pre-production and annual heap leach cell and tailings development

\*\* Totals may not add exactly due to rounding

## Operating Costs

Operating Costs	LOM Average
Mining Costs* (\$/tonne mined)	\$4.46
Processing (\$/tonne processed)	\$20.10
G & A (\$/tonne processed)	\$7.11

\* Not including capitalized pre-production mining costs

## Project Description

The Tiger Deposit is located approximately 55 km northeast of Keno City, Yukon. Access to the Tiger Deposit would be by a proposed 51.6 km winter road that utilizes 24.6 km of the existing and permitted Wind River Winter Trail. The deposit is currently accessed by air via a 2,500 foot airstrip located 8 km from the deposit.

An owner-operated open-pit mine, with one year of pre-stripping followed by four years of production is envisioned in the PEA. Average annual production would be approximately 55,389 oz gold with year one production projected to be 78,500 oz gold. A total of 2.06 million tonnes of oxide material at an average diluted grade of 3.72 g/t would be extracted by hydraulic excavator. Based on a geotechnical study, no blasting of mineralized material would be necessary due to its highly weathered and sandy nature. Mining and stockpiling would take place year-round, while processing of mineralized material would occur during May through September (158 days annually) at a rate of 3,300 tonnes per day.

Processing has been designed to begin near the open-pit where material would be fed into a single skid-mounted low-intensity mineral sizer. Material would then be transported downhill by overland conveyor to a modular processing facility to be scrubbed and sized into two size fractions. The study proposes a hybrid approach where approximately 42% of the material (+0.212 mm) would be sent to the heap leach facility. The remaining 58% (finer material) would be sent to the CIL plant. A 50 day heap leach cycle has an estimated gold recovery of 87.8% while the retention time for the CIL plant is 24 hours with an estimated gold recovery of 91.0%.

All major project components for the Tiger Deposit would be engineered and constructed to achieve efficient closure. Heap leach cells would be built annually and progressively reclaimed, while the tailings facilities would be expanded annually and fully reclaimed at closure.

## Opportunities to Enhance the Project

ATAC is encouraged by the base case results from the PEA and believes that opportunities exist that could greatly enhance the economics of the project. Some key opportunities include:

- Future geotechnical studies may permit steeper pit slopes, which could potentially capture a greater percentage of the presently known resource and/or reduce the strip ratio;
- Trade-off studies between owner-operator and contract mining or mining fleet leasing could decrease pre-production capital;
- Resource expansion and upgrading inferred resources to the indicated category may be achieved with a modest drill program; and,
- Significant potential exists to increase the resource base and life expectancy of the project with the exploration of a number of untested satellite oxide gold targets and geochemical anomalies.

## Environment and Community Engagement

Since 2007, the Company has completed comprehensive environmental, water, heritage, geotechnical and metallurgical studies which have resulted in a highly advanced project at the PEA stage. Due to the nature of the geology of the deposit and environmental studies completed to date, permitting would likely be without significant problems.

Community and First Nation engagement began in 2008 with the first Exploration Cooperation Agreement with the First Nation of Na Cho Nyäk Dun (“NND”) signed in 2010. This Exploration Cooperation Agreement with the NND was recently renewed and provides a framework within which exploration activities and environmental regulatory processes 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 NND.

### Going forward

The Company will continue with environmental baseline work and ongoing studies while it explores opportunities to advance or monetize the Tiger Deposit through sole development, joint venture or outright sale.

## Project Mineral Resources

Gold occurs in both sulphide and oxide mineralization within the Tiger Deposit. The PEA considers the oxide portion of the deposit. The following two tables show the oxide only resource used for the PEA and the oxide plus sulphide resources for reference only.

### Tiger Deposit Oxide Only Resource

Category	Cut-off grade (g/t) (Au)	Tonnes	Grade (g/t) (Au)	Ounces (Au)
Indicated	1.60	2,470,000	4.25	337,500
Inferred	1.60	180,000	3.00	17,400

### Tiger Deposit Oxide Plus Sulphide Resource

Category	Cut-off grade (g/t) (Au)	Tonnes	Grade (g/t) (Au)	Ounces (Au)
Indicated	1.60	3,260,000	3.85	403,500
Inferred	1.60	1,570,000	2.44	123,200

The PEA is based on a 43-101 compliant mineral resource estimate completed by Gary Giroux, P.Eng., M.A.Sc. (Giroux Consultants Ltd.) who is a qualified person and independent of ATAC, based on the criteria defined by National Instrument 43-101. Quality control data generated during the various drill programs conducted at the Tiger Deposit were independently reviewed by Giroux Consultants Ltd. as part of the resource study. The full report dated effective November 15, 2011 and titled "*Preparation of the Tiger Zone Mineral Resource Estimate*" was filed under the ATAC profile on SEDAR ([www.sedar.com](http://www.sedar.com)) on December 1, 2011.

It should be noted that this PEA is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that the PEA forecast will be realized or that any of the resources will ever be upgraded to reserves. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. A NI 43-101 technical report for the Tiger Deposit PEA was filed under the ATAC profile on SEDAR ([www.sedar.com](http://www.sedar.com)) and on ATAC's website ([www.atacresources.com](http://www.atacresources.com)) on September 4, 2014.

(2) 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. It was identified by a natural spring gossan and vegetation kill zone measuring approximately 300 by 150 m. ATAC staked the gossan in 2008 as part of its district-wide land acquisition program to secure the on-strike continuation of favorable host rocks of the Rau Trend.

A total of 3,785 m in 19 holes was drilled in 2011 at Ocelot. 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 during the 2013 or 2014 field seasons. A summary of assays from drilling to date at the Ocelot Zone is set out below:

**OCELOT DRILL INTERSECTIONS**

Hole #	Dip	From (m)	To (m)	Interval (m)	Silver (g/t)	Lead (%)	Zinc (%)	Lead + Zinc (%)
OC-11-06	-50	154.82	160.83	6.01	23.86	0.08	8.83	8.91
OC-11-07	-70	192.02	203.90	11.88	58.03	2.01	12.41	14.42
OC-11-09	-70	109.73	151.45	41.72	145.43	3.36	11.65	15.01
OC-11-10	-50	56.96	120.40	63.44	73.81	2.44	8.18	10.62
OC-11-11	-50	32.19	70.10	37.91	188.07	8.69	6.06	14.75
OC-11-12	-70	58.40	85.23	26.83	71.66	2.22	13.61	15.83
OC-11-13	-65	169.16	182.88	13.72	174.18	6.39	8.55	14.94
OC-11-14	-50	46.05	81.69	35.64	46.43	1.36	8.12	9.48
OC-11-16	-50	48.38	83.95	35.57	56.53	1.63	9.73	11.36
OC-11-17	-70	83.40	96.01	12.61	34.13	1.02	12.48	13.50
OC-11-18	-50	77.72	106.75	29.03	121.12	0.51	1.28	1.79

- *The reported intersections are drilled thicknesses. True thicknesses are believed to be approximately 75 to 100% of the intersected widths.*

## Cheetah Target

Five satellite oxide gold targets have been discovered by prospecting and geochemical sampling within a five km distance of the Tiger Deposit. In 2010, reconnaissance drilling on one of these targets (Cheetah) intersected 1.29 g/t gold over 16.90 m, starting at 104.90 m in hole CH-10-04. The true width of the mineralization in hole CH-10-04 is believed to represent approximately 60% of the reported interval. The three other holes drilled in 2010 to test the Cheetah Target did not intersect significant gold mineralization.

During July and August 2011, ATAC was active at the Cheetah Zone as well as two other exploration targets in the Tiger Zone area. Three holes totalling 483 m were drilled on the Cheetah Zone. Two holes totalling 342 m were drilled on the nearby and similar Puma Target. The Now gold soil geochemical anomaly, located approximately 2 km west of the Puma Target was also tested with 3 holes totalling 796 m. Low-grade gold intersections in most of the holes satisfactorily explain the targeted anomalies. No drilling was carried out on the Cheetah or other nearby gold exploration targets during any of 2012 through 2014 field seasons.

### (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”). This eastern portion of the Rackla Gold Belt is now referred to as the “Nadaleen Trend”.

The Osiris Showing area was initially staked in 2009 to cover a 17 km long mountain range where five of six stream sediment samples in the federal government stream sediment database were highly anomalous for arsenic. Follow up reconnaissance-scale stream sediment sampling in 2009 identified several areas that warranted additional exploration, in particular one 2 km long tributary of one of the anomalous drainages that is characterized by stream sediment gold values ranging from trace to 2 g/t gold. Prospecting in the headwaters of this creek revealed gold mineralization over a wide area.

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.

## Osiris Zone

Mineralization 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 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 breccia zone that lies along the fold axis near the crest of the anticline.

The 2010-2012 drill holes at the Osiris Zone have tested two distinct structural settings for Carlin-type gold mineralization, the steeply dipping west limb of the anticline and near-surface mineralization in the south-dipping east limb. Significant assays from the Osiris Zone drilling are tabulated below:

### **SELECTED OSIRIS ZONE ASSAY RESULTS**

<b>Hole ID</b>	<b>From (m)</b>	<b>To (m)</b>	<b>Interval (m)</b>	<b>Au (g/t)</b>
<i>OS-10-001</i>	56.08	121.28	65.20	4.65
<i>OS-11-023</i>	15.24	56.39	41.15	2.48
<i>OS-11-031</i>	39.62	71.63	32.01	4.25
<i>OS-11-055</i>	1.42	27.54	26.12	6.08
<i>OS-11-057</i>	1.75	23.77	22.02	4.14
<i>including</i>	3.96	14.63	10.67	7.18
<i>and</i>	179.22	183.79	4.57	3.73
<i>and</i>	226.70	233.05	6.35	3.85
<i>OS-11-080</i>	24.39	44.20	19.81	5.07
<i>OS-11-082</i>	134.11	178.31	44.20	4.41

- *The reported intersections are drilled thicknesses. True thicknesses are believed to be approximately 75 to 100% of the intersected widths.*

The 50 to 100 m wide zone of Osiris gold mineralization parallels bedding along the west limb of the Osiris anticline, near the contact between reactive silty limestone beds and an overlying dolostone unit. Drilling traced gold mineralization on the west limb of the fold for a total of 700 m and for a total of 500 m vertically.

Near-surface stratabound mineralization has been traced by drilling over a 50 by 150 m area in the moderately south dipping eastern limb of the Osiris anticline where silty limestone and limestone debris flow units are partially replaced by silica sinter and realgar. The mineralized zone is open to expansion along strike to the east and downdip to the south. Previously reported intersections of this style of mineralization include 35.08 m of 2.31 g/t gold in hole OS-10-002.

Partial to complete oxidation is present up to 90 m vertically from surface at Osiris ridge on both limbs of the fold.

#### Isis East Zone

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. Style of mineralization in the two zones is very similar, with 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. Significant results of 2011, 2012 and 2013 drilling at the Isis East Zone are tabulated below.



### ISIS EAST ZONE ASSAY RESULTS

Hole ID	From (m)	To (m)	Interval (m)	Au (g/t)
<b>OS-11-038</b>	39.01	48.16	9.15	2.76
<b>OS-11-040</b>	95.40	133.50	38.10	3.33
<i>including</i>	110.64	125.88	15.24	6.77
<b>OS-11-046</b>	12.80	20.00	7.20	1.79
<b>OS-11-073</b>	17.37	69.19	51.82	3.13
<i>including</i>	57.00	67.76	10.76	12.52
<b>OS-12-091</b>	198.73	212.45	13.72	5.14
<b>OS-12-097</b>	31.39	55.78	24.39	5.58
<i>including</i>	42.06	54.25	12.19	9.96
<b>OS-12-125</b>	92.35	125.88	33.53	3.68
<b>OS-13-207</b>	217.93	239.80	21.87	2.62

- *The reported intersections are drilled thicknesses. True thicknesses are believed to be approximately 75 to 100% of the intersected widths.*

Mineralization has been intersected over an unfolded strike length of 200 m to the current maximum depth of 350 m below surface. The mineralized area remains open to expansion to depth.

#### Conrad Zone

The Conrad Zone 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 Upper Conrad 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 between Sections C100E and C900 E. 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) on Section C600E.

Mineralization at the Lower Conrad 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. On Section C650E, two 2012 drill holes discovered 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. 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.

Hole OS-13-219, which was collared 50 m west of C650E, is the only hole that has tested the strike extension of the solution collapse breccia zone and it returned 33.86 m of 5.40 g/t gold. Limited drilling further west has intersected the mineralized flat-lying fault for a total 300 m strike length; however, the potential strike extension of the breccia body has not been tested along the full length of the Lower Zone.

Four holes totaling 2,911m were drilled at the Conrad Zone in 2014. The four holes tested the western projection of the Lower Zone on Sections C475E to C400E. Hole OS-14-227 on Section C475E intersected 4.40 m grading 5.50 g/t gold and 30.79 m grading 9.50 g/t gold. Holes OS-14-228 (Section C450E) and OS-14-229 (Section C425E) further demonstrate the lateral continuity and high grade nature of the Lower 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 final hole, OS-14-230 (Section C400E) 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. Both Upper and Lower Conrad Zones remain open along strike and at depth.

### **SIGNIFICANT CONRAD ZONE DRILL RESULTS**

<b>Hole ID</b>	<b>From (m)</b>	<b>To (m)</b>	<b>Interval (m)</b>	<b>Au (g/t)</b>
<i>OS-11-010</i>	176.15	291.08	114.93	3.15
<i>OS-11-014</i>	86.87	99.06	12.19	10.54
<i>OS-11-030</i>	179.83	252.98	73.15	3.05
<i>OS-11-051</i>	259.99	275.23	15.24	6.92
<i>OS-11-058</i>	147.22	188.37	41.15	7.33
<i>OS-11-062</i>	83.21	142.65	59.44	4.32
<i>OS-12-098</i>	90.76	131.06	40.30	10.10
<i>OS-12-103</i>	34.44	80.50	46.06	11.24
<i>OS-12-105</i>	253.45	278.89	25.44	4.45
<i>OS-12-114</i>	66.19	109.12	42.93	18.44
<i>OS-12-116</i>	256.95	313.88	56.93	4.68
<i>and</i>	324.00	351.43	27.43	4.09
<i>OS-12-117</i>	315.97	338.63	22.66	5.98
<i>OS-12-130</i>	60.53	115.21	54.86	4.32
<i>OS-12-141</i>	40.54	56.84	16.30	15.73
<i>OS-12-148</i>	18.29	33.53	15.24	8.68
<i>OS-12-149</i>	291.00	304.19	13.19	7.02
<i>and</i>	409.84	438.30	28.46	5.20
<i>and</i>	526.69	551.08	24.39	4.38
<i>OS-12-163</i>	9.14	28.15	19.01	6.60
<i>OS-12-165</i>	13.72	79.25	65.53	2.53
<i>OS-12-168</i>	18.29	92.96	74.67	3.08
<i>OS-12-169</i>	14.69	44.81	30.12	8.38
<i>OS-12-170</i>	340.76	383.44	42.68	6.19
<i>OS-12-183</i>	92.35	122.83	30.48	8.60
<i>and</i>	131.98	156.36	24.38	9.08
<i>OS-13-219</i>	7.62	76.20	68.58	1.23
<i>and</i>	274.62	308.48	33.86	5.40
<i>OS-14-227</i>	434.12	438.52	4.40	5.50
<i>and</i>	452.80	483.59	30.79	9.50
<i>OS-14-228</i>	321.50	361.72	40.22	6.57
<i>and</i>	426.72	451.10	24.38	3.00
<i>OS-14-229</i>	281.86	301.10	19.24	4.21
<i>and</i>	448.06	484.63	36.57	5.06
<i>OS-14-230</i>	624.84	667.51	42.67	3.03
<i>and</i>	697.62	719.33	21.71	3.15

- *The reported intersections are drilled thicknesses. True thicknesses are believed to be approximately 75 to 100% of the intersected widths.*

### Sunrise Zone

The Sunrise Zone is a new area located 300 m east of the main Osiris anticline zone and upslope of a strong gold-in-soil geochemical anomaly that had not been drill-tested until 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 (see table below). The best mineralized interval from the three holes 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.

#### **SIGNIFICANT SUNRISE ZONE DRILL RESULTS**

<b>Hole ID</b>	<b>From (m)</b>	<b>To (m)</b>	<b>Interval (m)</b>	<b>Au (g/t)</b>
<b>OS-12-171</b>	3.66	14.33	10.67	3.19
<i>and</i>	30.50	36.00	5.50	10.17
<b>OS-12-173</b>	0.99	15.85	14.86	10.54
<i>and</i>	72.24	85.95	13.71	4.47
<b>OS-13-200</b>	148.18	151.18	3.00	5.28
<i>and</i>	175.73	176.78	1.05	11.95
<b>OS-13-201</b>	197.59	210.31	12.72	9.49
<b>OS-13-206</b>	120.70	135.94	15.24	9.83
<b>OS-13-208</b>	90.98	103.75	12.77	6.29
<b>OS-14-225</b>	319.13	331.32	12.19	3.09
<b>OS-14-226</b>	288.04	298.70	10.66	3.45

- *The reported intersections are drilled thicknesses. True thicknesses are believed to be approximately 75 to 100% of the intersected widths.*

On August 14, 2013 ATAC reported the results from the first seven 2013 diamond drill holes completed at the Sunrise Zone. The 2013 drilling to the east and west of the 2012 discovery hole (OS-12-173) has extended the strike length of mineralization to 200 m and to a depth of 250 m from surface.

Phase one of the 2014 exploration program included diamond drilling to expand 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 in 2014 intersected additional mineralization at depth (see the above table: Significant Sunrise Zone Drill Results). The higher grade part of the Sunrise Zone is a 100 to 150 m long, steeply south dipping and southwest-plunging body of stratabound, structurally controlled Carlin-type gold mineralization that remains open at depth.

### Anubis Area

On September 17, 2012, ATAC announced that it had made a major new discovery of Carlin-type mineralization in the Nadaleen Trend. The new zone, named Anubis, was discovered by prospecting follow-up 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 outcrop consists of a partially exposed outcrop of highly fractured, strongly folded, silicified and decarbonatized 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.

Diamond drill holes AN-12-002 and 003 targeted the on-section, downdip potential of the Anubis discovery hole AN-12-001 that intersected 19.85 g/t gold over 8.51 m. 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. The reported intersections in AN-12-003 are drilled thickness and are believed to represent approximately 50 to 85% true width. Follow up drilling tested the Anubis Zone at 25 m step-outs to the north and south of AN-12-003 as well as at depth. None of the three 2014 holes intersected significant gold mineralization.

Soil geochemistry, prospecting, excavator pitting and mapping in 2013 outlined a highly prospective 12 km<sup>2</sup> area centred within a major fault network. Six new Carlin-type gold drill 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.

Trenching and geochemical sampling in 2014 outlined a cumulative strike length of 8 km of elevated pathfinder element+gold response in overburden and bedrock along favourable northwest-trending extensional faults. The anomalies and elevated gold response are strongest where major and secondary faults intersect and they occur with well-developed Carlin-type hydrothermal alteration. The associated fault zones are considered to be feeder fault systems. The overall 18 km<sup>2</sup> geochemical footprint of the Anubis area, together with peripheral occurrences of high-grade silver-lead-gold mineralization at the Corona and Zodiac targets, suggests a very large Carlin-type system. Within this system, ten priority exploration targets have been identified for follow-up drilling.

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. The focused 2014 exploration program at Anubis generated a large amount of exploration data that will be compiled to prioritize future drill targets.

### 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 aqua regia 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 finish. Mercury analyses were performed using atomic absorption spectroscopy (AAS).

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.

#### (b) **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. No exploration work has been carried out on the Rosy property since 2010.

#### (c) **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.

The only work done on the Connaught property since 2011 was a modest program of reclamation completed by ATAC in 2012, however, the property continues to have exploration potential.

**(d) 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.

No work was carried out on the property in 2013 or 2014.

**(e) 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.

**2. Dawson Gold Joint Venture**

ATAC and Arcus Development Group Inc. (“Arcus”) each hold a 50% interest in the Dawson Gold joint venture. The joint venture was established on February 21, 2012 following the exercise of a property option by Arcus and its acquisition of a 50% interest in the Dawson Gold mineral properties.

The Dawson Gold joint venture land package consists of four claim blocks located in the Whitehorse and Dawson Mining Districts of west-central Yukon, adjacent to or near the White Gold and Black Fox properties of Kinross Gold Corporation (“Kinross”) and the Coffee property of Kaminak Gold Corporation (“Kaminak”).

Work programs in 2009 through 2011 by Arcus under the option phase of its agreement with ATAC resulted in the identification of multiple geochemical anomalies on the Dawson Gold Project properties. During the summer of 2011, Arcus drill tested a number of the coincident geophysical and geochemical anomalies at each of the Dan Man and Touleary properties. A volcanogenic massive sulphide discovery was made at the Touleary property.

Small work programs in 2012 and 2013 consisted of hand pit testing and expanded soil grids at Touleary and ridge crest soil sampling at Shamrock. The budget for the 2012 and 2013 programs were approximately \$100,000 each and were jointly funded by ATAC and Arcus. No field work was carried out by the joint venture in 2014.

**3. Property Interests under Option****(a) 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.

By Agreement dated January 19, 2010, ATAC granted Golden Predator Canada Corp. (“GPCC”) (formerly, True North Mining Corp.) and its parent company Americas Bullion Royalty Corp. (“Americas Bullion”), an option to acquire a 100% interest in the Idaho project, in consideration of aggregate staged payments totalling \$120,000 and 150,000 Americas Bullion common shares, by January 19, 2016. Should GPCC exercise the option and acquire a 100% interest in the property, ATAC will retain a 2% net smelter return royalty interest in the proceeds from any commercial production (the “Idaho NSR”). GPCC would have the right at any time to purchase one-half of the Idaho NSR for \$500,000. \$100,000 of the total cash option payments made by GPCC to ATAC will represent an advance Idaho NSR payment. On the commencement of commercial production from the Idaho property, GPCC will be entitled to reimbursement of the advance Idaho NSR payment prior to being obligated to make Idaho NSR payments to ATAC.

GPCC is not required to incur any exploration expenditures on the property in order to exercise its option under the January 19, 2010 agreement. ATAC is not aware of any work completed during the years 2010 through 2014. To date, ATAC has received aggregate cash payments of \$72,500 and an aggregate 150,000 Americas Bullion shares.

By way of corporate reorganization completed in April 2014, Americas Bullion became Till Capital Ltd. (“Till”). As part of the reorganization, all Americas Bullion shareholders received 0.01 restricted Till shares for each Americas Bullion share held. As of November 13, 2014, ATAC held 375 Till restricted shares.

## **TECHNICAL REVIEW**

Technical information disclosed in this MD&A has been reviewed Robert C. Carne, M.Sc., P. Geo., a director of ATAC and a qualified person for the purpose for the National Instrument 43-101.

## **SUBSEQUENT EVENTS**

On October 7, and 28, 2014, ATAC announced results from its 2014 exploration program at the Rackla Gold Project. See Exploration and Property Transactions” 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 September 30, 2014 and November 13, 2014, there were 117,794,577 common shares issued and outstanding.

### **Stock Options**

As of November 13, 2014 ATAC had outstanding stock options to acquire 8,953,000 common shares as follows:

<b>Number of Options Outstanding</b>	<b>Price</b>	<b>Expiry Date</b>
1,080,000	\$1.40	January 12, 2015
100,000	\$1.49	June 16, 2015
1,285,000	\$1.80	March 11, 2016
100,000	\$2.60	January 20, 2017
2,142,000	\$3.00	March 23, 2017
20,000	\$1.70	December 14, 2017
1,860,000	\$1.80	January 29, 2018
2,300,000	\$0.75	February 3, 2019
<b>8,887,000</b>		

### **Warrants**

As of November 13, 2014, ATAC had the following outstanding warrants to acquire 1,890,720 common shares:

<b>Number of Warrants Outstanding</b>	<b>Price</b>	<b>Expiry Date</b>
1,890,720	\$2.70	March 27, 2015



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#### CORPORATE INFORMATION

Douglas O. Goss, Q.C., Edmonton, Alberta	Chairman of the Board and Director
Robert C. Carne, Burnaby, B.C.	President and Director
Graham N. Downs, Squamish, B.C.	Chief Executive Officer
Ian J. Talbot, North Vancouver, B.C.	Chief Operating Officer
Larry B. Donaldson, Port Moody, B.C.	Chief Financial Officer
Glenn R. Yeadon, Vancouver, B.C.	Secretary and Director
Bruce J. Kenway, Calgary, Alberta	Independent Director
Helmut H. Wober, Port Moody, B.C.	Independent Director
Bruce A. Youngman, Surrey, B.C.	Independent Director

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