



**ATAC RESOURCES LTD.
MANAGEMENT DISCUSSION AND ANALYSIS
for the Three Months ended March 31, 2018
(including any Significant Subsequent Events to May 16, 2018)**

The following discussion and analysis of the results of operations and financial condition of ATAC Resources Ltd. (“ATAC”) for the three months ended March 31, 2018 should be read in conjunction with ATAC’s audited consolidated financial statements and related notes for the twelve months ended December 31, 2017 and the interim financial statements for three months ended March 31, 2018. All ATAC financial statements 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 property in central Yukon. See “Exploration and Property Transactions” for additional information.

OVERALL PERFORMANCE

As of May 16, 2018, ATAC had no debt and had working capital in excess of its anticipated expenditures for all of 2018. 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 property, which includes the Rau, Orion, and Osiris projects. See “Exploration and Property Transactions” for additional information.

SELECTED ANNUAL INFORMATION

	December 31, 2017	December 31, 2016	December 31, 2015
Revenues	Nil	Nil	Nil
Net (Loss)	(\$4,434,097)	(\$663,155)	(\$1,791,192)
Net (Loss) per Share - Basic and Diluted	(\$0.03)	(\$0.01)	(\$0.02)
Total Assets	\$121,797,151	\$113,163,451	\$109,390,324
Total Long-term Financial Liabilities	Nil	Nil	Nil
Cash Dividends Declared per Share	Nil	Nil	Nil

Total assets increased from 2016 to 2017 mainly due to proceeds received from equity financings, which have been used, for the most part, to fund property acquisition and exploration, both of which are capitalized.

SUMMARY FINANCIAL INFORMATION (for the eight quarters ended March 31, 2018)

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
March 31, 2018	Nil	(\$637,844)	(\$0.00)
December 31, 2017	Nil	(\$2,284,688)	(\$0.01)
September 30, 2017	Nil	(\$2,128,152)	(\$0.02)
June 30, 2017	Nil	(\$386,715)	(\$0.00)
March 31, 2017	Nil	\$365,458	\$0.00
December 31, 2016	Nil	(\$17,317)	(\$0.00)
September 30, 2016	Nil	\$56,568	\$0.00
June 30, 2016	Nil	(\$540,839)	(\$0.00)

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 marketable securities.

The difference in the net loss for the quarter ended March 31, 2018, compared to the net income for the quarter ended March 31, 2017, was approximately \$1,003,000. This was caused by an increase in losses from marketable securities by approximately \$1,008,000 and an increase in stock based compensation expense by approximately \$108,000. Deferred income tax expense decreased by approximately \$113,000 over 2017, resulting in a deferred income tax recovery for 2018.

LIQUIDITY AND CAPITAL RESOURCES

(a) Working Capital

As of March 31, 2018, working capital totalled \$14,298,842 compared to \$15,996,572 at March 31, 2017.

(b) Private Placement

On May 9, 2018, ATAC announced a non-brokered private placement offering of up to \$3,000,000. The placement will consist of the sale of up to 5,000,000 flow-through shares at a price of \$0.60 per share. The flow-through funds will be used to finance a portion of the 2018 exploration program at ATAC's Rackla Gold property in Yukon Territory.

The placement is subject to Exchange acceptance and is expected to close on or before May 31, 2018. Finders' fees may be paid on a portion of the placement.

(c) Equity Portfolio

As of May 16, 2018, ATAC owned marketable securities of other publicly traded junior resource companies with a total market value of approximately \$714,000. 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 March 31, 2018, legal fees and disbursements totalling \$16,173 were incurred with a personal law corporation controlled by Glenn R. Yeadon ("Yeadon"), a director and Secretary of ATAC, compared to \$13,253 incurred with Yeadon in the quarter ended March 31, 2017.

During the quarter ended March 31, 2018, accounting fees and disbursements totalling \$13,500 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 \$8,750 incurred with Donaldson Grassi in the quarter ended March 31, 2017.

During the quarter ended March 31, 2018, 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 March 31, 2017.

During the quarter ended March 31, 2018, 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 March 31, 2017.

During the quarter ended March 31, 2018, consulting fees totalling \$1,160 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 no fees paid to Carvest during the quarter ended March 31, 2017.

During the quarter ended March 31, 2018, consulting fees totalling \$3,000 were paid to Bruce Kenway (“Kenway”), a director of ATAC, compared to no fees paid to Kenway during the quarter ended March 31, 2017.

During the quarter ended March 31, 2018, salary in the amount of \$60,130 was paid to Graham Downs (“Downs”), the President and Chief Executive Officer of ATAC, compared to salary in the amount of \$60,274 paid to Downs in the quarter ended March 31, 2017.

2. Archer, Cathro & Associates (1981) Limited

During the quarter ended March 31, 2018, \$203,432 in property location, acquisition, exploration, management, office rent and administration costs were billed by Archer, Cathro & Associates (1981) Limited (“Archer Cathro”), compared to \$258,762 billed by Archer Cathro for the quarter ended March 31, 2017.

Archer Cathro is a geological consulting firm with offices in Vancouver and Squamish, British Columbia and Whitehorse, Yukon. Douglas Eaton is a director 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 is the managing director 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 consultants. 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 based on 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 the 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 approvals (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, ATAC management and independent members of ATAC board of directors to ensure that the fees are commercially competitive based on industry standard rates.

Included in the fees paid to Archer Cathro for the three months ended March 31, 2018 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 investors have shifted more attention to precious metals and the market prices of securities of some mineral exploration companies have risen. However, mineral exploration activities remain at low levels and share prices could fall again if metal demand decreases. There can be no assurance that market prices for securities of mineral exploration companies will continue to improve in the short or intermediate term.

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 15 respectively, to its annual audited consolidated financial statements for the twelve months ended December 31, 2017. 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

Effective February 9, 2018, Vanessa Pickering resigned as the ATAC Manager of Corporate Communications. Effective March 1, 2018, Matthew Keevil was hired as the ATAC Vice President of Corporate Affairs. No other changes to the ATAC management or board of directors occurred during the three months ending March 31, 2018.

INVESTOR RELATIONS

All investor relations functions are performed by ATAC management and employees.

EXPLORATION AND PROPERTY TRANSACTIONS

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

1. Rackla Gold Property

ATAC's Rackla Gold property 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 property area is comprised of 8,739 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 underlying the Rackla Gold property.

The Rackla Gold property 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.

From east to west, the Rackla Gold property has been divided into three separate project areas: (a) the Osiris project, which hosts the Conrad, Osiris, Sunrise and Ibis Carlin-type gold zones; (b) the Orion project, which is subject to an earn-in agreement with Barrick; and (c) the Rau project, which hosts the Tiger Gold Deposit. Each of the three projects is discussed below.

The gold mineralization identified to date in both the Osiris and Orion project areas is generally characterized by fine-grained pyrite, realgar and orpiment which appear to be the primary minerals associated with gold. The mineralization occurs in limestone debris flows and turbidite deposits characteristic of an offshore sedimentary environment. The mineralogy, chemistry and geological setting of both the Osiris and Orion project areas are characteristic of Carlin-type mineralization.

(a) Osiris Project

The Osiris project is located at the eastern end of the Rackla Gold property. Gold mineralization in the Osiris project area was first discovered in July of 2010 at the Osiris gold showing. Since 2010, ATAC has identified four mineralized zones within the Osiris property area: (i) Osiris; (ii) Ibis; (iii) Conrad; and (iv) Sunrise. Each of these zones is summarized below.

(i) Osiris Zone

Gold mineralization at the Osiris Zone is hosted by Neoproterozoic carbonate rocks that are folded into a southerly plunging anticline and occurs in the form of narrow stylolites, 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 2017 included a total of 63 holes (16,321 m) and 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.

Drilling in 2017 tested the favourable limestone and overlying dolostone units in proximity to faults that offset the Osiris stratigraphy. Drilling was also completed to confirm continuity of the mineralizing system to the north where wide-space drilling in 2011 initially identified the mineralizing trends. The Osiris drill results released to date confirm good continuity of the mineralization along the western limb of the Osiris Anticline. Mineralization appears to be most strongly developed near stratigraphic boundaries where mineralizing fluid-flow can become focused. Hole OS-17-237 intersected 17.16 m of 2.89 g/t gold within mineralized fractures that developed on the periphery of one of the Osiris cross faults. Hole OS-17-239 intersected 13.89 m of 1.85 g/t gold in a more strongly faulted section of the host limestone unit. Hole OS-17-244 demonstrated focused fluid-flow along a stratigraphic contact between limestone and mudstone returning 12.19 m of 9.60 g/t gold. Hole OS-17-258 returned 16.46 m of 5.29 g/t gold in fine crackle brecciation of the Osiris limestone unit. This intersection was the deepest test of the Osiris Zone to date.

Assay results from all Osiris drilling released to date can be viewed on ATAC's website at www.atacresources.com.

(ii) Ibis Zone

The Ibis Zone is located approximately 500 m southwest of the Osiris Zone. Gold mineralization here is stratabound and is localized in the same southerly plunging anticlinal structural setting 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.

Drilling to date includes a total of 26 holes (6,574 m) and 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. Two soil geochemical anomalies located to the east and west of the currently drilled areas that have not been fully-tested. No diamond drilling was completed at Ibis in 2017.

Results from all Ibis Zone drilling to date can be viewed on ATAC's website at www.atacresources.com.

(iii) Conrad Zone

The Conrad Zone is the most advanced zone within the Osiris project area. To date a total of 50,220 m of drilling in 123 holes has been completed.

Carlin-type mineralization at the Conrad Zone is contained within three 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 where the thickest mineralization occurs along the crest of an anticlinal fold. The Upper Zone has been continuously traced by shallow drilling over a strike length of 800 m. Mineralization in the Upper Zone remains open along strike.

Mineralization at the Conrad Middle Zone is characterized by strong alteration and mineralization within multiple stacked, flat-lying bodies proximal to a laterally extensive, near vertical siltstone-limestone contact. Only 300 m of the presently known 800 m long favourable siltstone-limestone contact has been tested. Mineralization in the Middle Zone remains open along strike and at depth.

The Conrad Lower Zone is marked by two new significant gold intervals that returned gold values beneath the Conrad Middle Zone. Mineralization in the Lower Zone remains open along strike and at depth.

Drilling at the Conrad Zone in 2017 was focused on targeting cross-faults, including the 350 and 650 Faults that are thought to be part of the hydrothermal plumbing system that introduced gold mineralization into Conrad. Results of the drilling completed to date suggest that both the 350 and 650 Faults play a significant role in the mineralizing system at Conrad.

Hole OS-17-232 intersected mineralization in proximity to the vertical 350 Fault beneath the north-dipping Nadaleen Fault and returned 12.19 m of 5.97 g/t gold including a higher-grade interval of 7.54 m of 8.59 g/t gold. This intersection is hosted in the Conrad limestone unit and represents a previously unknown area of mineralization. Further to the south, hole OS-17-233 intersected 67.06 m of 3.35 g/t gold at the contact between the Conrad limestone and overlying siltstone in proximity to the 350 Fault. The preliminary drilling of the 350 Fault zone suggests that it is made up of a series of faults in a northerly trending zone approximately 80 m wide. These faults offset the favourable siltstone-limestone contact area approximately 100 m to the north.

The 650 Fault Zone is an area where detailed geologic and structural modelling has shown a northward stepped displacement of the Conrad limestone unit. Hole OS-17-236 was drilled across the northwest trending 650 Fault corridor and intersected four zones of high-grade gold including 27.43 m of 4.37 g/t gold and 42.67 m of 3.78 g/t gold. The four mineralized zones in this hole represent the interplay of the 650 Fault hosted mineralization with the strata controlled replacement-style Conrad Upper Zone mineralization.

Hole OS-17-238 at Conrad targeted an area of limited drilling within the 650 Fault corridor and returned high-grade siliciclastic-hosted rock with an interval of 12.50 m of 20.78 g/t gold near the top of the hole. Additional intervals of high-grade gold mineralization including 10.41 m of 7.15 g/t gold within OS-17-238 occur in fracture networks developed in the siliciclastic rock unit hosted in the 650 Fault corridor.

Strong fluid alteration characteristics were observed in association with high-grade mineralization in hole OS-17-241 which intersected 5.60 m of 14.46 g/t gold, at the faulted contact between the limestone and siltstone units in association with the 650 Fault corridor. Broader intersections of mineralization, as found in hole OS-17-245 which returned 18.10 m of 2.56 g/t gold, are the result of lateral migration of the mineralization fluids away from the fault corridors along favourable horizons within host rocks.

Holes OS-17-257 and OS-17-259 targeted the 650 Fault corridor at the structural intersection with the Nadaleen Fault and returned 121.19 m of 9.44 g/t gold and 25.91 m of 5.44 g/t gold respectably.

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

(iv) Sunrise Zone

The Sunrise Zone is located 300 m east of the Osiris anticline hinge zone. Mineralization at Sunrise occurs as sub-parallel tabular bodies that dip steeply south. Gold mineralization at the Sunrise Zone extends for a strike length of 215 m and remains open along strike and at depth.

Since the original discovery of the zone in 2012, a total of 6,654 m of drilling in 29 holes has been completed.

The primary objective of the 2017 drilling at the Sunrise Zone was to systematically step-out from previously defined mineralization and to test the wide gaps between previous drill holes and to extend the zone at depth. The initial 2017 Sunrise holes successfully extended gold mineralization at depth. Hole OS-17-249 was drilled on the eastern side of the zone and returned high-grade intersections of 10.42 m of 7.97 g/t gold and 15.24 m of 13.52 g/t gold. Results from hole OS-17-249 included the best gold intersection to date at Sunrise. The final hole drilled at Sunrise in 2017, OS-17-254, returned two intervals of gold mineralization including 5.93 m of 4.50 g/t gold and 13.68 m of 4.55 g/t gold. These results are consistent with hole OS-17-249, located 100 m to the east, as both holes show a bifurcation of the mineralized zone and an elevated gold grade with depth.

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

(b) **Orion Project**

The Orion project covers an area of 780 km² and occupies the central third of the Rackla Gold property and is subject to a \$55 million earn-in agreement with Barrick Gold Corporation. The project hosts the 18 km² Anubis cluster and contains the Orion and Anubis gold Zones. The 18 km² geochemical footprint identified by ATAC in the Anubis area including peripheral occurrences of high-grade silver-lead-zinc and gold mineralization suggests the area has been exposed to a very large Carlin-type mineralizing event.

Geochemical anomalies occur in clusters in the Orion project area along a regional scale northwest-trending extensional fault system. Trenching and geochemical sampling has outlined a cumulative 8 km strike length of anomalous and potentially mineralized fault structure with well developed, gold bearing Carlin-type hydrothermal alteration in adjacent rocks.

A total of nine priority exploration targets have been identified for future drilling within the Orion project area, namely, the Anubis, Ana, Hydra, Draco, Dorado, Orion, Zodiac, Columba and Corona showings.

Barrick Transactions

By agreement dated April 7, 2017, ATAC entered into a number of transactions with Barrick consisting of a maximum investment by Barrick of \$63.3 million. The transactions included a

staged option to Barrick to acquire up to a 70% interest in the Orion project and a tax-assisted structured private placement. Each of the transactions is summarized below:

(i) Earn-In and Joint Venture

Under the earn-in agreement dated April 7, 2017, (the “Option Agreement”) ATAC granted Barrick a two-staged option to acquire a 70% interest in the Orion project. Stage 1 of the earn-in requires Barrick to incur exploration expenditures of \$35-million over five years to acquire a 60% interest in the Orion project. Stage 1 expenditures include a \$10-million guaranteed exploration commitment over the first three years.

Under the terms of the earn-in agreement, one or more senior members of the Barrick exploration team will be seconded to the Orion project and provide technical assistance and expertise to ATAC.

Once Barrick has acquired a 60% interest in the project, ATAC and Barrick will form a joint venture. Under the joint venture, Barrick will be granted the Stage 2 option to acquire an additional 10% interest in the Orion project by incurring an additional \$20 million in exploration expenditures on the project. If Barrick does not exercise its right to acquire the additional 10% in the joint venture, ATAC will have the right to purchase a 10.1% interest in the project from Barrick, resulting in ATAC and Barrick joint venture interests of 50.1 per cent and 49.9 per cent, respectively.

If either of ATAC’s or Barrick’s joint venture interest is reduced to 10% or less, that party’s interest in the Orion project will convert to a sliding-scale net smelter return royalty on gold. The royalty will be adjusted for changes in gold price and cumulative gold production from the Orion project. The net smelter return royalty will range from 1% to 3% with no buyout provision.

Each stand-alone gold deposit within the Orion project area will be subject to the same sliding scale net smelter return royalty, but the cumulative gold production amount will be reset to zero for each new deposit. Silver will be subject to a 2% fixed net smelter return royalty, and all other commodities will be subject to a 1% fixed net smelter return royalty. Neither of the fixed royalties will have a buyout.

(ii) Private Placement

Included in the transactions with Barrick was a tax-assisted structured private placement of \$8.3 million. See “Liquidity and Capital Resources” for additional information. The proceeds from the private placement were used by ATAC to partially finance the 2017 exploration program at the Osiris and Rau projects, which are not subject to the Barrick earn-in agreement.

(iii) 2017 Exploration Program by Barrick

The primary objective of Barrick’s first exploration program was to systematically establish a surface and sub-surface geologic and structural framework for identifying favourable rocks. The following work was completed on the Orion Project in 2017 to support this objective: (i) detailed mapping, prospecting and trenching; (ii) extensive rock, soil and stream sediment sampling; (iii)

diamond and rotary air blast “RAB” drilling; and, (iv) ground based gravity survey and Lidar terrain mapping.

The mapping program resulted in a detailed classification of the Paleozoic stratigraphy and a refined understanding of the complex structural environment. The sampling program expanded coverage over known Paleozoic stratigraphy that had not previously been assessed. As part of this program, representative samples were collected for the purposes of geochemical classification of lithology and the identification of alteration suites.

Thirty-two RAB holes totalling 1,532 m were completed on the Orion Project in 2017. The RAB drilling tested the stratigraphy, alteration and the mineralizing potential of bedrock within overburden covered areas. The Pyramid target area was a particular focus of the RAB drilling as little was known about the geological environment as it is located in an area of low relief and significant surface cover.

Four stratigraphic diamond drill holes totalling 2,503 m were drilled in 2017. The holes were positioned specifically outside known mineralization and pathfinder soil geochemical anomalies in order to obtain an unaltered view of the Orion area stratigraphy. Although drilling occurred outside of the known mineralization and pathfinder footprint, favourable Carlin-type observations included: anomalous gold and elevated pathfinder elements (As, Sb, Hg and Tl) in holes three and four highlighting the prospective nature of both of the Anubis and Northern faults along their westward mapped extensions; and, several debris flow packages and turbidite sequences identified in holes two, three and four confirming important slope facies environments exist throughout the Paleozoic sequence at Orion.

An approximately 50 km² ground-based gravity survey was conducted between the Anubis and Pyramid target areas in 2017 to assist in the identification of structures and characterization of rocks within covered terrain. A fixed-wing based Lidar survey was also conducted to provide better ground control and to improve the identification of geologic contacts and structures below tree line. Preliminary interpretation of results from the gravity survey indicate good consistency with the regionally mapped geologic units while posing some alternative structural geometries of buried units within the Anubis Fault corridor.

Results from all of ATAC’s work on the Orion project area can be viewed on ATAC’s website at www.atacresources.com.

(c) Rau Project

The Rau project lies at the western end of the 185 km long Rackla Gold property 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 project occurs within a highly prospective geological setting, situated between the regional scale Dawson and Kathleen Lakes Fault Zones. Mineralization styles within the Rau project 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.

The objectives of the 2017 exploration program on the Rau Project were to improve the knowledge base related to existing targets along trend from the Tiger Deposit, evaluate untested soil anomalies and gain a better understanding of the broad controls on mineralization within the district.

Assays of 17.00 g/t gold, 9.46 g/t gold and 23.3% zinc from grab samples were collected at the Condor target (located 1.5 km northwest of the Tiger Deposit) while grab samples returning 8.18 g/t gold, 6.35 g/t gold and 3.90 g/t gold were returned from the Panther target (located 3 km northwest of the Tiger deposit). These high-grade results from the Condor and the Panther confirm the potential for carbonate-replacement style gold mineralization along trend from the Tiger Deposit.

Exploration in 2017 resulted in the identification of the Spotlight and Northwest target areas through the follow-up of anomalous gold and arsenic in soil. Assays of 4.63% copper and 7,080 g/t silver were returned from grab samples collected as part of a prospecting program on the Spotlight target area. Assay values of 1.43 g/t gold and 4.14 % zinc from grab samples collected at the 7.5 km² Northwest target area suggest the potential for the discovery of additional mineralized zones.

A desktop evaluation of the district-scale potential for intrusive-related mineralization was also completed in 2017 through the reinterpretation of existing geochemical and geophysical data sets. The results of this work suggested the potential for three distinct intrusive centres beneath the Rau Project based on characteristic intrusive-related geochemical signatures correlated with areas of anomalous magnetic response.

Of the three intrusive centres identified, one correlates with the known location of the Rackla Pluton and is believed to be related to the development of gold mineralization at the Tiger Deposit. A second intrusive centre is located approximately 5 km to the north of Tiger in the area of the Blue Lite skarn target and the recently identified Spotlight target. The third intrusive centre is located approximately 14 km to the west of Tiger, in the vicinity of the Now target and just south of the Northwest target area. All three intrusive centres will be further evaluated during the 2018 field program.

(i) 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 north-westerly trending body of carbonate-replacement style gold mineralization hosted by a moderately northeast dipping karsted limestone horizon. On June 14, 2016, ATAC filed an updated preliminary economic assessment report for the Tiger Deposit entitled "Technical Report and Preliminary Economic Assessment for the Tiger Deposit, Rackla

Gold Project, Yukon Territory, Canada” (the “2016 PEA”) with Canadian securities regulators. A full copy of the 2016 PEA can be viewed under the ATAC profile on SEDAR (www.sedar.com).

The highlights from the 2016 PEA are summarized below:

- 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;
- The 2016 PEA extends the mine life from 4 years to 6.2 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.

For a more detailed discussion related to all aspects of the 2016 PEA, the reader is referred to the ATAC MD&A document for the twelve months ended December 31, 2016, as filed with Canadian securities regulators on March 30, 2017 under the ATAC Resources Ltd. profile at www.atacresources.com.

Drilling of the sulphide portion of the Tiger Deposit in 2017 was designed to confirm gold grade and continuity of the sulphide resources and expand the areas of known sulphide mineralization. Eight drill holes targeted sulphide gold mineralization and all returned significant mineralized intercepts.

Drill holes RAU-17-151 through 156 targeted mineralization along the western edge of the existing sulphide resource, while holes 157 and 158 were drilled to add confidence to sulphide grade. RAU-17-156 returned 56.77 m of 4.08 g/t gold including 9.14 m of 8.07 g/t gold with the three phases of sulphide mineral development present in the hole. This hole demonstrates the continuous, high-grade potential of the sulphide mineralization where previous drilling was widely spaced.

Hole RAU-17-159 targeted near-surface oxide mineralization on the eastern side of the Tiger Deposit and returned a high-grade intersection of 51.82 m of 5.66 g/t gold.

Tiger East Anomaly

Prospecting in 2016 of an underexplored gold-in-soil geochemical anomaly returned numerous samples with significant gold-in-rock values. Ten out of 21 oxide float composite grab samples collected over a 150 m long area at the Tiger East Anomaly returned values greater than 1 g/t gold with the most notable sample returning 18.30 g/t gold.

Three drill holes targeted the Tiger East Anomaly in 2017. RAU-17-160 returned 21.34 m of 2.59 g/t gold including 3.05 m of 9.97 g/t gold within a strongly oxidized interval of dolomitized limestone. Hole RAU-17-161 was drilled outside the apparent alteration and mineralized zone while RAU-17-162 was terminated short of its target due to mechanical issues with the drill. Future drilling is warranted at Tiger East.

Additional prospecting and mapping was conducted in 2017 near the Tiger Deposit and throughout the Rau Project. Results from this program are pending.

Tiger Tote Road

Permitting and Consultation

Access to the Rau project and Tiger Gold Deposit, 55 km northeast of Keno City, would be by means of a tote road. 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 project. The total length of the tote road would be approximately 65 km and would consist of 51 km of new road and 17 km of upgraded pre-existing winter road.

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. Details of these consultations can be found on ATAC’s website.

On May 3, 2017, the Yukon Environmental and Socio-Economic Assessment Board recommended to the Yukon Government and NNDNFN that the Tiger Tote Road project be allowed to proceed with certain terms and conditions. On March 2, 2018, the Yukon Government and NNDNFN issued a Consolidated Decision Document stating that the Tiger Tote Road would be allowed to proceed.

Environmental and Community Engagement

Since 2008, ATAC has completed comprehensive water, heritage, wildlife and fisheries studies related to the tote road permitting and consultation process. ATAC will continue environmental baseline work and ongoing studies as it advances the Tiger Deposit and other targets throughout the Rackla Gold property.

Community and First Nation engagement began in 2008, and an Exploration Cooperation Agreement with the NNDNFN was in operation from 2010 to 2016. The Exploration Cooperation Agreement provided a framework within which exploration activities and environmental regulatory process on ATAC’s Rackla Gold property were carried out. ATAC anticipates that a replacement agreement will be in place prior to the 2018 exploration season. The Rackla Gold property lies exclusively within the Traditional Territory of the NNDNFN.

(ii) 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 project. 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.

2018 Exploration Program

The proposed exploration program by ATAC for 2018 has been budgeted at approximately \$6.35 million and will include 10,000 m of diamond drilling. The multi-phase program will focus on or expand high grade gold mineralization at existing zones within the Osiris and Rau project area. All 2018 work in the Orion project area will be funded by Barrick. Field programs are expected to begin in late May of 2018.

2. Dawson Gold Project

On August 19, 2016, ATAC sold its 50% interest in the Dawson Gold Project to Arcus Development Group Inc. ("Arcus"). As consideration, ATAC received 10,869,910 Arcus common shares and 5,000,000 share purchase warrants. The warrants may be exercised at a price of \$0.20 at any time prior to August 19, 2021. ATAC also retained a 1% net smelter return royalty interest in any future production from any of the four properties.

During the period August 5 and September 2, 2017, Arcus completed a 20 hole (2,880 m) reverse circulation drill program at the Dan Man property, one of the four properties originally comprising the Dawson Gold Project. The Dan Man property is located immediately north and adjacent to the Goldcorp Inc. Coffee project in the White Gold District of Yukon Territory. Results from 2017 drill program are available on the Arcus website (www.arcusdevelopmentgroup.com).

As of May 16, 2018, Arcus had not disclosed its plans for the 2018 exploration season.

3. 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.

In December 2016 and April 2017, approximately 260 claims were added to the Rosy Property. The newly staked claims cover recently lapsed claims that surround the core of the Red Mountain Molybdenum Deposit owned by Tintina Mines Ltd.

ATAC conducted a small exploration program in June 2017 to follow up on favourable results from 2016 and to evaluate the newly staked ground. Approximately 50 rock samples, 50 silts and 750 soil samples were collected. Results were consistent with those from samples previously collected on the property. No work is planned in 2018.

4. 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.

ATAC staked 48 new claims adjacent to the Connaught Property to connect all claims and to cover prospective ground to the south. A small geochemical survey and prospecting program was conducted in July 2017. Results were consistent with those from samples previously collected on the property. No work is planned in 2018.

5. 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 was carried out during the 2017 exploration field season and none is planned for 2018.

6. 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 was carried out during the 2017 exploration field season and none is planned for 2018.

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 May 9, 2018, ATAC announced a \$3,000,000 private placement. See “Liquidity and Capital Resources” 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 May 16, 2018, there were 139,911,877 ATAC common shares issued and outstanding.

Stock Options

As of May 16, 2018, ATAC had 12,095,000 outstanding stock options to acquire common shares as follows:

Number of Options Outstanding	Exercise Price	Expiry Date
1,905,000	\$0.75	February 3, 2019
1,550,000	\$0.75	January 23, 2020
2,010,000	\$0.31	January 21, 2021
250,000	\$0.76	June 7, 2021
2,965,000	\$0.55	May 26, 2022
3,165,000	\$0.55	February 1, 2023
250,000	\$0.53	March 1, 2023
12,095,000		

Warrants

As of May 16, 2018, 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, Powell River, 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
Julia Lane, Vancouver, B.C.	Vice President of Exploration
Matthew Keevil, Vancouver, B.C.	Vice President of Corporate Affairs

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